



FINANCE DEPARTMENT – PURCHASING AND CONTRACTING DIVISION

ADDENDUM #1

August 18, 2022

This addendum will be considered a part of the Consulting Services for Oversight and Compliance in Connection with the American Rescue Plan Act (“ARPA”) of 2021, RFP #222-194. Where provisions of this addendum differ from those of the original Contract Documents, this addendum will govern.

A. Questions and Answers:

1. Could the Consultant perform the work remotely, or are there specific tasks the City expects the Consultant to perform onsite?

Answer: A portion of the work could be completed remotely, but the City anticipates that some in-person meetings will be required for successful coordination with City staff and technical assistance to subrecipients.

2. Approximately how many City departments are/will be involved in ARPA-funded programs?

Answer: Approximately sixteen (16) – most City departments have received or will be involved in some type of ARPA program.

3. Approximately how many programs are/will be funded with ARPA funds?

Answer: Approximately sixty-four (64) individual projects. Many of these, however, can be aggregated by similar type work, e.g., Marketing or IT purchases, for example.

4. Approximately how many subrecipients are/will be receiving ARPA funds?

Answer: To date, there have been seven (7) subrecipients and additional subawards. We anticipate additional subrecipients within the grant period as more programs begin and the remaining award is allocated.

5. When did the City start allocating ARPA funds?

Answer: The City began allocating its ARPA funds shortly after it received its first tranche in June 2021.

6. Has the City submitted any reports related to the awarded ARPA funds?

Answer: *Yes.*

7. Does the City have documented policies, procedures, and internal controls for key City business functions, and does the City want the Consultant to review and ensure compliance with ARPA requirements?

Answer: *Yes, the City has general policies, procedures, and internal controls for key City business functions. Yes, the City expects the Consultant to review to ensure ARPA compliance.*

8. Was the City directly awarded ARPA funds by the Federal government, or are they pass-through from the County or State, or both direct and pass-through?

Answer: *Yes, direct.*

9. Did the City receive CARES Act Funds?

Answer: *Yes.*

If yes,

a. How much?

Answer: *Approximately \$3.5 million.*

b. Did the City have a consultant perform similar services as the RFP?

Answer: *No.*

c. Who performed those services?

Answer: *Not applicable.*

d. What were the fees and hours expended for those services?

Answer: *Not applicable.*

10. What is the budget for this engagement?

Answer: *\$110,000 total for a two (2) year period.*

11. Did the City elect the revenue loss standard allowance of \$10 million?

Answer: Yes.

12. The RFP references that, of the \$18 million in SLFRF award received by the City, \$14.1 million has been allocated. Would the City provide the following for each of the committed projects?
- Description
 - Assumed expenditure category
 - Estimated expenditure
 - Number of subrecipients (if any)
 - Review of project eligibility needed?

Answer: Please reference ARPA allocation information shared at the August 23, 2021, and July 5, 2022, City Council Meetings:

<http://www.sanmarcostx.gov/AgendaCenter/Search/?term=&CIDs=4,&startDate=06/01/2021&endDate=09/30/2021&dateRange=&dateSelector=>

13. Section VIII of the RFP, Special Provisions, states that the “Selected Contractor will be considered a subrecipient and held accountable to the same for oversight as a Recipient.” For similar engagements, our firm is working as a contractor. We would not anticipate exercising programmatic decision-making responsibilities – the key criteria for establishment of a recipient-subrecipient relationship. Rather, we would anticipate provided services within our normal business operations. Upon further consideration, would the City engage the selected consultant as a contractor?

Answer: A selected contractor will be considered a subrecipient as required by 2 CFR 200. See Section VIII, 1) ARPA Guidance, paragraphs 1 and 2.

14. Can the City provide a budget for this solicitation?

Answer: Refer to the answer to question #10 above.

15. Is the City’s ARPA Plan published? If not, please provide the Plan. If it is, please provide a link to the document.

Answer: The City of San Marcos is a Tier 2 award recipient of State and Local Fiscal Recovery Funds, by Department of Treasury’s definition, and is not required to submit a Recovery Plan.

16. Please provide an estimated number of projects/subawards to subrecipients that will be subject to monitoring.

Answer: Refer to the answer to question #4 above.

17. Does the City anticipate any new projects/subawards? If so, please provide an estimate.

Answer: Yes, the City estimates approximately five (5) to ten (10) new projects/subawards.

18. Can all work be performed remotely?

Answer: Refer to the answer to question #1 above.

19. What is the period of performance?

Answer: See Section I, paragraph 4 of the RFP.

20. Is there a need for any community outreach for future/contingent projects?

Answer: No.

21. Do you have a portal in place to receive applications?

Answer: No.

22. Can you confirm that the CITY COUNCIL RECOMMENDED FUNDING REQUESTS FROM APRIL 19 WORK SESSION contains the current allocation plan?

Answer: No, it does not contain the current allocation plan.

23. What accounting software is currently in place?

Answer: Tyler Munis ERP.

24. Does the City have a grants management system currently in place?

Answer: Yes, our Tyler Munis ERP includes a module for grants management; however, the City is not actively using this module.

25. Can the City clarify whether mentions of “public assistance” in Sections A.1.e.3-4 of the RFP are intended to exclusively reference the FEMA Public Assistance Program (FEMA-PA)?

Answer: This question is not relevant to this RFP as this RFP is only intended for ARPA work.

26. We understand that the City requested \$110,000 for an ARP Grant Consultant. Can the City confirm if this is the total funding allocated to provide the services outlined in the SOW?

Answer: Yes, the \$110,000 is for a period of two (2) years.

27. Would the City be agreeable to updating Attachment G to a Consulting Agreement, as the Agreement attached pertains to Professional Firms such as engineers and architects which the services being offered do not fall under those categories and are classified as consulting?

Answer: Attachment G is only a draft sample agreement and will be modified accordingly to meet the needs of a contract resulting from this RFP.

28. Regarding Attachment F to the captioned RFP, our firm has never been requested to fill out a “Disclosure of Lobbying Activities” form in prior proposal opportunities. [Our firm] does not participate in lobbying, nor is our firm a lobbying registrant. As such, could you please send some clarification on the purpose of the form in regards to this proposal or an example of a completed form for our reference?

Answer: This form is a federal requirement as a contract resulting from this RFP is funded by ARPA funds.

29. How has the City of San Marcos conducted its assessment of the community’s needs for ARPA funding – how have you gathered input?

Answer: The City used information gathered from previous studies, public input received by staff through various Council and board/commission meetings, and the public discussion at specific Council meetings. The City also intends to conduct a community survey to gauge overall community needs in order to target a future call for programs/projects.

30. What is the name of the financial management system that the City uses? Is that the same system which has a module for budgeting as well? For example, some common ones are Workday™, Oracle™, PeopleSoft™, JD Edwards™, or alternatively, a customized financial system.

Answer: Refer to the answer to question #23 above.

31. What is the name of the current grants management system that the City uses?

Answer: Refer to the answer to question #24 above.

32. Overall, in the written footer of each page of the RFP, there is language which reads, “Rev 12.01.2021” – which we believe means that the document was last revised in December 2021, approximately eight months ago. Has this RFP or a similar one been released prior to 7/25/22, and if so, would you share the current status of that earlier RFP? If the RFP has not been previously solicited, would you share the reason(s) that the current RFP was released at this time and not at any prior time?

Answer: “Rev 12.01.2021” is the latest revision date of our standard RFP template. RFP #222-194 is the first issuance for Consulting Services for Oversight and Compliance in Connection with the American Rescue Plan Act (“ARPA”) of 2021 as it was determined the services were needed by the City.

33. Page 13, Item VIII SPECIAL PROVISIONS, reads, *Selected Contractor will be considered a subrecipient and held accountable to the same oversight as the Recipient.* Has the City already made the decision that the successful Respondent must **itself register** and be a **Subrecipient of ARPA funds**, complete with a SAMs number?

Answer: Yes.

34. If the answer to the above question is “yes”, does the City interpret that it *cannot* use its usual and customary municipal processes for engaging a Vendor, or a Contractor – due to the anticipated *funding source* for this particular program? We ask because the City regularly engages firms without their necessarily being Subrecipients.

Answer: The City is using its usual and customary municipal processes; however, as a contract resulting from this RFP will be funded with federal funds, we must also comply with federal requirements. Hence, the requirement that the selected contractor will be considered a Subrecipient and held accountable to the same oversight as the Recipient will remain a requirement of this RFP.

35. If the answer to the previous question is “yes”, then would the City share how the successful Respondent will be evaluated as to its *own* performance – and what entity would be expected to audit and monitor the *Respondent*?

Answer: The City’s Finance Department will evaluate the successful Respondent’s performance.

36. Page 3 of SCOPE OF SERVICES, reads, *“The City of San Marcos is a municipality located in Central Texas, along one of the busiest interstate corridors, with a population of approximately 68,000.”* This means that the federal Community Development Block Grant (CDBG) program from the Department of Housing and Urban Development, today classifies the City as an “Entitlement Community” – and receives a direct funding allocation from Washington, DC, when, in prior years, the City would have received an *indirect* allocation from the State of Texas, likely TDHCA. Which department in the City of San Marcos is responsible for *monitoring* and *reporting* on the CDBG program?

Answer: This question has no relevance to this RFP as the ARPA program and CDBG program are two separate programs.

37. Overall, since there are two (2) HUD Region VI offices in Texas – 307 W. 7th Street, Suite 1000, **Forth Worth, TX** 76102; and 1301 Fannin Street, Suite 2200, **Houston, TX**

77002 – through which regional office does the City of San Marcos usually report, please?

Answer: This question has no relevance to this RFP as the ARPA program and CDBG program are two separate programs.

38. Page 6, Item 2b reads, *Firms will have prior governmental accounting or auditing experience. Respondent may provide their response as a partnership between an accounting and legal firm to ensure to cover the necessary services requested herein.* Would the City expect to contract with a **single** Firm for this RFP, even if that firm has subcontracting relationships with other important auditing and law firms? Or, would the City prefer to enter into **separate** contracts for each distinct expertise or discipline?

Answer: The City anticipates entering into a single contract. See Section VI.6)a of the RFP.

39. Page 7, Item 2 reads in the Evaluation Criteria, *Project Team – Ability to Assemble an Exceptional Team to Accomplish All Items in the Scope of Work.* We are greatly encouraged by this language and want to confirm: does the City believe that a “best-of-breed” approach from a number of professional service providers would be desirable/acceptable to the City in responding to this RFP? Stated another way, does a comprehensive solution suggest excellent resources from more than a single firm?

Answer: This evaluation criteria will be evaluated in the same manner for all Respondents, regardless of whether Respondents are a single firm, a partnership, or joint venture.

40. Page 10, Item 10 in part reads, MBE/WBE/Section 3 and F.2: Statement of Intent of MOB/WOB/Section 3 Utilization form (Attachment “E”, Exhibit 5.C); and also Page 32, Exhibit 5C: this question is related to the previous question about a single firm, rather than a “best-of-breed” approach: Is there an MBE/WBE participation goal or requirement for this solicitation?

Answer: No.

41. If there is an MBE/WBE requirement, does it translate to the Evaluation Criteria on Pages 6-7, where all 100 points have already been assigned?

Answer: There is no MBE/WBE requirement.

Specifically:

- a. If a Respondent does not describe *any* MBE/WBE participation, would that be grounds for the response to be rejected by the City?

Answer: No.

- b. If “Respondent A” has the same percentage MBE/WBE participation as “Respondent B”, would the two Respondents score the same on that part of the evaluation matrix?

Answer: Not applicable.

- c. If a “Respondent A” has a lower percentage MBE/WBE participation and a “Respondent C” has a higher percentage participation, does it matter at all – and would it benefit Respondent C in the City’s evaluation?

Answer: Not applicable.

42. Because ARPA or similar funding will be allocated to other municipalities in Hays County in addition to the \$18 million that City of San Marcos itself has been allocated, would the City wish to hear proposals on ARPA funding and project coordination with other municipalities and public entities that are nearby? Stated another way, are funding “silos” preferred or is “collaborative funding or reporting” considered valuable and of interest?

Answer: This RFP is issued for ARPA funds issued to the City of San Marcos.

43. There are new game-changing federal grants on **clean energy, climate** and even health care that, as of this writing, have not yet been signed into federal law by the President. Since the City of San Marcos owns its own electric utility SMTXU, and its water and wastewater utilities, does the City envision eventually applying for these *new* federal funds when they become available?

Answer: This question has no relevance to this RFP.

44. Has the City ever used an outside third-party grants resource before?

Answer: Yes.

45. If the answer to the previous question is “yes”, then, how long ago?

Answer: The City is currently using an outside third-party grants resource for other programs.

46. Is the City of San Marcos currently engaged with a third-party grants services provider – either for grant identification, grant writing, program implementation or program review?

Answer: Yes.

47. Approximately what number of full-time-equivalent (FTE) staff positions currently working in a grants-writing or grants-reporting capacity at the City – and do those positions report primarily through the Finance Department or another department?

Answer: The City currently employs three (3) staff members in grants-writing/grants-reporting positions which includes reporting to the Finance Department and City Manager's Office.

48. We think we understand that the City at one time had a grants-writer FTE for many years but no longer uses the same resource. Would you share how long your current grants staff has been working in the role at the City?

Answer: This question has no relevance to this RFP.

49. What is the expected start date for the contract?

Answer: The expected start date for the contract is within one (1) month following City Council approval of a contract.

50. What is the total budget expected?

Answer: Refer to the answer to question #10 above.

51. Do W/MBE firms that we may partner with have to be certified by the City of San Marcos or just the State of Texas as a W/MBE?

Answer: The City of San Marcos does not have its own W/MBE program.

52. What is the expected time frame for the scope of services?

Answer: Refer to the answer to question #49 above and Section I, paragraph 4 of the RFP.

53. What are your expectations of onsite work versus virtual work efforts?

Answer: Refer to the answer to question #1 above.

54. Does San Marcos currently have an incumbent firm that provides Grant Management services to the City?

Answer: Refer to the answer to question #45 above.

55. Please confirm if current compliance and procedures are in place for ARPA Tranche 1 funds.

Answer: Refer to the answer to question #7 above.

56. Item #14 on page 4 of the RFP asks for a technology solution for tracking funds. Please confirm the City does not currently have a Grant Management system in place and the proposer is to provide details and a quote for such a system within the proposal pricing.

Answer: Refer to the answer to question #24 above.

57. Page 9 “Proposed Approach Strategy and Schedule/Timeline has a 7-page limit. Approach, Strategy and Schedule/Timeline have a 1-, 3-, and 1-page limits respectively. Is this in addition to the 7 pages for the section or inclusive?”

Answer: Inclusive.

58. The Evaluation Criteria (page 7) requires a critical path schedule. May the respondent assume that the schedule itself is not included in any page count?

Answer: No, refer to Section IV, item 4), Schedule/Timeline.

59. Is there a specific format for Page 6 Minimum Qualifications or should these be included in a cover letter?

Answer: No, refer to Section IV.

60. Has a budget been allocated for the scope of services as defined on pages 4-6 of the RFP? If so, can you provide?

Answer: Refer to the answer to question #10 above.

61. Will the Vendor be engaged with other grant programs or federal, state, or local funding sources?

Answer: No, this RFP is issued for ARPA funds issued to the City of San Marcos.

62. On page 3 of the RFP, Section II. Scope of Services and Responsibilities, paragraph 3, it states “This RFP may result in on-demand contracts to mee the need for timely specific services.” Question: Will the on-demand contracts be issued as a change order to the awarded contract? If so, will additional funding be available based on the need and effort required to carry out the specific services?

Answer: Yes.

63. On page 3 of the RFP, Section II. Scope of Services and Responsibilities, paragraph 1, it discusses the \$18 million awarded to the City in ARPA funding, which consists of \$9.05

million in each tranche, 1 and 2. Will the selected firm be responsible in assisting the City in delivering projects and grant services in Tranche 1 and 2?

Answer: *Yes.*

64. Will the City accept individual experience of assigned Project Team members towards overall experience requirements?

Answer: *Yes.*

65. Does the City envision a long-term outsourcing or co-sourcing of these services/functions?

Answer: *The initial contract term will be for a period of two (2) years. Refer to Section I, paragraph 4 of the RFP.*

66. Does the City have a current provider(s) for these services?

Answer: *No.*

67. Does the City use grants management software? If yes, which one?

Answer: *Refer to the answer to question #24 above.*

68. In Attachment "E" Exhibit 5A, the City details expectations relative to Women and Minority-Owned Businesses (W/MBE) although the Evaluation Criteria don't appear to address W/MBE utilization. Could the City please clarify its W/MBE expectations and if W/MBE utilization will be factored into the evaluation process?

Answer: *Attachment "E", Exhibit 5A, Section G.b. Affirmative Action – Women- and Minority-Owned Businesses (W/MBE) lists the requirements for the Contractor. However, the City's evaluation criteria does not include W/MBE selection or participation.*

69. What are the City's expectations for on-site vs. remote delivery of the specified services?

Answer: *Refer to the answer to question #1 above.*

70. Does the City have expectations as to how necessary travel costs should be addressed?

Answer: *The Respondent is expected to account for this cost in their price proposal (Attachment "B") submitted as part of their proposal package.*

71. Are non-physical submissions allowed?

Answer: No. The City does not currently have the capability to receive submissions electronically. Refer to Section V of the RFP.

72. Are there any specific certificates required?

Answer: No.

73. Is there a specific format requested for the cost of the project?

Answer: Yes, Respondents are required to submit Attachment "B", Price Proposal Form.

74. What are your payment terms?

Answer: The City's payment terms are included the City's Standard Terms and Conditions which are referenced and a link included in Section VI, item 6)b of the RFP.

75. Is flood insurance required if the project is not in a FEMA area?

Answer: The City has not made a determination on a requirement for this beyond those of ARPA funding requirements.

76. In Section VIII, subsection 1 on page 13, of the RFP, you state that the "Selected Contractor will be considered a subrecipient and held accountable to the same oversight as the Recipient." Based upon our understanding of the Uniform Guidance, we do not believe the Selected Contractor would be deemed a subrecipient. We believe that the Selected Contractor would be considered a "Contractor" as defined in the Uniform Guidance. Would you amend the RFP to clarify that the Selected Contractor would be deemed a Contractor in accordance with the Uniform Guidance? As a privately owned accounting and consulting firm, we do not have audited financial statements and we would not want to enter into an agreement that would classify us as a subrecipient. We believe that if you make this requested change, it would increase competition and enable the City of San Marcos to receive proposals from many more qualified firms.

Answer: No. As a contract resulting from this RFP will be funded with federal funds, we must also comply with federal requirements. Hence, the requirement that the selected contractor will be considered a Subrecipient and held accountable to the same oversight as the Recipient will remain a requirement of this RFP.

Sincerely,

Veronica Bradshaw, CPPB, CTCM
Procurement Program Administrator