

REQUEST FOR QUALIFICATIONS

CONSTRUCTION MANAGER-AT-RISK SERVICES

RELATING TO THE INSTALLATION OF A NEW

STARBUCKS® OUTLET



Hilton Worldwide, Inc.

APRIL 10, 2015

REQUEST FOR QUALIFICATIONS

Construction Manager-At-Risk Services Relating to the Installation of a New Starbucks® Outlet

- ISSUE DATE: April 10, 2015
- DUE DATE: **11:00 a.m. on May 7, 2015** (“Submission Deadline”)
- INSTRUCTIONS: Submit ten (10) paper copies and one (1) electronic copy of your Statement of Qualifications on a flash drive. Submittals must be delivered in a sealed envelope in person, via mail or courier. **Please write “Starbucks Outlet” clearly on the outside of the sealed envelope.**
- SUBMIT TO: Tom Smyer, Capital Project Manager, Houston First Corporation (“HFC”), George R. Brown Convention Center, Fl. 2.0, 1001 Avenida de las Americas, Houston, Texas 77010. Submittals received by email or fax will be rejected. Due to ongoing construction, Respondents who intend to submit in person are strongly advised to arrive early.
- CONTACT INFO: Questions concerning this RFQ must be sent by e-mail to bids@houstonfirst.com no later than **noon on May 1, 2015**. Questions will be answered collectively, in the form of a Letter of Clarification, and made available online.

PURPOSE & OVERVIEW

Hilton Worldwide, Inc. (“Hilton”) requests Statements of Qualifications (“SOQs”) from highly-qualified construction management firms (“Respondents”) capable of providing pre-construction and construction phase services through the Construction Manager-at-Risk delivery method relating to the installation of a new Starbucks® outlet, as described herein.

BACKGROUND & PROJECT

The Hilton-Americas Houston Hotel is located in the heart of downtown Houston and connected to the George R. Brown Convention Center via two indoor skywalks. This premier Houston hotel is just steps away from Discovery Green Park, Toyota Center, BBVA Compass Stadium, and Minute Maid Park.

This project requires timely and cost-effective construction of a new Starbucks® outlet on the ground floor of the Hilton-Americas Houston Hotel, located at 1600 Lamar St., Houston, Texas 77010 (the “Project”).

HFC has or expects to retain **M. Arthur Gensler Jr. & Associates, Inc.**, a California corporation doing business in Texas as **Gensler** as its architect (“Architect”) for this Project.

PRE-SUBMITTAL CONFERENCE

A pre-submittal conference will be held for all prospective Respondents at **1:30 p.m. on April 29, 2015** in Meeting Room 380 at the George R. Brown Convention Center, located at 1001 Avenida de las Americas, Houston, Texas 77010. Submittals will be opened and read aloud at 1:00 p.m. on the Submission Deadline at the George R. Brown Convention Center, Fl. 2.0.

LETTERS OF CLARIFICATION

Any revisions to be incorporated into this RFQ arising from discussions before, during and subsequent to the pre-submittal conference will be confirmed in a written letter to all Respondents (“Letter of Clarification”) prior to the Submission Deadline. When issued, Letter(s) of Clarification shall automatically become part of this RFQ and shall supersede any previous specifications or provisions in conflict therewith. By submitting a response, Respondents shall be deemed to have received all Letters of Clarification and to have incorporated them into their response. Verbal responses will not otherwise alter the specifications, terms and conditions as stated herein. It is the sole responsibility of each Respondent to carefully monitor <http://houstonfirst.com/DoingBusinesswithHF.aspx> to ensure they receive any such Letter(s) of Clarification.

RFQ PACKETS

A complete copy of this RFQ, including attachments, necessary forms and other relevant information is available on-line at <http://houstonfirst.com/DoingBusinesswithHF.aspx>.

SCOPE OF WORK

The Respondent selected shall enter into a construction manager-at-risk contract for phased construction of the Project. Preconstruction and design-phase responsibilities of the CMAR shall include the following:

- General consultation during design including evaluating costs, schedule, site usage and improvements, alternative design and materials, constructability and value engineering items.
- Attending regular meetings with members of the project team.
- Developing and updating a constructability review report.
- Preparing and updating a project budget during the design phase.
- Coordinating and developing bid packages for each category or trade.
- At or near the completion of detailed design documents for the Project, the CMAR shall prepare and submit a Guaranteed Maximum Price (“GMP”) for approval.

During the construction phases of the Project, the CMAR shall solicit, award and enter into, as a general contractor, all subcontracts necessary and appropriate to provide all labor and materials for the work. The CMAR shall hold all subcontracts and shall be responsible for the means and methods of construction, project safety, compliance with applicable laws and regulations, and completion of the projects within the agreed-upon schedule. **The Respondent selected shall assume the risk of delivering the Project within the GMP.**

The estimated construction budget for the projects outlined in this RFQ is 1.4-1.6 million, subject to adjustment upon completion of schematic design and design development for the Project.

The selected Respondent may, with prior approval, self-perform work for which it is qualified.

MANNER OF SELECTION

This RFQ is the first step in a two-step process for selecting a CMAR. In the initial step, Respondents will review and rank every SOQ received based on the criteria set forth below:

- Pre-construction phase experience/reputation and ability to work as a team with an owner and architect (15 points)
- Commercial construction experience/reputation, including timely completion of comparable projects and demonstrable ability to work within budgets (40 points)
- Strengths of key individuals to be assigned to the project (35 points)
- Expected participation of Minority and/or Women-owned Business Enterprises (MWBES), or other recognized diversity subcontractors (10 points).

In the second step of the selection process, the shortlisted Respondents, not to exceed the top five in ranked order, will be asked to schedule an interview and submit a proposal. Shortlisted Respondents will be evaluated and ranked based on the following criteria:

- Approach to and understanding of CMAR or similar design-assisted projects demonstrated during the interview and presentation (30 points)
- Experience, reputation and chemistry of project team, including their anticipated workload and contribution to comparable, completed projects (40 points)
- Proposed fees (30 points)

Scores from phase one and phase two will **not** be combined.

The Respondent that submits the proposal offering the best value, based on the aforementioned selection criteria, and on its ranking evaluation, will be selected.

RESPONSE INFORMATION AND REQUIREMENTS

Statement of Qualification Format: Respondents should include the following information:

- **Transmittal Letter:** Include a brief statement summarizing Respondent's understanding of the work to be done. Make a statement agreeing to comply with the terms and conditions of the RFQ or state specific objections directly in the letter.
- **Profile:** Detail Respondent's history, methods, and strengths at meeting the needs of its clients. List ongoing projects involving the proposed project team, including location and approximate time frame for completion.
- **Experience:** Describe Respondent's specific experience building similar projects, including interior reconfiguration of occupied building space and working in congested sites while protecting occupants and the public. Provide three current references. Please use the "Project Summary" and "Business References" forms provided below.

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- **Project Team:** Describe the composition and experience of the team that will be assigned to the projects with a summary of their experience and qualifications. At a minimum, include the project manager, superintendent and the responsible executive or officer. Provide a simple organizational chart and resumes of all key personnel.
- **Diversity Participation:** Explain how the Respondent will meet or exceed the **thirty-four percent (34%)** Diversity Goal and identify all subcontractors/consultants. (See houstonfirst.com/DoingBusinesswithHF.aspx for forms and details).
- **Insurance:** Provide a sample insurance certificate meeting the minimum amounts and types of coverage set forth below.

Although there is no page limitation to the submittal, conciseness and clarity are appreciated.

RESTRICTIONS ON COMMUNICATIONS

From the date issued until the submission deadline, Respondents are directed not to communicate with Hilton, including its employees, agents and principals, regarding any matter relating to this RFQ, other than bids@houstonfirst.com and official representatives during the pre-proposal conference.

WITHDRAWAL

Submittals may be withdrawn only by a written request received by bids@houstonfirst.com prior to the Submission Deadline.

COSTS AND EXPENSES

In no event shall Hilton be responsible for costs incurred by anyone in the submittal of a statement of qualification or proposal, or for any costs incurred prior to the execution of a formal contract

NO OBLIGATION

Hilton reserves the right, should it deem necessary in its best interest, to do any or all of the following: (1) waive any irregularities in any of the submittals; (2) require additional or more detailed information from the respondents; (3) accept any submittal or portion of a submittal; and/or (4) reject any or all submittals and cancel the entire process.

TERMS AND CONDITIONS

By submitting a response to this RFQ, Respondent agrees, upon notice of selection, to enter into an agreement which will include, but not be limited to, the Terms and Conditions set forth below.

§1. Indemnification. CMAR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HILTON, HOUSTON FIRST CORPORATION, HOUSTON FIRST HOLDINGS LLC, AND THE VARIABLE ANNUITY LIFE INSURANCE COMPANY C/O AIG ASSET MANAGEMENT, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, "INDEMNITEES") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COPYRIGHT INFRINGEMENT, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, AS WELL AS FOR ALL LIABILITY FOR DAMAGES OR OTHER RELIEF ARISING UNDER FEDERAL OR STATE EMPLOYMENT LAWS RELATING TO OR INVOLVING PERSONNEL EMPLOYED BY CMAR INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY OR RELATING TO: CMAR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY, "CMAR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS; THE INDEMNITEES' AND CMAR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CMAR IS IMMUNE FROM LIABILITY OR NOT; AND INDEMNITEES' AND CMAR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CMAR IS IMMUNE FROM LIABILITY OR NOT.

CMAR SHALL DEFEND, INDEMNIFY, AND HOLD THE INDEMNITEES HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CMAR SHALL NOT INDEMNIFY THE INDEMNITEES FOR THEIR SOLE NEGLIGENCE. CMAR SHALL REQUIRE ALL OF ITS CONTRACTORS AND SUBCONTRACTORS TO RELEASE AND INDEMNIFY THE INDEMNITEES TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE INDEMNITEES.

§2. Indemnification Procedures. If Indemnitees or CMAR receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following: (1) a description of the indemnification event in reasonable detail, (2) the basis on which indemnification may be due and (3) the anticipated amount of the indemnified loss.

This notice does not prevent Indemnitees from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If Indemnitees do not provide this notice within the 10-day period, they do not waive any right to indemnification except to the extent that CMAR is prejudiced, suffers loss, or incurs expense because of the delay.

CMAR may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably qualified. CMAR shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, CMAR must advise Indemnitees as to whether or not it will defend the claim. If CMAR does not assume the defense, then Indemnitees shall assume and control the defense, and all defense expenses constitute an indemnified loss.

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If CMAR elects to defend the claim, then Indemnitees may retain separate counsel to participate in, but not control, the defense and to participate in, but not control, any settlement negotiations. CMAR may settle the claim without the consent or agreement of Indemnitees unless it would result in injunctive relief or other equitable remedies or otherwise require Indemnitees to comply with restrictions or limitations that adversely affect Indemnitees; would require Indemnitees to pay amounts that CMAR does not fund in full; or would not result in the full and complete release of Indemnitees from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

§3. Release. CMAR AGREES TO AND SHALL RELEASE HILTON, HOUSTON FIRST CORPORATION, HOUSTON FIRST HOLDINGS LLC, AND THE VARIABLE ANNUITY LIFE INSURANCE COMPANY C/O AIG ASSET MANAGEMENT, THEIR AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY, "INDEMNITEES") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNITEES' CONCURRENT NEGLIGENCE AND/OR THE INDEMNITEES' STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY AS WELL AS FROM ALL LIABILITY FOR DAMAGES OR OTHER RELIEF ARISING UNDER FEDERAL OR STATE EMPLOYMENT LAWS RELATING TO OR INVOLVING PERSONNEL EMPLOYED BY CMAR UNDER THE AGREEMENT.

§4. Insurance. With no intent to limit CMAR's liability under indemnification provisions set forth herein, CMAR shall, at its sole cost and expense, shall obtain and maintain the types and amounts of insurance:

Commercial General Liability, including Contractor's Protective, Broad Form Property Damage, Contractual Liability, Explosion, Underground and Collapse, Bodily Injury, Personal Injury, Products and Completed Operations	Combined single limit of \$2,000,000 per occurrence, subject to a general aggregate of \$2,000,000; Products and Completed Operations \$1,000,000 aggregate
Automobile Liability Insurance	\$1,000,000 combined single limit including Owned, Hired, and Non-Owned and Auto Coverage
Workers' Compensation	Statutory for Workers' Compensation. CMAR is not allowed to self-insure Workers' Compensation
Employer's Liability	Bodily Injury by accident \$1,000,000 (each accident) Bodily Injury by Disease \$1,000,000 (policy limit) Bodily Injury by Disease \$1,000,000 (each employee)
Owner's and Contractor's Protective Liability	\$1,000,000 combined single limit
Excess Coverage	\$1,000,000 each Occurrence/combined aggregate in excess of limits specified for Employer's Liability, Commercial General, and Auto Liability

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The issuer of any policy shall have a Certificate of Authority to transact insurance business in the State of Texas or have a Best's rating of at least A- and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide, Property-Casualty United States.

Endorsements. Each policy, except those for Workers' Compensation and Employer's Liability, must include an additional insured endorsement in favor of Hilton and Houston First Corporation.

Subrogation. Each policy must contain an endorsement waiving any claim or right in the nature of subrogation.

Premiums and Deductibles. Architect shall be solely responsible for payment of all insurance premiums hereunder. Architect shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for same.

Primary Insurance. Each policy hereunder, except Worker's Compensation and Professional Liability, shall be primary insurance to any other insurance available to the Additional Insured with respect to claims arising hereunder.

Endorsement of Primary Insurance. Each policy, except Workers' Compensation policies, must contain an endorsement that the policy is primary insurance to any other insurance available to the additional insureds with respect to claims arising hereunder.

Liability for Premium. CMAR is solely responsible for payment of all insurance premium requirements.

Subcontractor Insurance Requirements. CMAR shall require its subcontractors to provide proof of Commercial General Liability, Workers' Compensation, and Employer's Liability coverage that meets all the requirements of section.

§5. Diversity Commitment. CMAR shall make good faith efforts to award subcontracts equal to 34% of the value of this Agreement to certified, diverse suppliers of goods and services in accordance with the Diversity Program established by Houston First Corporation, which is incorporated herein by this reference. CMAR shall disclose to Hilton the manner and extent to which it has made good faith efforts to achieve such goal and submit reports on forms provided by Hilton with each invoice, or as directed.

§6. Payment and Performance Bonds. CMAR shall furnish statutory payment and performance bonds equal to 100% of the construction budget on forms approved by Hilton.

§7. Termination for Convenience. The agreement may be terminated by Hilton with or without cause upon 30 calendar days' written notice to CMAR.

§8. Suspension and/or Interruption of Work. CMAR acknowledges that the Project site will be occupied throughout the course of the work and that Project work will be subject to suspension, delay or interruption and represents that it has anticipated same in the preparation of the GMP. CMAR agrees that Hilton may suspend, delay or interrupt the services of the CMAR in the manner and to the extent as Hilton may determine in its sole, but reasonable discretion.

PROJECT SUMMARY

All submitted projects must have been completed within 10 years of the RFQ date or be under construction currently. Projects must have been administered primarily by the local office.

Name of Project: _____

Location: _____

Owner: _____

Contact: _____

Email: _____

Phone: _____

Project Description:
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Date Completed: _____

Total Months of Construction: _____

Total Construction Cost (optional): _____

Total Square Footage: _____

Type of Construction (check all that apply to this Project)

<input type="checkbox"/> Interior Renovation	<input type="checkbox"/> Retail Outlet _____ SF
<input type="checkbox"/> Renovation of Occupied Space	<input type="checkbox"/> Congested Site

MWBE/HUB % Goal: _____

MWBE/HUB achieved %: _____

BUSINESS REFERENCES

Three business references should be provided in the spaces below. Respondents may, but are not required to, submit letters of reference in addition to the information provided herein.

– REFERENCE 1 –

Business Name: _____

Address: _____

Contact Name/Title: _____

Phone Number: _____ Email address: _____

Description of Services: _____

– REFERENCE 2 –

Business Name: _____

Address: _____

Contact Name/Title: _____

Phone Number: _____ Email address: _____

Description of Services: _____

– REFERENCE 3 –

Business Name: _____

Address: _____

Contact Name/Title: _____

Phone Number: _____ Email address: _____

Description of Services: _____
