



DATE: August 13, 2020
SUBJECT: Second Letter of Clarification
RE: Executive Search Firm RFP
TO: All Prospective Proposers

Houston First Corporation (“HFC”) issues this Second Letter of Clarification regarding the referenced Executive Search Firm RFP to make certain clarifications to the RFQ and answer questions timely received in the manner set forth below:

CLARIFICATIONS

As many of the questions submitted pertain to matters addressed in the RFP, the Executive Search Services Agreement, and the Letter of Clarification issued August 12, 2020, HFC would like to remind all potential proposers to carefully review each such document, complete copies of which are available online at <https://www.houstonfirst.com/do-business>, under the “Project” column.

This solicitation is for the selection of an Executive Search Firm based on the weighted criteria provided in the RFP. HFC has not asked firms to provide job descriptions or candidate profiles with their proposals. The initial task of the firm selected (i.e., the search firm awarded a contract as a result of this RFP) will be to develop position-specific qualifications and related requirements, in cooperation with HFC.

QUESTIONS

Question 1: Will HFC accept proposals sent by a delivery service, such as FedEx, in addition to personal delivery?

Answer: Yes, provided that the proposals are received by HFC prior to the Submission Deadline (i.e., 2:00 p.m. on August 18, 2020). Additionally, though delivery by mail is preferred, Proposers who wish to personally deliver their proposal are asked to do so on August 18, 2020 only, on the second floor of Partnership Tower between 9:00 a.m. and 2:00 p.m., as hours of operation are limited.

Question 2: Has the due date for submission of a proposal been extended?

Answer: No.

Question 3: Is there any registration requirement (e.g., WBE, HUB) that a proposer needs with either the City of Houston or the State of Texas to be considered?

Answer: No.

Question 4: With regard to the service commitment, is HFC looking for a guarantee for the whole duration of the term, or will HFC consider firm-specific guarantees?

Answer: HFC expects Proposers to make their best offer in terms of their commitment to provide perform additional services at no cost if an executive is terminated or resigns. (Please refer to the Service Commitment subsection on page 2 of the RFP.)

Question 5: When does HFC anticipate completing its evaluation and notifying proposers of the firm selected?

Answer: Though only an estimate, HFC expects to have finalized a selection and notified all proposers by late September 2020.

Question 6: How many awards does the HFC anticipate making?

Answer: HFC expects to award a single contract to the Proposer offering the best value to HFC, as measured by HFC utilizing the RFP evaluation criteria. (Please refer to the Evaluation section on page 3 of the RFP.)

Question 7: Is there a required percentage for subcontractor participation?

Answer: No. (Please refer to Question 9 of the Letter of Clarification issued August 12, 2020.)

Question 8: Are job descriptions and salary ranges included for this RFP, and are they expected to be included with proposals?

Answer: No.

Question 9: Does HFC plan to conduct reference checks on the search firms and, if so, how and when might that occur?

Answer: Please refer to the Proposal Format criteria provided beginning on page 2 of the RFP. Evaluation of the proposals received will begin immediately upon receipt of proposals.

Question 10: What information should we include with our proposal?

Answer: Please refer to the Proposal Format criteria provided beginning on page 2 of the RFP. All information necessary to submit a proposal has been included in the RFP.

Question 11: What is the current annual revenue of HFC?

Answer: Reports are at <https://www.houstonfirst.com/information/financial-reports>.

Question 12: How has COVID impacted revenue?

Answer: The pandemic has had a significant impact on HFC, like all other members of the travel, meeting, and hospitality sectors.

Question 13: Has a search committee been formed?

Answer: No.

Question 14: What is the anticipated annual and total spend for this contract?

Answer: No budget has been established. (Also, please refer to Question 1 of the Letter of Clarification issued August 12, 2020.)

Question 15: What is the budget range for base salary/bonus/relocation package/benefits for the President position?

Answer: No budget has been established. (Also, please refer to Question 1 of the Letter of Clarification issued August 12, 2020.)

Question 16: Do candidates for the president position need turnaround or restructuring experience?

Answer: No.

Question 17: Do candidates for the president position need experience working for the City of Houston?

Answer: No.

Question 18: Are there any internal candidates that will be being considered for the President?

Answer: HFC expects that both internal and external candidates may be considered.

Question 19: If applicable, who is the incumbent for these services and for how long have they served the Houston First Corporation in this capacity?

Answer: An Acting President & CEO was appointed in early August who is expected to serve until a permanent candidate can be confirmed.

Question 20: What is the anticipated compensation structure and range you have budgeted for the new President?

Answer: No budget has been established. (Also, please refer to Question 1 of the Letter of Clarification issued August 12, 2020.)

Question 21: Will HFC cover candidate expenses for the interview process?

Answer: Yes, though HFC may establish a limit for such expenses. HFC expects logistical assistance from the firm selected. HFC does not intend to require the search firm selected to absorb travel costs for position candidates.

Question 22: Is there a budget for the candidates to travel for in-person interviews?

Answer: No budget has been established.

Question 23: What is the total budget the President will be responsible to manage?

Answer: The 2021 budget is being prepared currently.

Question 24: How many direct reports will the President have?

Answer: Position-specific details will be reviewed and discussed with the search firm selected.

Question 25: Is there a preliminary job description that can be shared?

Answer: No.

Question 26: Will HFC consider using the firm selected as a result of this RFP for positions other than the President?

Answer: Yes.

Question 27: Will HFC agree to weekly billing rather than monthly invoicing?

Answer: No. Payments may be phased based on specific deliverables (e.g., preliminary tasks/job descriptions, candidate profiles, interviews, etc.), but no more than one invoice should be submitted per calendar month.

Question 28: Will HFC agree to modify §11 of the Executive Search Services Agreement to include mutual indemnification?

Answer: No. Proposers are reminded that HFC is a local government corporation.

Question 29: Will HFC agree to modify §7 of the Executive Search Services Agreement to include a firm-specific commitment to reperformance of services?

Answer: Yes. The Service Commitment section of the Executive Search Services Agreement is listed as "TBD" because the section is to be completed (by HFC) based on the Service Commitment offered by the search firm selected. (Please refer to the Service Commitment subsection on page 2 of the RFP.)

Question 30: Why is the services commitment language in §7 of the Executive Search Services Agreement not more specific?

Answer: The Service Commitment section of the Executive Search Services Agreement is listed as "TBD" because the section is to be completed (by HFC) based on the Service Commitment offered by the search firm selected. (Please refer to the Service Commitment subsection on page 2 of the RFP.)

Question 31: Will HFC agree to expand §10 the Executive Search Services Agreement to more broadly address firm concerns regarding confidentiality?

Answer: HFC will consider a modest expansion of the confidentiality section with the firm selected. Proposers are reminded, however, that HFC is a local government corporation and, being subject to the provisions of the Texas Public Information Act, cannot agree to

elaborate confidentiality clauses that may be common in the private sector. (Please refer to the Public Information section on page 4 of the RFP.)

Question 32: Will HFC agree to delete §14 of the Executive Search Services Agreement or agree to pay a penalty if the contract is cancelled?

Answer: No. HFC will not delete the Termination for Convenience section or agree to pay a penalty or liquidated damages in the event the Agreement is terminated.

Question 33: Will HFC agree to modify the Executive Search Services Agreement to limit the liability of the firm selected to the amount of fees paid by HFC?

Answer: No.

Question 34: Will HFC agree to modify the Executive Search Services Agreement to include a limitation of liability clause?

Answer: No.

Question 35: Is the Executive Search Service Agreement an exclusive contract to provide such services for HFC?

Answer: No. As stated in §16 of the Executive Search Services Agreement, services are non-exclusive.

Question 36: What are the payment terms for the firm selected?

Answer: Please review the Executive Search Firm Services Agreement. Note that §4 is listed as "TBD" because the section is to be completed (by HFC) based on the pricing offered by the search firm selected. (Please refer to the Pricing subsection on page 2 of the RFP.)

Question 37: Will respondents be disqualified or adversely impacted during the evaluation process if they were to submit exceptions to the HFC with their proposal?

Answer: Firms that submit a proposal despite being unwilling to accept the terms and conditions of the Executive Search Firm Services Agreement do so at their peril. As noted in the Form of Agreement section of the RFP, alternative terms, pre-printed forms, or other objections submitted by a Proposer shall be disregarded and may result in a Proposal being rejected, in the sole discretion of HFC, as they are deemed non-responsive. (Additionally, please refer to Question 9 of the Letter of Clarification issued August 12, 2020 and answers to question pertaining to legal terms in this Second Letter of Clarification.)

Letters of Clarification become a part of the RFP automatically upon issuance and supersede any previous specifications and/or provisions in conflict therewith. By submitting their Proposal, Proposers are deemed to have received all Letters of Clarification and to have incorporated them into their Proposal.