

*Q: Was there a formal, written response from Christopher Thornberg of Beacon Economics regarding the Charles Swenson study beyond what was referenced in the CAO/CLA report from November 7, 2011?*

A: No, to the best of our knowledge, Mr. Thornberg did not provide a formal, written response to the Swenson study.

*Q: Must the entire proposal submission, including cover letter and resumes, be limited to five pages?*

A: Yes, the entire submission must be limited to five pages. Regarding resumes, respondents are encouraged to briefly indicate the names and titles of staff envisioned to be assigned to the analysis and their experience *specific* to economic, fiscal and/or tax analysis. This brief discussion of staff is especially useful if the staff resumes were previously included in the firm's response to the Economic Analysis Panel RFQ.

*Q: Has the OEA changed the submission deadline of January 4, 2012?*

A: No, this is still the deadline based on the discussion about the timeframe that follows in the next question.

*Q: Is there any flexibility on the timeframe of the finished product?*

A: Completion of a product that is publicly available by March 23, 2012 is important because it is anticipated that elected officials and others involved in preparing the City's budget will need access to that information in order to make recommendations and decisions regarding the City's 2013 – 14 Budget.

*Q: Can OEA e-mail a list of the conference call participants to each of the other participants?*

A: Yes – an e-mail with the list of firms represented was sent out on December 21, 2011.

*Q: Does the City have a specific budget in mind to expend on the GRT analysis?*

A: No – we anticipate basing the budget on negotiations with the successful proposer. Proposers should include a fixed fee in their proposals and be aware that cost is but one factor in the review of the proposals submitted.

*Q: A successful GRT analysis will require timely information from the City family, including the CAO and the Office of Finance. Will the City be able to provide financial information timely?*

A: Our Office is aware of the substantial time constraints involved in both the proposal submission and the GRT analysis project. We have kept the Office of

Finance and other City offices apprised on deadlines and the urgency of responding to panelists. It should be noted that independent research and data collection is strongly encouraged; however, should the successful proposer need assistance reaching out to other City Offices during the formulation of the finished product, that proposer should contact OEA and we'll do our best to assist with coordinating distribution of needed information.

*Q: Given the substantial time constraints involved, is there a way that the City can expedite the process of engaging in a contract with the successful proposer?*

A: Proposers can smooth the process by ensuring that any contract compliance documents are appropriately filed with the City. OEA will expedite the process by writing "notice to proceed" language into the contract with the successful proposer that will allow the contractor to bill the City for work performed prior to contract ratification.

*Q: Is the payment for engagement based on time and materials, or is it a fixed price? Is there an upper limit on the proposal amount?*

A: The City will engage the successful proposer on a negotiated, fixed-price basis. There is no upper limit on the proposal amount.

*Q: Does the proposer's response need to include both the primary and secondary factors discussed in the RFB?*

A: As stated in the RFB, the primary factors should be approximately 50 percent of the analysis and the secondary factors would constitute the remaining 50 percent of the analysis. Firms may choose to include all primary, all secondary or a combination of both sets of factors, in addition to appropriate items based on the proposer's experience and what the proposer believes will provide the best information to the City.

*Q: How many presentations should a proposer assume in its fixed-price proposal? Can any of the meetings take place via phone call or teleconference?*

A: It is not possible for us to anticipate how many presentations will be required of the proposer. We can, however, indicate that it is typical for a major piece of City legislation to travel through multiple Council Committees before being voted on in full Council, which may require multiple sessions. Additionally, it is common practice for individual Council members to request briefings on major policy issues such as the potential elimination or reduction of GRT. These briefings are typically held with involved parties meeting in person at Council offices. Proposers should include the number of meetings they are willing to attend in their fixed-fee proposal, and how proposers will bill for and/or accommodate any meetings over the number included in the proposal. It should

be noted that it is the successful proposer's responsibility to defend its findings in Committee, Council and other meetings.

*Q: On page 2 of the RFB, under the list of "Primary Factors," second bullet regarding alternatives to the BTAC recommendation to phase out the GRT in four years, is the analysis of "specific recommendations on alternatives to this time line" intended to mean: (1) analysis of more than four years only; or (2) analysis of completely different alternatives, such as items #3 through #7 in the list on page 8 of the CAO/CLA's Nov. 7, 2011 memorandum to Jobs & Business Development Committee?*

A: The intent behind Primary Factor Bullet #2 is that the proposer would 1) offer alternative timeframes to the four-year phase-out and 2) identify the point of ideal balance between GRT reduction and job creation. It should be noted that the RFB states "factors to be incorporated in the Analysis of the proposed Project should include, but are not limited to, the areas in the two lists (Primary and Secondary Factors). Therefore, if a panelist is able to offer other proposed solutions to the phase-out of the GRT, such solutions are welcome and can be included in the proposal.