

**The Philadelphia Parking Authority**  
**701 Market Street, Suite 5400**  
**Philadelphia, PA 19106**

**RFP No. 24-29**  
**Bond Underwriter**  
**Addendum Two**

To: See Email Distribution List

From: Shannon Stewart  
Manager of Contract Administration

Date: November 13, 2024

No Pages: 2 plus Appendix A-C

This addendum is issued on November 13, 2024, prior to the proposal due date to add, delete, modify, clarify and/or to respond to questions submitted by Prospective Offerors regarding the work included in the above referenced solicitation.

**QUESTIONS**

- 1. Question:** Given the nature of the work required by underwriters and insurance requirements, we kindly request that a waiver be given to allow for the inclusion of the “Products/Completed Operations – Aggregate” in the required \$2,000,000 General Aggregate insurance. Our current insurance policy includes this coverage within the required \$2 million General Aggregate insurance and not listed as a separate item. If additional information is required, we are happy to provide but understand that responses to questions will be shared with all responders.

**Response: This exception has been waived for all Offerors.**

- 2. Question:** As an attachment we have provided edits to the insurance requirements. Notably, we cannot provide a Certificate of Insurance (or as noted in our edits, a Memorandum of Insurance) when responding to RFPs. Both a COI/MOI would not apply until written contract has been execute and therefore we will be providing a Summary of Insurance Coverage.

**Response: The edits to the Certificate of Insurance will not be accepted. Please see Appendix A for the attachment referenced in the question. All Offerors must provide a Certificate of Insurance or letter from their insurance broker with their RFP response. The Authority will not accept a Memorandum of Insurance.**

- 3. Question:** Can you please describe the anticipated security for the bonds including the pledged revenues? Specifically, what revenues besides the Jefferson Garage Revenues will be pledged to pay debt service?

**Response: The Authority intends to pledge operating revenues from our parking garages—internally referred to as Off Street revenue—as the primary source for debt service coverage. However, we welcome proposals that offer the most tangible, effective approaches to achieve optimal cost savings while enhancing our credit rating.**

- 4. Question:** Can you please provide an estimate of the annual revenues available for debt service that are expected to be generated from the project? Additionally, any information on historic revenues available for debt service from other sources pledged to pay debt service, if any, would be helpful.

**Response: Please refer to Appendix B - Debt Capacity Analysis of this addendum.**

5. **Question:** Is the City offering credit support to the project? If so, is it anticipated to be similar to the support provided for the Series 1999A bonds?

**Response: Please see response to Question 3.**

6. **Question:** Can the Parking Authority provide any type of parking revenue study and/or revenue projections? you please provide an estimate of the annual revenues available for debt service that are expected to be generated from the project? Additionally, any information on historic revenues available for debt service from other sources pledged to pay debt service, if any, would be helpful.

**Response: Please refer to Appendix B - Debt Capacity Analysis of this addendum.**

7. **Question:** Will the bonds have a similar credit structure to the 1999 Bonds whereby the Jefferson Garage Development would be defined under Facilities within the 1999 Indenture – thereby the DSRF is secured under the City Contract to make deficiency payments?

**Response: Please see response to Question 3.**

8. **Question:** Can the Parking Authority provide the 1999 Indenture?

**Response: Please refer to Appendix C - Amortization Schedules of this addendum.**

9. **Question:** Will the Authority please provide a description and history of the intended to be pledged revenues and related expenses (i.e., 10-year), as well as future projections?

**Response: Please see responses to Question 3 and 4.**

10. **Question:** Does the authority intend to issue the new 2025 bonds under an existing indenture or a new indenture? If under an existing indenture, will you please provide such indenture?

**Response: The Authority intends to issue the 2025 bonds under a new indenture.**

11. **Question:** Will you please describe any additional debt that the Authority plans to issue in the foreseeable future?

**Response: Please refer to Appendix B - Debt Capacity Analysis of this addendum.**

12. **Question:** Does the Authority intend to seek any form of guaranty from the City of Philadelphia or the Commonwealth of Pennsylvania? If so, please describe.

**Response: Please see response to Question 3.**

13. **Question:** Will the Authority please provide terms for the Tax-Exempt Private Placement Bonds, Series 2014AB and Series 2019 (i.e., maturity, amortization, rate, and call provisions)?

**Response: Please refer to Appendix C - Amortization Schedules of this addendum.**

14. **Question:** In relation to the Series 2014AB and Series 2019 Bonds, if available, will the Authority please provide relevant documents (such as an indenture)?

**Response: Please refer to Appendix C - Amortization Schedules of this addendum.**

15. **Question:** Can the Authority provide details (amortization, coupon, redemption provisions) and legal documents for its private placement issues?

**Response: Please refer to Appendix C - Amortization Schedules of this addendum.**

**END OF ADDENDUM TWO**

## Appendix A

# Requested Insurance Requirement Exceptions

THE PHILADELPHIA PARKING AUTHORITY  
RFQ NO. 24-29 BOND UNDERWRITER  
INSURANCE REQUIREMENTS

Prior to commencement of the contract and until completion of your work, **Company** shall, at its sole expense, maintain the following insurance on its own behalf, with an insurance company or companies having an A.M. Best Rating of “A-: Class VII” or better, and furnish to The Philadelphia Parking Authority (PPA) Certificates of Insurance evidencing same. Coverage must be written on an “occurrence” basis (exception – professional liability may be written on a “claims-made basis) and shall be maintained without interruption through the entire period of this agreement.

1. Workers Compensation and Employers Liability: in the State in which the work is to be performed and elsewhere as may be required ~~and shall include, where applicable, U.S. Longshoremen’s and Harbor Workers’ Coverage.~~

- a) Workers’ Compensation Coverage: Statutory Requirements
- b) Employers Liability Limits not less than:

Bodily Injury by Accident:	\$500,000 Each Accident
Bodily Injury by Disease:	\$500,000 Each Employee
Bodily Injury by Disease:	\$500,000 Policy Limit

2. Commercial General Liability: including Premises-Operations, Independent Contractors, Products/Completed Operation, Broad Form Property Damage, Contractual Liability (including Liability for Employee Injury assumed under a Contract), and Personal Injury Coverage.

- a) Occurrence Form with the following limits:

- (1) General Aggregate: \$2,000,000
- (2) Products/Completed Operations Aggregate: \$1,000,000
- (3) Each Occurrence: \$1,000,000
- (4) Personal and Advertising Injury: \$1,000,000
- (5) Fire Damage (any one fire): \$ 50,000
- (6) Medical Expense (any one person): \$ ~~5,000~~

- ~~b) General Aggregate must apply on a Per Location Basis as applicable.~~

- c) Owner must be named as additional insured as shown in requirement #8.

3. Automobile Liability: (Note: if no owned vehicles, show at least hired and non-owned coverage)

- a) Coverage to include:

- i. All Owned, Hired and Non-Owned Vehicles
- ii. Contractual Liability Coverage (including Liability for Employee Injury assumed under a Contract)

- b) Per Accident Combined Single Limit: \$1,000,000

- c) Owner must be named as additional insured as shown in requirement #8.

4. Professional (E&O) Liability Insurance with minimum acceptable limits of \$5,000,000 per claim and aggregate. Claims-made is acceptable, but if coverage is canceled, non-renewed or discontinued, ~~an Unlimited Extended Reporting Period (Tail) must be purchased by Contractor.~~

5. Cyber Liability Insurance with limits not less than \$5,000,000 per claim. ~~If **Company** is providing services that provide or include direct access to Client’s information technology systems or holding sensitive information Client, then the above Technology Errors & Omissions insurance shall also include: Network Security/Privacy and Privacy Notification Costs (Cyber) Insurance:~~

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INSURANCE REQUIREMENTS

~~Coverage for loss, disclosure and theft of data in any form; media and content rights infringement and liability, including but not limited to, software, copyright infringement; network security failure, including but not limited to, denial of service attacks and transmission of malicious code. Coverage shall include data breach regulatory fines and penalties, the cost of notifying individuals of a security breach, the cost of credit monitoring services and any other causally related crisis management expense for up to one (1) year. Coverage shall contain severability for the insured organization for any intentional act exclusions.~~

6. Deductibles or Self-Insured Retention's: **Company** is responsible to pay any and all deductibles and/or self-insured retentions that may apply to the required insurance.
7. Financial Rating of Insurance Companies:
  - a) A.M. Best Rating: A – (Excellent) or Higher
  - b) A.M. Best Financial Size Category: Class VII or Higher
8. The Philadelphia Parking Authority, its agents, employees, representatives, officers and directors individually and collectively, shall be added as ADDITIONAL INSUREDs on the policies as noted above. **Company's** coverage shall be primary and non-contributory to any other coverage available to Philadelphia Parking Authority, including, without limitation, coverage maintained by Philadelphia Parking Authority wherein Philadelphia Parking Authority is named insured, and that no act of omission shall invalidate the coverage.  
~~It is agreed that **Company's** insurance will not be cancelled, materially changed or non-renewed without at least thirty (30) days written notice to The Philadelphia Parking Authority, 701 Market Street, Suite 5400, Philadelphia, PA 19106, by Certified Mail Return Receipt Requested.~~
9. Waiver of Rights of Recovery and Waiver of Rights of Subrogation:
  - a) **Company** waives all rights of recovery against The Philadelphia Parking Authority and all additional Insureds for loss or damage covered by any of the insurance maintained by **Company** pursuant to this Contract.
  - b) **Company** and its respective insurance carriers hereby waive all rights of subrogation against The Philadelphia Parking Authority and all additional insureds for loss or damage covered by any of the insurance maintained by **Company** pursuant to this contract.
  - c) If any of the policies of insurance required under this Contract require an endorsement to provide for the waiver of subrogation set forth in b, above, then the named insured's of such policies will cause them to be endorsed.
10. The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the **Company**.
11. Any type of insurance or any increase in limits of liability not described above which the Authority requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
11. The carrying of insurance shall in no way be interpreted as relieving **Company** of any responsibility or liability under the contract.
12. Prior to the commencement of work or use of premises, **Company** shall file Certificates of Insurance with The Philadelphia Parking Authority, which shall be subject to The Philadelphia

THE PHILADELPHIA PARKING AUTHORITY  
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INSURANCE REQUIREMENTS

Parking Authority's approval of adequacy of protection and the satisfactory character of the insurer. ~~The Certificates of Insurance should be mailed within five days of receipt of these insurance requirements to The Philadelphia Parking Authority, 701 Market Street, Suite 5400, Philadelphia, PA 19106, regardless of when your work will start. Project description and Job Number must be shown on the Certificate of Insurance.~~

~~In the event of a failure of **Company** to furnish and maintain said insurance and to furnish satisfactory evidence thereof, The Philadelphia Parking Authority shall have the right (but not the obligation) to take out and maintain the same for all parties on behalf of **Company** who agrees to furnish all necessary information thereof and to pay the cost thereof to The Philadelphia Parking Authority immediately upon presentation of an invoice.~~

13. Failure of **Company** to obtain and maintain the required insurance shall constitute a breach of contract and **Company** will be liable to the Philadelphia Parking Authority for any and all cost, liabilities, damages, and penalties (including attorney's fees, court, and settlement expenses) resulting from such breach, unless the Philadelphia Parking Authority provides **Company** with a written waiver of the specific insurance requirement.
14. ~~None of the requirements contained herein as to the types, limits, or PPA's approval of insurance coverage to be maintained by **Company** are intended to and shall not in any manner, limit, qualify, or quantify the liabilities and obligations assumed by **Company** under the Contract Documents, any other agreement with the PPA, or otherwise provided by law.~~
15. If work involves subcontractors, **Company** shall require all subcontractors ~~(of every tier) to meet the same insurance criteria as required of **Company**. The subcontractor's insurance must name the PPA as additional insured. **Company** shall maintain each subcontract's certificate of insurance on file and provide such information to the PPA for review upon request.~~
16. Failure of **Company** to provide insurance as herein required or failure of PPA to require evidence of insurance or to notify **Company** of any breach by **Company** of the requirements of this Section shall not be deemed to be a waiver of any of the terms of the Contract Documents, nor shall they be deemed to be a waiver of the obligation of **Company** to defend, indemnify, and hold harmless the indemnified parties as required herein. The obligation to procure and maintain any insurance required is a separate responsibility of **Company** and independent of the duty to furnish a ~~copy or certificate of such insurance policies.~~