

**REQUEST FOR COMPETITIVE SEALED PROPOSALS (RFCSP)**

**Regarding the Provision and Delivery of Alternative Water Supplies**

**P-11-003-DS**

**ADDENDUM #1 – 5:00 pm (CDT)|March 8, 2013**

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**A. Introduction**

This addendum has been issued to change the volume and delivery date requirements as stated in the *REQUEST FOR COMPETITIVE SEALED PROPOSAL (RFCSP): Regarding the Provision and Delivery of Alternative Water Supplies (SAWS Solicitation No.P-11-003-DS)*, Section I, c. “Scope of Services.”

As a result of SAWS’ 2012 Water Management Plan (WMP) process, the System is, in relation to this RFCSP, seeking **up to 50,000 acre-feet of water per year beginning mid-2018**.

**B. Background**

On January 14, 2011 SAWS issued the above referenced document requesting competitive sealed proposals for a water supply to supplement the System’s future water inventory on terms described in the Request for Competitive Sealed Proposal (RFCSP). This RFCSP was made pursuant to Section 252.021 of the Texas Local Government Code. The System had previously completed a review and revision of its fifty-year water management plan in 2009. The System originally determined that it could accept up to 20,000 acre-feet of water per year beginning in 2020 and gradually increasing the quantity by 1,500 acre-feet per year to a maximum of 80,000 acre-feet.

Nine proposals were received on or before the July 22, 2011 deadline. A thorough evaluation of the nine proposals resulted in four of the projects being deemed responsive to the System’s request. Each proposal was analyzed to determine overall responsiveness and qualifications utilizing pre-determined criteria, including ownership and control of water, proposed solution for delivery, price, financial strength, project management and quality control/assurance.

With the completion of the 2012 WMP, SAWS has now updated the timing and volume of water needed for this project and has issued this addendum to the RFCSP. The updated WMP has taken into consideration recent developments such as the integration of the Bexar Metropolitan Water District, the Edwards Aquifer Habitat Conservation Plan (EAHCP), and 2010 Census data in adjusting the size and timing of alternative water supplies originally requested in the RFCSP. The System is now seeking to accept up to 50,000 acre-feet of water per year beginning mid-2018.

**C. Addendum Submission Instructions**

Each of the four responsive respondents is requested to respond to the addendum’s change to the volume and delivery date requirements. The response must include completed/updated Attachments A, B and C.

The System recognizes that the proposed project parameters and concepts are preliminary and may be subject to change in accordance with necessary reviews and approvals. With respect to SAWS’s role in reviewing development parameters and site plans, SAWS primarily intends to ensure that the parameters and plans are consistent with SAWS’s vision for providing a new water supply for San Antonio.

The submission shall consist of:

1. Additional documentation necessary to indicate the ability to deliver up to 50,000 acre-feet beginning mid-2018;

2. Completed Attachments A, B and C.

All submissions shall address information in the same manner as originally requested and outlined in the Scope of Services described the RFCSP document. Appendices may be used to present new relevant and requested data such as pump test data, copies of leases, permits, etc. The submission format shall be organized to address the same areas of evaluation as requested in the RFCSP Scope of Work:

o Ownership and Control of Water 30 Points

o Proposed Solution 25 Points

o Price 20 Points

o Financial Strength 10 Points

o Project Management 10 Points

o Quality Assurance/Control 5 Points

***NOTE: The System is not requesting new proposals; it is requesting modifications to your original proposal to accommodate the adjusted volume of water and delivery date; the modifications must be submitted in the same fashion as your original proposal.***

The submittal should focus on how the project will deliver up to 50,000 acre-feet of water per year to one of the two designated locations in San Antonio (SAWS Nacogdoches Pump Station or Anderson Pump Station) by mid- 2018. Any changes from the project solutions presented in the original RFCSP Submittal needed to accommodate the larger volume of water and earlier delivery date should be described (including but not limited to larger infrastructure, changes in pipeline sizes and routes, number of wells, permitting, additional water leases, agreements, etc.). Identification of the source of water and specific ownership or control for the additional supplies must also be documented in the addendum response.

***Failure to provide a response to this addendum by the published due date below shall constitute a voluntary removal of a firm’s proposal from further consideration and the evaluation process.***

Please include in your response the following:

* Any changes to your project team
* Identification of other potential buyers along the proposed pipeline route

3. **Schedule:** The submittal shall include a detailed Gantt chart showing the anticipated tasks and schedule needed to meet a mid-2018 delivery date.

4. **Financial Model Template:** (In a sealed 8 ½ X 11 inch envelope) The submittal shall include the financial model template provided by SAWS Financial Department, please provide data necessary to reflect initial delivery in 2018 of 50,000 acre-feet per year (AFY). If you cannot deliver 50,000 AFY in 2018, please provide data based on the maximum yield you can deliver in 2018.

The submittal should also include the proposer’s proposed price, calculated per instructions in the RFCSP. The proposer’s proposed recommended “price” must be calculated and described in sufficient detail for SAWS to ensure that each proposer’s “price” is calculated based on “real” dollars, full life-cycle costing, be cost-effective, and reflect true cost. The proposed recommended price should include the following categories and be reflected in both a per acre-foot and a per thousand gallons basis:

- Operating and Maintenance Costs

- Cost of the Water

- Debt service (disclose associated percentage fee)

Report total Capital costs (infrastructure, land, engineering, design, easements, land acquisition, construction, etc.).

5. **Proposed Addendum/Response Timeline:** Below is the timeline for evaluation of the responses and a tentative time period for contract award.

March 8, 2013 Addendum Issued

April 5, 2013 Receipts of Written Questions Due

April 19, 2013 Q&A Posted to Website

June 14, 2013, by 2:00 PM, Central Time Responses Due

TBD Interviews, if Necessary

The original, a CD, and five (5) copies of the submittal, together with all attachments, must be submitted to the SAWS in a sealed opaque envelope no later than 2:00 p.m. CST on June 14, 2013. Proposer should place materials responsive to Section II of the Term Sheet entitled “Financial Terms,” and any and all pertinent financial information which proposer deems to be confidential and/or of a proprietary nature, in a separate, sealed opaque envelope marked **“CONFIDENTIAL – FINANCIAL MODEL.”** The materials in the envelope should also be marked confidential. No facsimile submittals will be accepted. Any late submittals will be returned unopened. The System is under no obligation to return submittals.

The proposers must submit their responses and direct all questions and any other communications to the following authorized contact person:

**Deborah Segovia**

**Contract Manager**

**San Antonio Water System**

**2800 U.S. Hwy 281 North, Suite 171**

**San Antonio, TX 78212**

**Email: deborah.segovia@saws.org**

**D. General**

Please note that, as stated above, your addendum response shall constitute a submission under the RFCSP, and, therefore, it shall be subject to and governed by all of the terms and conditions set forth in the RFCSP which are unchanged and remain in full force and effect. The System reserves all rights, including the right to (i) request additional information to assist the SAWS in evaluating, analyzing and selecting a proposer and (ii) use the addendum responses as a basis for negotiation with one or more proposers.

Following the selection of a proposer, the SAWS and the proposer shall proceed to negotiate a water purchase agreement which shall set forth the terms of the water purchase agreement and will allow the proposer to seek to obtain the required approvals and proceed with the project. Such agreement may be subject to modification upon mutual agreement to address issues and alternatives that arise during the approval process.