



**REQUEST FOR COMPETITIVE SEALED PROPOSALS  
REGARDING THE PROVISION AND DELIVERY OF ALTERNATIVE WATER SUPPLIES**

**Solicitation Number: P-11-003-DS**

**ADDENDUM 3**

**QUESTIONS & ANSWERS**

**April 19, 2013**

The following questions were received prior to the deadline of April 5, 2013:

**START QUESTIONS & ANSWERS**

1. Attachment B: Financial Model Template and Price – The Excel spreadsheet provided by SAWS includes 49 columns corresponding to years between 2012 and 2060. Should the respondent complete the spreadsheet through 2060, or just through the end of the thirty (30) year term of sale requested in the original RFCSP?

ANSWER: The spreadsheet need only be completed through the end of the thirty year term of sale.

2. Attachment C: Price Sheet – The Excel spreadsheet provided by SAWS requests unit costs for three different water volume ranges. If a respondent can provide the full 50,000 acre-feet per year, are they also required to include unit prices for the other two smaller volume options? If so, should the respondent assume the lower volume scenarios will be delivered through a full-capacity pipeline (e.g., 50,000 acre-feet per year), or is SAWS requesting the respondent to design and price three different pipeline capacities?

ANSWER: Yes, if a respondent can provide the full 50,000 acre-feet per year, they are required to include unit prices for the other two smaller volume options.

It is up to the respondent to determine how they want to deliver the volume options. SAWS is providing the option for the respondent to design and price three different pipeline capacities in recognition of the fact that SAWS may elect to select a smaller project.

3. Is SAWS amenable to entering into a take-or-pay contract for provision and delivery of alternative water supply? If not, what contract structures will SAWS consider?

ANSWER: No, SAWS is not amenable to take or pay structure. However, as stated in the original solicitation, SAWS may commit to pay for a quantified minimum amount of water per year, but SAWS would only pay for suitable water available for delivery at the designated delivery point.

4. Will SAWS power of eminent domain be available for any pipeline construction or other land acquisition necessary to the project?

ANSWER: No.

5. Is SAWS aware of any restrictions on the final maturity or structure of bonds that might be sold to finance the project?

ANSWER: To clarify, SAWS will not be issuing any bonds for this project. Matters of financing the development of the infrastructure needed to meet the requirements of the RFCSP and the addendum are issues for respondents to address.

6. Are there any ownership structures that SAWS cannot or will not consider for the project (i.e. structures in which ownership of the project reverts to SAWS after final maturity of the bond financing)?

ANSWER: SAWS will not consider any ownership structure that does not provide for ownership of the project to transfer to SAWS after 30 years.

7. Are there any operational structures that SAWS cannot or will not consider for the project (i.e. would SAWS consider operating the project after construction)?

ANSWER: SAWS will not consider any operational structure that requires SAWS to operate the project after construction.

8. Is SAWS aware of any impediments to connection of the pipeline to the Charles Anderson pump station that might delay construction, require additional design features or additional cost in construction? If so, what are the impediments?

ANSWER: There are karst dwelling invertebrates and other species in Bexar County that have been listed by the U.S. Fish & Wildlife Service as endangered species. One or more of these species or the habitat for such species may be encountered during construction that requires excavation or construction to complete a pipeline connection to the Anderson pump station. Compliance with the Endangered Species Act is mandatory. Compliance with the Endangered Species Act could cause delay in project construction, cause amendments to project design and/or cause additional costs to be incurred. There are many other operational, regulatory, and legal impediments to development of a project of this magnitude and complexity. SAWS expects the successful respondent to identify and plan for these impediments.

9. Is SAWS aware of any conditions including the not yet released Texas Department of Transportation design for the interchange of Loop 1604 and State Highway 151 in the area of the Charles Anderson pump station, that might delay construction, require additional design features or additional cost in design and construction? If so, what are the conditions?

ANSWER: SAWS has not been provided with the Texas Department of Transportation re-design of the interchange of Loop 1604 and Highway 151. There are karst dwelling invertebrates and other species in Bexar County that have been listed by the U.S. Fish & Wildlife Service as endangered species. One or more of these species or the habitat for such species may be encountered during construction that requires excavation or construction to complete a pipeline connection to the Anderson pump station. Compliance with the Endangered Species Act is mandatory. Compliance with the Endangered Species Act could cause delay in project construction, cause amendments to project design and/or cause additional costs to be incurred. There are many other conditions which might delay construction, require additional design features, or additional cost in design and construction. SAWS expects the successful respondent to identify and plan for these conditions.

10. Is SAWS aware of any environmental conditions in the area of the Charles Anderson pump station that would need to be considered, evaluated or incorporated into the design of the connection between the pipeline and the pump station that might delay construction, require additional design features or additional cost in design and construction? If so, what are the environmental conditions?

ANSWER: See response to Question #8.

11. With respect to Attachment C: Price Sheet – Is it necessary to submit an Excel Spreadsheet with each of the three requested scenarios (Scenario No. 1- 20,000 to 30,000, Scenario No. 2-30,001 to 40,000, and Scenario No. 3- 40,001 to 50,000).

ANSWER: Yes.

12. Would SAWS consider initiating purchases before the “mid-2018” date?

ANSWER: We do not have rates programmed in our model for purchase prior to 2018; however, if the need exists, the water can be delivered and the funds can be acquired we may consider it. For the current submittal, the requirement is for water delivery in mid-2018.

END QUESTIONS & ANSWERS
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