



REQUEST FOR QUALIFICATIONS
CONSTRUCTION MANAGER AT RISK:
BRACKISH GROUNDWATER DESALINATION PROGRAM
Solicitation Number: B-12-001-DD
Job Nos.: 12-8607 and 12-8609

Addendum #3

June 8, 2012

CHANGES TO THE RFQ

1. Page 30, Section VI. Submitting a Response, C. Response Format, 9. Acknowledgement of Addendum that reads:

Respondents shall acknowledge receipt of any and all Addendum(s) to this RFQ by signing and returning the signature page of each Addendum issued by SAWS.

Is amended to read:

Respondents shall acknowledge receipt of any and all Addendum(s) to this RFQ by signing and returning Attachment E -Addendum Acknowledgement Form.

2. Page 32, Attachment "A" - Submittal Checklist, remove and replace in its entirety with the revised Attachment "E" Submittal Checklist attached to this Addendum.
3. Attachment "E"- Addendum Acknowledgement Form is hereby made part of the RFQ and should be included with the Respondent's submittal, as outlined in Changes to the RFQ item 1 attached to this Addendum.

END OF CHANGES TO THE RFQ

ANSWERS TO QUESTIONS

1. **Page 6, Item K-What are the criteria for evaluation of discretionary performance incentives? If not yet defined, how will these be defined and will the CMAR be able to participate with SAWS in establishing these criteria?**

The shared incentive will be evaluated based on discretionary and non-discretionary criteria. The discretionary criteria are successful partnering, quality of service, conflict resolution and timeliness of responses. Additional information will be provided in the RFP and the Draft Agreement.

2. **Page 7, top paragraph- Please clarify the role being discussed in this paragraph and who gets penalized if the CMAR replaces that staff member.**

Please refer to Addendum No. 2, Item No. 3 issued on May 16, 2012.

3. **Page 6, Item-J.; Pg. 9, Item 8; Pg 16, Item 10. b. There are multiple discussion that suggest the CMAR is responsible for providing for operations for one year, providing an "A" licensed operator, operational activities for minimum 6 months, training of SAWS staff and providing certified and experience plant operations to oversee and manage operations during the start-up and performance testing period.**

Please clarify the CMAR's contractual responsibility and duration for plant operation. Will the CMAR have performance liability of the plant during this timeframe? Or will SAWS staff operate the plant while the CMAR provides a licensed operation for one year after substantial completion to assist in tuning the plant and addressing warranty items? What is SAWS's intent of these requirements? CMAR firms cannot accept performance liability for a plant they did not design.

Please refer to the response to Question 17 and revisions provided in Addendum No. 2 issued May 16, 2012.

4. **Page 8, Item 7C – One primary reason to hire a CMAR is to benefit from their VE recommendation as it relates to cost and schedule, which is already included in general preconstruction services. VE ideas should not change the designer's intent, therefore requiring a third party to review VE ideas is a duplicate cost to SAWS. It seems redundant to hire a third party reviewer to provide an analysis of the recommendation when in fact recommendations should be discussed openly by the CMAR, SAWS and the PM team to identify the best solution for the project. Very rarely have we seen a third party reviewer provide any additional insight the project team could not determine for themselves.**

The CMAR shall provide value engineering input throughout the pre-construction and construction phases of the Program. Additionally, SAWS will contract with an independent third-party to provide a formal value engineering workshop.

5. **Page 20, Item C.1 – Please clarify who pays for insurance. If the CMAR pays for the insurances as described, will SAWS reimburse these expenses?**

The CMAR is expected to maintain an insurance policy that will include work performed by a subcontractor. The insurance may be included as a part of the Contract Management fee.

6. **Pg. 21, Project Team Qualifications – The titles for the requested project staff roles seem to be from an engineering procurement as opposed to a CMAR or contractor solicitation. Please clarify these roles and their titles. We would suggest the following in lieu of the current titles: Project Executive, Project Manager, Superintendent, Safety Manager, Start-up/Commissioning Manager, Preconstruction /Estimating Manager.**

In Section IV.A.1 on Page 21, the submitter is required to provide an organizational chart of the key staff of the team, detailing the personnel that will be assigned to the Program and the component or tasks to which they will be assigned. The job titles listed are meant to be indicative of the types of positions which must have the personnel identified.

7. **Pg. 21, Team Qualifications: The second to last bullet that states "Disclose all current and recent relationships with Program Manager firms in municipal CMAR projects" – Please clarify if SAWS is interested in specific relationship with the selected SAWS PM team led by Black & Veatch, or any instances where we have worked with Program Managers, in general, on CMAR projects?**

Section IV.A.1 Table Section "Comparable Experience" requires the Respondent to "describe your team's previous project experience working with a Program Manager."

8. **Pg. 22 Project Approach – This section requests "Plan Examples" from past projects for Risk Management, GMP, Value Analysis, and Monthly Reports. These plans are comprised of numerous pages. Please clarify if these sample plans will count toward the page limit or can be submitted as an appendix.**

Please refer to the revisions indicated in Addendum No. 2 issued on May 16, 2012.

9. **Financial Statements – Can financial statement(s) be submitted in a separate sealed envelope to protect confidentiality, as opposed to including a copy in each submission?**

Yes. The financial statement can be provided in a separate binder and only one copy is necessary.

10. **Pg. 29, Section C. 4 – Please clarify where SAWS would like to see all the required forms, disclosures, financial statements, etc. in the proposal format. Should they be submitted as an appendix at the end or in a specific section?**

In Section VI.C, the response shall be organized and titled by the defined sections.

11. **Will SAWS allow prospective proposers and their team members to visit site after Pre-Proposal meeting? If not, can plans of the existing facilities and the proposed footprint of the new facilities be included in a future addendum?**

No. During the second step of the procurement process (RFP), a mandatory site visit will be required of all invited firms/teams.

12. **Attachment A, Submittal Checklist, does not list the SMWB requirements under the Statement of Qualifications section, nor the new Appendix section of Example Plans. Please confirm that a new Checklist will be issued to correspond with Addendum 2.**

A revised version of Attachment A- Submittal Checklist has been included with this Addendum. Respondent should utilize the revised version when preparing a submittal packet.

13. **Do the 1-page resumes requested in section a. Team Qualifications count towards the 14 page limit for this section?**

Yes. Also please note the revision to page limits made in Addendum No. 2, Item No. 7 issued May 16, 2012.

14. **Our project examples of Risk Management and Safety Procedures Plans are very extensive. Will you accept a table of contents from these plans instead of the entire 100+ page documents?**

Please see the revisions to the submittal requirements made in Addendum No. 2, Item Nos. 7 and 12 issued May 16, 2012.

15. **It has come to our attention that one of the proposing CMAR teams has teamed with United Water for the operations role. It is also our understanding that United Water currently has an active contract with SAWS and is currently operating one of SAWS's water plants. This is an unfair advantage, and a conflict of interest. We request that United Water be added to the list of firms precluded from participating in the CMAR contract.**

The companies identified to be in conflict of interest for the CMAR team are listed in Addendum No. 1, Item No. 1 issued May 9, 2012.

16. **RFQ Pg. 21, Project Team Qualifications, and Addendum # 1, pg 2 – The titles for the requested project staff roles seem to be from an engineering procurement as opposed to a CMAR or contractor solicitation. Please clarify these roles and their titles. We would suggest the following in lieu of the current titles: Project Executive, Project Manager, Superintendent, Safety Manager, Start-up/Commissioning Manager, Preconstruction /Estimating Manager.**

See response to Question #6.

17. **Addendum 2 did not entirely clarify the operations responsibility of the CMAR. We understand that SAWS is requesting a commissioning/startup/staff training manager to assist with the plant's initial startup and smooth transition to SAWS's staff operations. But, will the CMAR be contractually responsible for plant operations during this time? Yes or No?**

Again, CMAR firms will not accept performance liability for a plant they did not design. We suggest SAWS remove this requirement for plant operations. Furthermore, the vast majority of CMAR firms do not have licensed operators on staff. SAWS is limiting competition by keeping this requirement in the RFQ. We suggest SAWS remove the requirement for the CMAR to provide a plant operator, and hire this individual(s) under a separate solicitation.

The CMAR will be responsible for operating the plant in order to complete the Start-up, Testing, and Commissioning requirements. The liability regarding the mechanical performance of the plant is the responsibility of the CMAR. The CMAR is required to perform constructability reviews and to coordinate with the PM and design engineers on matters of value engineering, constructability, and operations.

18. **Addendum 2 pg. 2 says “CMAR shall designate a Plant Operator with no less than an “A” Water Operator License and will maintain the highest level of licensing as required by TCEQ for membrane plant operations.” Please clarify if SAWS will require this person to have an “A” license in Texas or will SAWS accept an operator with A license status in another state? If not, will SAWS accept an out of state A license individual who will get licensed in Texas by time the commissioning phase of the project begins?**

Again, the vast majority of CMAR firms do not have licensed operators on staff. There are very few privatized plant operations companies in the US, and even fewer that have TCEQ-certified “A” licensed membrane operators in Texas. Most of these licensed individuals work directly for municipalities and water districts. Furthermore, it doesn’t make business sense for a private water operations company to operate a plant on a short-term basis without the option to a longer term contract. Therefore, SAWS is severely limiting competition among CMAR firms by keeping this requirement in the RFQ. We suggest SAWS remove the requirement for the CMAR to provide a plant operator, and hire this individual(s) under a separate solicitation.

The Respondent must indicate the current licensure of the designated Plant Operator and show they will obtain an "A" Water Operator License from the State of Texas by the beginning of the Start-up, Testing, and Commissioning activities. SAWS will be operating the Brackish Groundwater Desalination Plant by its own forces upon completion of construction of the Program.

19. **Our company is publicly traded, so our financial statements are released to the public each year. These documents are typically around 200 pages or so. Can we provide these in a binder separate from the rest of the qualifications?**

Yes. Refer to SAWS’ response to question #9 of this Addendum.

20. **Also, with regard to the number of copies... Do you want ten copies of our financial statements (one with the proposal and each of the nine copies)? I doubt that you would need all of these. We would think that one copy of the financial statements would be more than enough (3 years x 200 pages x 10 copies = 6,000 pages)**

Refer to SAWS’ response to question #9 of this Addendum.

21. **Regarding the subject solicitation, will SAWS use a standard contract template for the CM at Risk contactor? The solicitation only indicates that a contract will be negotiated with the successful offeror. I was hoping to get a better understanding for the contract language that SAWS expects to use as a basis for negotiation.**

As described in Section IV.B on Page 26, SAWS will evaluate the responses and Statement of Qualifications and those firms/teams deemed to be the most qualified will be shortlisted. The shortlisted firms/teams will be invited to submit proposals in response to a forthcoming Request for Proposal (RFP). The RFP will include a Draft Agreement, which may be reviewed prior to submitting a proposal and will be open to negotiation after final selection.

22. **Please confirm that the Financial Resources section of the SOQ does not count towards the 60 page count limit.**

Yes, that is correct. The financial resources section of the statements of qualifications will not count towards the 60 page count limit.

23. **On Attachment “B” – Respondent Questionnaire Question 1 provides directions for inserting information for Co-Respondents where two or more entities are proposing as a joint venture. We read Question 1 to require answering the Respondent information as that of the Joint Venture entity and to insert additional blocks between Question 1 and 2 containing the like information outlined in Question 1 for each Co-Respondent. Is this correct?**

Yes, that is correct.

- 24. On Attachment “B” – Respondent Questionnaire. We intend to submit a proposal as a Joint Venture, but it is not clear to us whether we are to assume that where the questionnaire asks for Respondent information in, for example, Questions 4, 5, 6, 7, 8, 9, and 10 we are to provide that information for each Co-Respondent member of the Joint Venture, or only the Respondent Joint Venture entity itself? Please explain.**

If the Joint Venture entity is an existing entity and has the financial capability of completing this project solely based on the assets of the Joint Venture entity, then questions 4, 5, 6, 7, 8, 9, and 10 would pertain only to the joint venture entity. If the Joint Venture entity is being created for this project, then those questions pertain to the co-respondent members.

- 25. Is it acceptable to use a smaller point font for graphics and tables?**

Yes. On graphics and tables, the size and font of the text may be smaller than as defined in Section VI.B.7 on Page 29 of the RFQ, but must be clearly readable. If the reviewer deems the text unreadable, that section may not be reviewed.

END OF ANSWERS TO QUESTIONS

No other items, dates, or deadlines for this RFQ are changed.

END ADDENDUM #3

Attachment "A" - Submittal Checklist

(Rev. 6/8/12)

Project Name: CMAR: Brackish Desalination Groundwater Program

Use the checklist to ensure that the submittal complete by checking off each item included with your response. Sign and date this form and include this page with each submittal.

- Table of Contents with page number notation
- Submittal Checklist (Attachment "A" Rev. 6/8/12)
- Respondent Questionnaire (Attachment "B")
- Statement of Qualifications
 - Project Team Qualifications (to include Resumes and Organizational Chart)
 - Past Projects Approach
 - Summary of Program
 - Pre-Construction Approach
 - Construction Approach
 - Plan Examples and Summaries (As Appendix; not part of the page limit)
 - Comparable Experience
 - Five (5) relevant projects of similar size and scope within the last then (10) years
 - Quality Assurance/Quality Control
 - SMWB
- Acknowledgement of Texas Public Information Act Requirements and Release Form (Attachment "D")
- Proof of Insurability
- Conflict of Interest Questionnaire (Attachment "C")
- Addendum Acknowledgement Form (Attachment "E" Rev.6/8/12)
- Financial Statement – One copy included separately and clearly identified; not part of the page limit

I certify that the submittal submitted includes the all of the items as indicated above.

Signature

Date

Printed Name

Title

Attachment "E"
Addendum Acknowledgement Form

Solicitation No. : **B-12-001-DD**

RFQ: **CMAR: Brackish Groundwater Desalination Program**

Respondent: _____

The undersigned, hereby, acknowledges the receipt of the following addenda:

Addendum No. 1 dated 5/9/12

Addendum No. 2 dated 5/16/12

Addendum No. 3 dated 6/8/12

Addendum No. dated _____

Addendum No. dated _____

Addendum No. dated _____

By signing this form, the Respondent acknowledges any and all Addenda associated with the RFQ, which now becomes part of the original solicitation.

This form should be signed by an authorized representative, dated, and returned as part of the submittal packet. Failure to do may result in the submittal being declared non-responsive.

Signature

Date

Printed Name

Title