



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION

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Commissioner

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October 23, 2020

ADDENDUM NO. 4 TO ALL RESPONDENTS:

Reference – Request for Proposal: 156167
Commodity: Office of Public-Private Partnerships (P3 Office)
Staff Augmentation
Dated: September 1, 2020
For Delivery To: Virginia Department of Transportation
Commonwealth of Virginia
Due Date: November 6, 2020 at 2:00 PM CHANGED
Preproposal Conference: September 8, 2020

The above is hereby changed to read:

- I. Reference Section III. STATEMENT OF NEEDS, A. Required Services:
ADD the below language to this section
VII. Minimum Requirements for Services/Deliverables in the Alternative Pricing Structure:
The offeror shall provide the below listed minimum requirements for the services/deliverables listed below.
 1. **Annual review of Concessionaire Base Case Financial Model (BCFM)**
 - a. **Annual review of the BCFM pursuant to the concession agreement.**
 - b. **Compare current year BCFM with previous year's model to evaluate project performance.**
 - c. **Review and confirm ongoing functionality of the BCFM.**
 - d. **Identify key issues and list clarification questions requiring further discussions with the concessionaire, including updates to the analysis and review thereafter.**
 - e. **Provide key findings such as equity IRR, outstanding debt, actual revenue and costs, and a comparison to previous years' performance.**
 - f. **Present results in PowerPoint format or as determined by the VDOT Project Manager**
 2. **Preliminary Financial Analysis with key defined metrics**
 - a. **Review and understand cost and revenue estimates.**
 - b. **Analyze benchmarks for different cost and revenue metrics**
 - c. **Review project financing documents, if available, and assess implications on financial analysis**
 - d. **Develop financial analysis scenarios for P3 and VDOT delivery including assessment of different value levers and potential use of federal funding (i.e. TIFIA, PABs, etc.)**

- e. Prepare presentations and participate in two (2) meetings with VDOT, as requested.
- 3. Level I/Sketch level Traffic and Revenue studies
 - a. Planning level traffic and revenue analysis based on limited available data
- 4. Update/refresh of Traffic and Revenue studies
 - a. Periodic refresh within a 18-month time timeframe to traffic and revenue model based on updated travel demand model, change in tolling policy, etc.
- 5. Development of briefings or presentations to VDOT Executives or the Secretariat
- 6. Screening Report
 - a. Please refer to Appendix D of the 2017 PPTA Manual and Guidelines (https://www.p3virginia.org/wp-content/uploads/2017/12/2017-PPTA-Manual-and-Guidelines_FINAL.pdf) for requirements of the Qualitative and Quantitative Screening
- 7. Lessons Learned Report
 - a. Meet and discuss with VDOT Project Manager and other key stakeholders, post commercial or financial close, to discuss procurement process and related challenges.
 - b. Capture some of the best practices and lessons learned that will assist others when planning, developing and executing work of a similar nature.
 - c. Provide results in Power Point format as determined by the VDOT Project Manager.
- 8. Public Sector Analysis and Competition
 - a. See requirements pursuant to § 33.2-1803.1:1 of the Code of Virginia.
- 9. Operations and Maintenance Cost Estimate
 - a. Develop initial annual operations and maintenance and life cycle maintenance cost estimates for tolling related improvements including, but not limited to, back office operations and enforcement etc.
 - b. Develop initial annual operations and maintenance and life cycle maintenance cost estimates for non-tolling related improvements including, but not limited to, pavement, drainage, bridges, markings etc.
 - c. Bi-weekly calls with VDOT Project Manager to discuss progress and address key issues.
 - d. Present initial results in Power Point or any other format as desired by the VDOT Project Manager.
 - e. Provide initial results post-delivery support to address any questions.
- 10. Design-Build Cost Estimates
 - a. At the direction of the VDOT Project Manager, coordinate with Central Office and VDOT district office team and subject matter experts to understand project configuration.
 - b. Develop planning level capital expenditures.
 - c. Bi-weekly calls with VDOT Project Manager to discuss progress and address key issues
 - d. Present initial results in Power Point or any other format as desired by the VDOT Project Manager.
 - e. Provide initial results post-delivery support to address any questions.

II. Reference Addendum No. 3 Question Number 3:
REPLACE VDOT response with the below language

“Offeror’s should provide the fixed hourly rate/price they propose to charge VDOT for each position or service. The Minimum Hourly Rate/Price will be set by VDOT as the “not to exceed” price for the services listed in Attachment G.”

III. Questions and Answers:

1. Section VI.4 - Fee Proposal Evaluation Criteria, "The lowest price shall be scored the maximum number of evaluation points for price". Please clarify whether the "lowest price" references each individual hourly rate to be provided by the Offeror, or if there is a system in place that will accumulate all hourly rates to create one overall rate.
 - A. **VDOT will calculate the total price proposed by using the hourly rates and the alternative pricing schedule items listed on Attachment G. This total price will be used to evaluate the score for fee proposal.**
2. Page 16, Section VI: EVALUATION AND AWARD CRITERIA, In sub-section VI.A.2 Evaluation Criteria weights are provided for criteria i.-v. (including fee evaluation). There is a second sub-section VI.A AWARD TO MULTIPLE CONTRACTORS below which further describes the "Price shall be considered, but need not be the sole determining factor." Please provide further clarification as to application of determination for Price/Fee and the ultimate award determination.
 - A. **Offerors’ proposals will be evaluated based on the criteria listed in Section VI. Price will be evaluated as stated in Section VI. Score for price will be determined separately based on the total price for the hourly rates and the alternative pricing schedule items listed in Attachment G.**
3. Please clarify how VDOT will be able to objectively evaluate any proposed alternative pricing schedules (minimum price for specific deliverables) as Offerors may be pricing different scopes.
 - A. **The Offeror has the opportunity to propose additional services for the Approach to Alternative Pricing Structure. VDOT will evaluate the Offeror’s Approach based on the breadth of additional services provided. The Approach to Alternative Pricing Structure will be evaluated solely as stated in Section VI. Evaluation and Award Criteria.**

Offeror should price the alternative price line items listed in Attachment G on the minimum requirements provided in No. I above. The Offeror’s proposed price for the alternative price line items listed in Attachment G will be included in the fee proposal evaluation.
4. **Pricing:** Please can you clarify the use of “Minimum Hourly Rate” and “Minimum Price” within Attachment G.
 - A. **The Fee Proposal Form requires the Offeror to indicate set Hourly Rates for each staff position. In addition, the Offeror must indicate a quality assurance Minimum Hourly Rate for staff positions expected to conduct quality assurance over work performed by Subcontractors. The Fee Proposal form also includes alternative pricing for services that are routine and central to the business. Offeror should price items listed in the alternative pricing structure based on the minimum requirements provided above.**

Offeror’s should provide the fixed hourly rate/price they propose to charge VDOT for each position or service. The Minimum Hourly Rate/Price will be set by VDOT as the “not to exceed” price for the services listed in Attachment G.
5. **Pricing:** Please can you confirm it is acceptable to provide a different pricing schedule (Attachment G) for each company participating on an Offeror Team?
 - B. **See response to question 19 on Addendum No. 3.**
6. Section V.H.1.i of the RFP asks Offerors to provide information about the Offeror’s Team (i.e., Prime Contractor and any Subcontractors) in this section of their proposal. V.H.1.i then turns to personnel, noting: “Multiple personnel may be submitted for required staffing positions identified to demonstrate the breadth of the expertise available.”

Can VDOT please confirm whether information regarding personnel and staffing positions is required in this section of the Proposal?

- A. Please see change number III and IV in Addendum No. 3 that corrects the use of member to company including question #30 that removes the Letters of Submittal from the 35-page limit. Refer to Section V. H.6 for information required for personnel and staffing positions.**
7. For the Alternative Pricing Schedule (Attachment G), since specific assignments under these categories can vary significantly in size and scope, please provide some basic assumptions regarding expected level of effort for an example assignment under each category.
- A. Please see the minimum requirements listed above and in the revised Attachment G attached to this addendum.**
8. Page 7, Section B: Offeror- Team Experience and Organization, Are the number of projects in B.1.i and B.1.ii mutually exclusive (e.g., should Offerors present a minimum of 5 projects, at least 2 of which must be designated as major projects by FHA or 7 projects, at least 2 of which must be designated as major projects by FHA?)
- A. Offerors should present a minimum of 5 projects, at least 2 of which must be designated as major projects by FHA.**
9. Page 7, Section C. Staffing Position Requirements Can education be substituted for years of experience?
- A. Yes, education can be substituted for years of experience.**
10. Page 45, Section Attachment G What is the distinction between the minimum hourly rate and the Quality Assurance/Quality Control Minimum hourly rate. Should the Quality Assurance/Quality Control minimum hourly rate be applied to all positions or just for staff positions expected to conduct quality assurance over work performed by Subcontractors?
- A. Expert and Task manager shall be responsible for performing Quality Assurance/Quality Control.**
11. The RFP references the term Service Category in multiple sections including IN section V. G and H. Please specify what this term refers to. Also, please confirm that Offerors should submit for the entirety of the required scope outlined under III A.
- A. Service Category refers to either Business Management or Financial Advisory services. See response to Question Number 8 on Addendum No. 3.**
12. The evaluation criteria includes 15 points for the approach to alternative pricing structure. Attachment G lists examples of services / deliverables that are difficult to price without an idea of project scope and scale such as design-build cost estimates or screening report. Would VDOT consider moving this alternative pricing structure requirement to the task order level once a defined specific scope is available?
- A. No, the Department will not consider moving this alternative pricing structure requirement to the task order level. See the minimum requirements above and in Attachment G for each service deliverable listed.**
13. On page 15, under 5. Fee Proposal forms: i. please clarify the “quality assurance Minimum Hourly Rate?” Does VDOT want an hourly rate for another position to provide quality assurance?
- A. No. Please refer to question 9 in Addendum No 4.**
14. **Limit on Number of Personnel:** Please can you confirm that we can/should include QA/QC resources are in addition to the main resources?
- A. It is the responsibility of the Offeror Team to manage QA/QC.**
15. What are the requirements/qualifications of the QA/QC personnel required in Attachment G Pricing Schedule? All documents delivered will have quality control conducted before submittal. Is this a separate process required by VAP3 and is it expected that the hourly rate of the QAQC Personnel will be equivalent to the classifications preparing the documents?
- A. Please refer to question 9 in Addendum No 4.**
16. Can VAP3 provide additional information on the scope of services required under the Alternative Pricing Schedule? For example, is the minimum price for a Qualitative Screening Report or a

Quantitative Screening Report, or both? Is the O&M Cost Estimate for a facility that is focused on roadway/managed lanes or does it have a tunnel facility?

A. See minimum requirements listed above and in the revised Attachment G.

17. We would like to request VDOT to reconsider/clarify your response to question 10 of Addendum 2. Our understanding of your response is that each Offeror Team is limited to providing three team members per staffing position for a maximum number of 18 individuals within the proposal. We have taken your direction within Section V. H. 3 to “assemble an Offeror Team that provides a wide range of services” and while we understand your desire to have concise proposals, we believe it would be beneficial to allow Offeror Teams to be able to present the full range of resources the Offeror Team is able to provide and therefore respectfully request that you provide flexibility in this regard.

A. VDOT will evaluate up to the maximum number of 18 Offeror Team members.

18. Based on the responses to questions 11. and 23., we understand that every individual that is proposed is considered a “member.” We further understand that an Attachment A needs to be filled out for every member according to the RFP Section H.1.iii (p. 14).

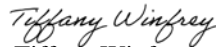
Finally, based on the response to question 7, we understand that Attachment A is included in the 35 page limit.

Would you please clarify this? The issue is that given the requirements of the RFP to provide personnel for at least 7 positions and the diversity of skills required, it is highly likely that we, and many other proposers, will need to use ten or more pages of the 35 pages for multiple Attachment A submissions. We do not believe that this is VDOT’s intent since Attachment A refers to the capability, years in business, references of the “contractor” or “firm.” Many of the attachment A submissions will be redundant and use up valuable pages that could be better utilized to demonstrate proposers’ diverse experiences and detailed approaches.

A. See change number IV on Addendum No. 3 that corrects member to company.

Note:

When submitting a response, a signed acknowledgment of this addendum or any subsequent addenda must be received *prior* to the due date and time *or* attached to your response. Signature on this addendum does not substitute for your signature on the original response document. The original response document must be signed.


Tiffany Winfrey
Contract Officer
Phone: 804-692-0455

Name of Firm

Signature

Title

Date