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*Notification of this Addendum is transmitted via email to all firms on the current RFQ Participant List.
This Addendum is posted on the District website at
<http://www.valleywater.org/design-build.aspx>.*

March 17, 2016

ADDENDUM NO. 5
TO THE REQUEST FOR QUALIFICATIONS FOR PROGRESSIVE DESIGN-BUILD SERVICES
FOR SILICON VALLEY ADVANCED WATER PURIFICATION CENTER EXPANSION PROJECT

Project No. 91284009

Notice is hereby given that the following revisions, additions, and/or deletions are hereby made of, and incorporated into, the Request for Qualifications (RFQ) for Progressive Design-Build Services for Silicon Valley Advanced Water Purification Center Expansion Project (PROJECT).

REQUEST FOR QUALIFICATIONS Cover sheet

REPLACE “April 1, 2016” with “April 15, 2016”

SECTION 4.3 Procurement Schedule

REPLACE Procurement Schedule with the table below:

Following is the procurement schedule for the RFQ process and anticipated milestones for the RFP process and subsequent steps.

Item No.	Activity	Latest Date
1	Issuance of RFQ	January 15, 2016
2	RFQ Pre-Submittal Conference	February 11, 2016 at 10 a.m.
3	Deadline to submit questions and requests for clarification	February 22, 2016 March 14, 2016

Item No.	Activity	Latest Date
4	Last day for DISTRICT to issue addenda	February 29, 2016 March 21, 2016 March 24, 2016
5	Deadline to submit completed SOQ	March 11, 2016 at 2:00 p.m. April 1, 2016 at 2:00 p.m. April 15, 2016 at 2:00pm
6	DISTRICT notifies Respondents if they have made the shortlist ("proposed shortlist")	April 18, 2016 May 9, 2016 May 23, 2016
7	Deadline to appeal DISTRICT's evaluation results	April 27, 2016 May 18, 2016 June 1, 2016
8	Appeal hearing conducted by DISTRICT	May 6, 2016 May 27, 2016 June 10, 2016
9	DISTRICT issues appeal decision(s) and final shortlist of Respondents	May 16, 2016 June 13, 2016 June 30, 2016
10	DISTRICT conducts Pre-RFP Workshop with shortlisted Respondents	Week of June 6, 2016 Week of July 11, 2016 Week of July 25, 2016
11	Issuance of RFP	June/July 2016 July/August 2016 August/September 2016
12	DISTRICT selection of project delivery method and Stage1 counterparty(ies)	December 2016 February/March 2017

GENERAL QUESTIONS AND RESPONSES

QUESTION 11:

With regard to Part VII: Financial Capability C. Guarantor: The current net worth requirement of the DB entity to be the maximum possible contract value of \$240M.

1. We respectfully request that the guarantor/net worth tests be eliminated from the RFQ requirements.
 - a. It is not a typical standard seen in the industry. Although we agree the financial viability of an entity is important for evaluation, construction projects usually do not have this type of rigorous requirement. This project has a timeframe that begins in 2017 and will likely end in 2020. The project size is still being determined and could vary by as much as 50% less than \$240M. The timeframe for the cash flow is spread out over at least 3 years.

- b. A surety bond will be provided for the project. A surety bond is a more reliable and stable guarantee that provides better protection to an owner because it is an independent 3rd party that guarantees the project. A guarantor of an entity that is not an independent 3rd party does not provide as rigorous protection to an Owner in the event of a catastrophic occurrence, i.e. bankruptcy.
 - c. In lieu of a guarantor or net worth requirements, the current requirements for proving bonding capabilities should serve the District's purposes to the same extent.
- 2. In the event the net worth/guarantor requirements cannot be eliminated from the RFQ requirements, then we respectfully request:
 - a. A more appropriate net worth requirement of \$216M, the amount that is required to be bonded in Section 7.4 A of the RFQ; and/or
 - b. That if a Joint Venture is submitting, then a single guarantor is not appropriate. Just as the forms for the SOQ are adjusted for the responsiveness of a joint venture, we request that the single guarantor language be removed and replaced with language indicating that each member company of the Joint Venture will provide a guarantor for its obligations, if necessary.

RESPONSE 11:

The District has decided to eliminate the guarantor requirement. Please refer to Response 6 provided in ADDENDUM No. 4 for details.

QUESTION 12:

Attachment E – Part VII Financial Capability Evaluation Template – The Return on Investment calculation in lines 42 and 43 does not appear to be calculating based on net income/(total long term debt + equity) as indicated in the description. Will the District please review to see if the build-in spreadsheet formulas for this line item need to be corrected and issue a new template if needed?

RESPONSE 12:

Referenced formulas in line 43 of the Financial Capability Evaluation Template spreadsheet have been corrected, and a revised spreadsheet (Ver. A dated 3/15/16) has been posted on the DISTRICT's website <http://valleywater.org/design-build.aspx>.

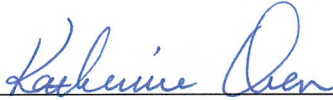
QUESTION 13:

- 1. Will the DISTRICT's traditional SBE program be implemented for this project?
- 2. N/A
- 3. May we be permitted to use the Santa Valley Water District logo and select images from the DISTRICT's website in our proposal and tentative interview materials?
- 4. N/A

RESPONSE 13:

1. A variation of the Districts SBE program will be implemented for this project. Additional information will be provided during the RFP process.
2. N/A
3. Yes.
4. N/A

THIS ADDENDUM NO. 5, WHICH CONTAINS 4 PAGES, IS ATTACHED TO AND IS A PART OF THE RFQ FOR PROGRESSIVE DESIGN-BUILD SERVICES FOR THIS PROJECT.



Katherine Owen, P.E.
Deputy Operating Officer
Water Utility Capital Division

Date: 3/17/2016