



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

To All Respondents:

Please be advised that the Pennsylvania Department of Transportation (PennDOT) has issued the following responses to RFQ Questions. PennDOT responses will not be considered part of the RFQ or the RFP documents nor will they be relevant in interpreting any of the foregoing. Some RFQ Questions received by PennDOT are not included below. Any RFQ responses to questions that require changes to the RFQ will result in changes in the future RFQ Amendment.

The RFQ will be amended to change the SOQ Due Date to August 12, 2021 at 11 AM ET.

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
1.	<p>Regarding RFQ Section 2.6.6 Self Performance: “PennDOT anticipates that each Project Agreement will specify that the Lead Construction Contractor will self-perform a minimum of 30% and a maximum of 35% of the original contract price for the construction work for the applicable Package(s).”</p> <p>Additionally, RFQ Appendix I Definitions indicated: “each member of the Lead Construction Contractor that is performing construction activities shall be a prequalified contractor no later than the date that Proposals are due and capable of performing at least 50% of the original contract price of the participant’s portion of the joint venture”.</p> <p>We request clarification between the indicated Self Performance percentages.</p>	<p>Additional details regarding the self-performance range will be provided as part of the draft RFP. Please also see revisions to RFQ Appendix I Definitions (def. “Lead Construction Contractor”) deleting the 50% requirement in deference to the requirement for “unlimited financial capacity” set forth in Section 3.7.</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
2.	<p>Respondent kindly requests that PennDOT clarify the term “Company Participation” on Form G-4 – Technical Qualifications -Maintenance.</p> <p>Does “Company Participation” in terms of money refer to the company’s participation in the project’s equity component, or does it refer to the participation in the total maintenance cost budgeted?</p>	<p>As illustrated by the example provided in Form G-4, “Company Participation” refers to the company’s participation in the total maintenance cost budgeted.</p>
3.	<p>Section 2.4 indicates that the commitment for the Financing Manager must be “Full-time upon execution of the PDA, to include under the Project Agreements”</p> <p>Given that the Qualifications requested of the Financing Manager focus on project finance, we anticipate that the Financing Manager will be committed full time to the Project during the predevelopment phase until financial close of the last package. We believe it is important to show this role on the organizational chart for the predevelopment phase.</p> <p>Could PennDOT modify the requirement that the key personnel commitment for the Financing Manager to be “Full-time upon execution of the PDA, until financial close of the last package”?</p>	<p>The RFQ will be amended to modify the requirement that the Key Personnel commitment for the Financing Manager would extend through financial close of the last DBFM package.</p>
4.	<p>Instructions included in Form C, Form H-4, and Appendix 2 Section 3.9 (Financial Statements) do not distinguish submittal requirements for a Major Team Member that is an incorporated or unincorporated joint venture, other than for Equity Members. Can PennDOT clarify if members of a joint venture acting as Lead Construction Contractor should submit separate copies of Form C, Form H-4, and Financial Statements?</p>	<p>The RFQ will be amended to clarify that members of a joint venture acting as Lead Construction Contractor should submit separate copies of Form C, Form H-4, and Financial Statements.</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
5.	<p>Form G-2 instructions state “List no more than five projects for each of the Lead Construction Contractor and each of its Nominated Subcontractors on Form G-2...” If the Lead Construction Contractor is a joint venture between two firms, should Respondents include five projects for each of the JV members (so 10 projects total for the Lead Construction Contractor) or five projects total for the Lead Construction Contractor entity, regardless of whether a JV or not?</p>	<p>The RFQ will be amended to clarify that, if the Lead Construction Contractor is a joint venture between two or more firms, the Respondent must provide no more than the maximum five projects for the Lead Construction Contractor as a whole, with a minimum of one project reference for each of the firms represented in the joint venture.</p>
6.	<p>Thank you for the clarification contained in the response to RFQ Questions dated July 14th that prequalification of Lead Construction Contractors is not required for the submission of the Statement of Qualifications. Upon further review of the prequalification requirements and the intended scope of the PDA, it is clear that prequalification to perform structure “S” and “T” work types or as a “General Highway Contractor” may be applicable to the work that will be performed under one or more DBFM Project Agreements but is not applicable to the pre-development work that will be done under the PDA. Considering the nature of the pre-development work, the flexibility that may exist to have different contractors perform some or all work for different packages, and the time and process required for prequalification, we request that the prequalification requirement be included in the PDA as a prerequisite to financial close and NTP under the Project Agreements but not be a requirement for submission of a Proposal in response to the RFP.</p>	<p>No change will be made in the RFQ, noting that the definition of Lead Construction Contractor has been edited, (see revisions to RFQ Appendix I Definitions).</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
7.	<p>In Design-Build projects such as this, the Design Manager (DM) is typically one of the required Key Personnel and his/her experience is essential for many critical aspects of the project: designing to the owner’s budget, streamlining design review processes, stakeholder integration, design innovations and alternative technical concepts, value engineering, application of best practices from relevant experience with state specifications, and many others. Please consider including the DM as a required key personnel position and expand evaluation scoring accordingly to include this position. This approach also ensures that the team that has been established is complete.</p>	<p>No change will be made in the RFQ.</p>
8.	<p>In order to better define our team and to demonstrate capability and experience as defined in section 5.4.1, please confirm it is acceptable to include "value-added personnel" in addition to the required Volume 2, Technical, Part B, 2.3 Key Personnel Qualifications. We propose for this to be completed utilizing Forms F-1 and F-2.</p>	<p>No change will be made in the RFQ.</p>
9.	<p>Can PennDOT confirm that the intention is to shortlist to an industry standard three Respondents. The level of effort by both Respondents and PennDOT during the RFP will be substantial. Limiting this to three, ensures that PennDOT's overall procurement schedule and process is more achievable.</p>	<p>It is expected that the size of the shortlist will align with current industry practices, but PennDOT reserves the right not to specify or commit to a number.</p>
10.	<p>Please clarify whether in the last paragraph of 5.4.1 (a), the reference to “design experience and capability” is intended to refer to “development experience and capability”?</p>	<p>The RFQ will be amended to clarify that the reference to "design experience and capability" in 5.4.1 (a) should refer to "development experience and capability."</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
11.	<p>With respect to Section 5.5, Form G-1, Form H-1, and Form H-2, please amend the provision to the following: For Equity Members, experience of affiliates may be included if a direct or indirect common parent entity is a Financially Responsible Party for that Equity Member or if the Equity Member is an investment fund (or direct or indirect subsidiary of one or more investment fund(s)), the experience of the investment manager that provides investment management services to the investment fund(s) may be included. Please note that it is common for an organization's investment funds to be related through a common investment manager, which provides investment advice and similar services to the investment funds, while having separate general partners. Making this change allows for this structure which is very common.</p>	<p>The RFQ will be amended to permit experience of the investment manager for Equity Members in Forms G-1, Form H-1, and Form H-2.</p>
12.	<p>Please clarify whether the acknowledgement and agreement of joint and several liability applies only to design build joint ventures, as such are legally defined and is not intended to conflict with a typical non-recourse P3 project finance structure.</p>	<p>RFQ Section 1.2 of Appendix 2 (Legal Structure) will be amended to clarify the requirements for joint and several liability of the Development Entity.</p>
13.	<p>Please amend the threshold for disclosure of names of shareholders of the Equity Member to 25% holders (rather than 15% holders).</p>	<p>The RFQ will be amended to change the threshold for disclosure of names of shareholders of the Equity Member to 25% holders (rather than 15% holders).</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
14.	Please provide that the organizational chart showing the ultimate beneficial owner of the investment fund and each of Affiliate of the investment fund be limited to Affiliates involved in financing, managing or controlling the Equity Member and limit disclosure of ultimate beneficial owners to those holding 25% or more of the equity of the Equity Member. This would cover the relevant entities and provide PennDOT with information on beneficial ownership that is appropriate during this stage of the project we believe.	The RFQ will be amended to change the threshold for disclosure of names of shareholders of the Equity Member to 25% holders (rather than 15% holders).
15.	The table for Form G-1 has a column labeled "PROJECT COST." Does this column correspond to Capital Costs (development and construction) or Total Project Life Costs (all construction, operations, maintenance, and lifecycle).	Please see footnote 2 in Form G-1 for the meaning of Project Cost for this table.
16.	Please confirm the subsection page limits outlined will remain the same despite the removal of the 80 page limit.	Yes, the subsection limits outlined in the RFQ will remain the same despite the removal of the 80 page limit.
17.	Construction companies often execute work under one or more affiliates based on state level considerations which may include state registration and labor considerations. Please amend the RFI to allow for construction experience by North American affiliates to be included.	No change will be made to the RFQ.



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
18.	<p>In RFI Response #2 from July 14th PennDOT stated the intent to provide a location where Respondents would answer the Evaluation Criteria in 5.4.3 Project Development Understanding and Approach and a page limit of 5 pages. Please confirm PennDOT will also provide the appropriate locations in Volume 2 to answer 5.4.1 Technical Experience and Capability and in Volume 3 to answer 5.4.2 Investment and Financing Experience.</p>	<p>The submittal requirements that PennDOT will evaluate using the evaluation criteria in 5.4.1 and 5.4.2 are already outlined in Appendix 2.</p>
19.	<p>The definition precludes the IQF role from entities affiliated with the Development Entity, or Lead Construction Contractor.</p> <p>However, our IQF provider has an affiliation with a minority equity member (10%) and the IQF would have no role in the Design-Build team.</p> <p>We respectfully request PennDOT consider modifying the definition to allow an affiliate of a minority development entity to serve in the IQF role if the appropriate firewalls were implemented to confirm complete independence.</p>	<p>No change will be made to the RFQ.</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

<u>No.</u>	<u>RFQ Question</u>	<u>Response</u>
20.	<p>From the description of duties and responsibilities of the IQF, it is not indicated to whom the IQF will be reporting; the Development Entity or PennDOT.</p> <p>“...duties and responsibilities will generally involve quality assurance functions and will include review of submittals, construction activities, processes, procedures or other products by experienced and independent staff to provide assurance of contractual compliance and achievement of established quality standards including performing certain testing and inspection.”</p> <p>Please confirm whether PennDOT’s intent is for the IQF to report to the Development Entity or bypass the private partner and report directly to PennDOT.</p>	<p>Additional details about the roles and responsibilities of the IQF will be provided in the draft RFP.</p>
21.	<p>We note that the definition of “Major Team Member” in Appendix 1 does not include Maintenance firm, and further, that “Maintenance firm” is not defined.</p> <p>We also note on Form G-4 instructions for Maintenance Projects, experience is limited to “any Major Team Member”.</p> <p>This significantly complicates completion of Form G-4.</p> <p>We request the definition of “Major Team Member” be revised to include “Maintenance Firm” or similar.</p>	<p>No change will be made to the RFQ.</p>
22.	<p>There appears to be a typo on the form. Please confirm that the first Key Person on the table in question 5 on the second page should be “Design-Build Project Manager” rather than “Project Manager”.</p>	<p>The RFQ will be amended to clarify that the Key Person in the table within Form G-7 should be Design-Build Project Manager.</p>



Date: July 28, 2021
 Subject: PennDOT Pathways Major Bridge P3 Initiative
 Request for Qualifications
 Solicitation Number: RFQ Solicitation #: 5321R01
 Opening Date / Time: August 12, 2021 11:00 AM ET
 RFQ Questions Response Document #: 3

No.	RFQ Question	Response
23.	Similar to the requirements under Appendix 2, Section 3.9 Financial Statements (d) specifically regarding Form H-4, Financial Officer Certificate we request that if any company has a Financially Responsible Party, only one consolidated certificate is required for such Financially Responsible Party and its guaranteed entity.	The RFQ will be amended to clarify that separate Financial Officer Certificates are not required in addition to that of the Financially Responsible Party if the financial statements will be provided on a consolidated basis.
24.	We note that the restriction on the use of affiliate experience will unnecessarily limit bidders' available reference projects. Developers that are subsidiaries of large corporations often use different affiliate entities to bid on P3 projects. Restricting affiliate experience undermines the Commonwealth's ability to benefit from both local and global expertise while providing no benefit to this procurement process. Instead, we kindly ask that PennDOT allow the use of experience of Affiliates for forms G 1 to G 4 while requiring Respondents to explain how that affiliate experience will be translated to the Project.	As a correction to response #9 that was included in the first RFQ Response document on July 14th, 2021, the existing allowance for the use of affiliate experience in Form G-4 and H-1 will be retained. Additionally, the RFQ will be amended with a similar allowance for the use of affiliate experience in Form G-1. The RFQ will also be amended to clarify in Section 5.5 certain information pertaining to affiliates may be included as expressly permitted.

Regards,

Michael R. Bonini, Director
 Public-Private Transportation Partnerships Office
 Pennsylvania Department of Transportation
 400 North Street - 6th Floor
 Harrisburg, PA 17120
RA-PDP3MAJORBRIDGES@pa.gov | www.penndot.gov