

Part 1 – Instructions to Offerors – Request for Detailed Proposal (RFDP) – December 31, 2008.

ROUTE 460 CORRIDOR IMPROVEMENT PROJECT QUESTIONS AND CLARIFICATIONS		CODES: A. ACCEPT COMMENT—WILL BE CORRECTED, ADDED, OR CLARIFIED. B. DESIGNER WILL EVALUATE. C. REJECT COMMENT D. DEPARTMENT TO EVALUATE.		
UPC: 84272		Offeror Questions and VDOT Clarifications		
DESCRIPTION: ROUTE 460 REQUEST FOR DETAILED PROPOSAL PART 1, INSTRUCTIONS TO OFFERORS		REVIEW PHASE & TYPE: DRAFT, REV. 0	DATE: FEBRUARY 9, 2009	
Ref #	Provide Reference Section # and Description	Remark(s)	Code	Response
1.	General	Please confirm that the Department will not consider a Project scope that includes transportation facilities other than the proposed U.S. Route 460.		Response: See Section 1.6 of Part 1.
2.	General	Please confirm that there is no funding available from the Commonwealth of Virginia to support the Project and that it's financing shall be non-recourse to VDOT and the Commonwealth.		Response: See Section 1.7 of Part 1.
3.	General	Is VDOT willing to suspend the procurement until such time as public funding is made available?		Response: No, the Commonwealth of Virginia plans to proceed with this procurement in accordance with the schedule presented in Section 2.3 of Part 1.
4.	General	The proposed procurement schedule as provided in the RFDP is unrealistic and not sufficient to develop a binding detailed proposal. Can additional time be provided?		Response: No, the Commonwealth of Virginia plans to proceed with this procurement in accordance with the schedule presented in Section 2.3 of Part 1.
5.	General	Will VDOT provide a stipend to cover the cost associated with the development of binding detailed proposals.		Response: Consistent with Section 1.7 of Part 1, "There is no source of funding from the Commonwealth of Virginia to support the development..." There are no funds available for a stipend.
6.	General IRP recommendations to the CTB 6/20/07 CTB Resolution 7/19/07 carried unanimously	IRP recommendation #17 adopted by CTB resolution states, "VDOT should utilize its financial modeling capability to conduct a comparative analysis of the various methods available to finance this Project to determine a feasible mix of funding sources that would support Project development, which analysis should include available public and private funding options and be coordinated with the Hampton roads Transportation Authority." Has this comparative analysis been completed and released to the public? What	A	Response: An internal, sketch level Traffic & Revenue and public financing analysis was conducted for VDOT's purposes. The results of the analysis indicated that the Department would not be able to finance the project. Proposed Addendum: None

		is the conclusion? Is the project financeable?		
7.	General – Project Economics	Will VDOT terminate the procurement process if all Detailed Proposals which it receives have a funding gap?	A	Response: Yes Proposed Addendum: None
8.	Section 1.0 - Introduction	Are any funds expected to be available or to be allocated by the Commonwealth of Virginia from the economic stimulus package from the federal government?	C	Response: No. Stimulus package funds are for items that are ready for construction. The Department currently does not know the amount or level of restrictions associated with possible stimulus funding and cannot make commitments to projects or programs. Proposed Addendum: None
9.	Section 1.4 - Introduction	VDOT has not addressed the fundamental public policy issue regarding how tolling the new US 460 works directly against achieving the stated goals for the project of improving safety in the corridor and accommodating increases in freight transportation. The effect of tolling, as shown in VDOT's preliminary study by Parsons, could result in 50-80% of potential traffic being diverted off of the new facility and onto other routes. This is a high proportion by industry standards the effect would be felt primarily on the existing US 460. Any positive benefits would be marginal and short-lived as traffic on the existing route would quickly build back to pre-project levels. Is VDOT willing to engage in discussions regarding how the aims of the project can be reasonably achieved?	C	Response: The public policy issue of tolling the Route 460 project was considered as part of the EIS. The Department, in coordination with the Secretary of Transportation, has defined toll rate policy decisions in the CA. In regards to vehicle diversions, the Department anticipates diversion will be of traffic from the existing Route 460 to the new facility. The Department is open to further discussion during proprietary meetings. Proposed Addendum: None
10.	Section 1.7 – Introduction	Has VDOT made applications for federal funds in respect of this project? Three divergent applications from the bidders may not be the most effective way to obtain federal financing assistance.	C	Response: No. However, VDOT will consider supporting the Offerors' efforts to secure TIFIA and PABs. Proposed Addendum: None
11.	Section 2.1.2 - Legislative Authority for the Project “...CTB requested VDOT to seek alternative funding sources...”	Other than Private Sector funding, has VDOT identified any other funding sources for this project?	C	Response: No. There are no State allocation of funds available for this project other than private sector funding. Availability of local or federal funding is unknown at this time. Proposed Addendum: None
12.	Section 2.3 – Schedule	What FHWA Final Approval does #18 in the schedule refer to?		Response: There are several required FHWA approvals to include the CA and the Design-Build Cost Estimate that must be completed prior to contract execution. FHWA is working closely with VDOT to facilitate such approvals. Proposed Addendum: None

13.	Section 2.3 – Schedule	Please confirm #11 refers to the information referenced in Section 4.2.		<p>Response: That is correct. Final changes to the Offeror's team are required one month prior to Detailed Proposal submission.</p> <p>Proposed Addendum: None</p>
14.	Section 2.3 Schedule – RFDP milestones	<p>The draft RFDP included two rounds of questions and responses. The RFDP issued only includes one round of questions and responses. Please reconsider eliminating the second round of questions and responses. It's anticipated that more rounds of comments will be needed.</p> <p>The last date for changes in Offeror teams should be pushed back as this could limit our opportunity to add equity from other sources.</p>	C	<p>Response: The Department will maintain the current schedule and single round of questions and responses as defined in Section 2.3.</p> <p>The Department must have sufficient time to evaluate new members and the schedule will be maintained.</p> <p>Other revisions to the schedule are as noted in previous responses.</p> <p>Proposed Addendum: None</p>
15.	Section 2.4.6 – VDOT's POC and Project References	It is requested that any information that VDOT provides as a critical reference material serving as basis for being able to provide a Detailed Proposals can be fully relied upon, and that any material deviation therefrom constitutes a CA Compensation Event.		<p>Response: The Department maintains its current position that all information is provided without warranty and as reference material only.</p> <p>Proposed Addendum: None</p>
16.	Section 2.5.4 – RFDP Documents	It is not practical for the hard copy RFDP Document or Addendum to control in the event of inconsistency. Offerors will rely on use of software programs which compare electronic versions of documents in order to efficiently review changes to successive versions of the procurement documents. We therefore recommend that the electronic format control in the event of any inconsistency.	C	<p>Response: No, the hard copy will control as electronic documents can be altered. This process is used to maintain the integrity of the RFDP and addenda.</p> <p>Proposed Addendum: None</p>
17.	Section 2.5.5(a) and (e) – RFDP Documents	Any Offeror's Schematic Design or Financial Plan is preliminary at CA execution stage, and is therefore requested to be included as background information only to the CA at that stage.	C	<p>Response: The Schematic Design and Financial Plan form the basis to define the scope of the binding proposal and provide the Proposal Commitments that must be part of contract. This will not be included as background information.</p> <p>Proposed Addendum: None</p>
18.	Section 3.2.4 (f) – Project History "Improve military strategic connectivity"	What are the security requirements for the project and how will these requirements affect the availability of information?	C	<p>Response: The design criteria included in Section 3.0 of the Technical Requirements incorporate the requirements necessary to construct a roadway in support of military strategic connectivity. Unless information is deemed critical, there are no specific security requirements as related to military strategic connectivity.</p>

				Proposed Addendum: None
19.	Sections 4.4.1 to 4.4.3 – Preliminary Information Submittal	What is the intent of VDOT obtaining the Preliminary financial Information required in Form C early on, when it needs to be updated and will be evaluated in conjunction with Detailed Proposal submittal as well?	A	Response: The intention is to allow time for the Department to review the financial information and identify any pertinent issues and to allow Offerors an opportunity to address those issues prior to submittal of their Detailed Proposals. Proposed Addendum: None
20.	Section 4.6 – Proprietary Meetings	VDOT states that no negotiations will occur during proprietary meeting and any limited negotiations will occur after submission with the Successful Offeror at sole discretion of VDOT. Please provide dates – prior to submitting detailed proposal – that concession terms and risk allocations can be efficiently discussed and negotiated.		Response: The Department does not anticipate substantive negotiations; however, in response to the Offeror questions, the Department is considering commercial issues and risk allocation for the Project as a result of these questions. Proposed Addendum: None
21.	Section 4.6.3 – Proprietary Meetings	VDOT should commit to the maximum extent possible to honor any request to keep information designated by Offeror as confidential and presented in the Proprietary Meetings as such, in order to generate optimal value from these.	C	Response: VDOT shall observe the applicable requirements of the Virginia Freedom of Information Act and will respond to all requests for confidentiality accordingly. Proposed Addendum: None
22.	Section 4.6.3, Page 12 Please amend wording to indicate the following: “While the discussions in these Proprietary Meetings are intended to be confidential, VDOT reserves the right to disclose to all Offerors any issues raised during the Proprietary Meetings, except to the extent that VDOT determines, in its sole discretion, that such disclosure would reveal an Offeror’s confidential business strategies.”	We ask that VDOT considers adding an additional exception to any conversation that an Offeror may have in respect of ATC or ATP. This would be consistent with Section 4.7.3	C	Response: VDOT will handle conversations with respect to ATC or ATP in the same fashion as all conversations during the Proprietary Meetings. With respect to documents provided to VDOT by the Offeror, Offeror is reminded that it must comply with the applicable provisions of VA Code Section 2.2-3705.6 (11) and request VDOT’s determination of the applicability of an exemption from public disclosure. Proposed Addendum: None
23.	Section 4.7.2.4 (c) – Pre-Proposal Submittal of ATCs	In case of modifications/clarifications required by VDOT, the one month period presented in Section 2.3 between milestones 10 and 13 might not be sufficient. VDOT to consider and introduce the possibility of an extension to the bid date.	A	Response: The Department has developed an aggressive, but feasible procurement schedule. The Department agrees that additional time would be beneficial to the ATC development process. Proposed Addendum: Modify Milestone 8 to May 18, 2009 (was June 12) and Milestone 10 to June 19, 2008 (was July 14), which will provide 28 additional days for the Offerors to react to

				Department responses.
24.	Section 4.7.4.2 Incorporation of ATCs in the Comprehensive Agreement,	<p>The Concessionaire should be given the option to update the Financial Proposal or proposed scope of the Project if an ATC will not be implemented because the conditions of acceptance for an ATC cannot be met.</p> <p>The Offeror is not obliged to include in his final proposal any ATC that he has got approved.</p>	C	<p>Response: As part of the ATC process, the Offeror bears the risk of resolving any outstanding conditions to the Department's acceptance of an ATC. The Department does not intend to introduce a provision permitting the Financial Proposal or proposed scope of the Project to be amended if the conditions for acceptance of an ATC cannot be met. The Department agrees that the Offeror is not obligated to submit a Department approved ATC in the Detailed Proposal, if Offeror chooses not to submit such ATC.</p> <p>Proposed Addendum: None</p>
25.	Section 4.7.4.2 – Incorporation of ATCs in the Comprehensive Agreement	If ATC's cannot be implemented due to a Force Majeure event, it should constitute a CA Delay and/or Compensation Event, depending on the cause.		<p>Response: If an ATC is approved by the Department and is submitted in the Offeror's Detailed Proposal, it becomes the scope of work to be provided by the Concessionaire under the executed CA. The CA currently provides for the events defined as a Force Majeure or Compensation Events.</p> <p>Proposed Addendum: The last sentence of 4.7.4.2 will be deleted as the Department does not intend to re-evaluate proposals if an ATC cannot be implemented.</p>
26.	Section 4.8 – No Exclusive Teaming Agreements	The prohibition of exclusive teaming agreements will result in a less competitive bidding process. Bidders will be reluctant to share their proprietary business plan with parties that are not exclusively committed to their teams.	C	<p>Response: No Change to language.</p> <p>Proposed Addendum: None</p>
27.	Section 4.9 Independent Engineer	<p>The Concessionaire should be allowed to participate in the selection of the Independent Engineer.</p> <p>The cost that the Concessionaire is required to reimburse for the Independent Engineer should be fixed.</p>	C	<p>Response: The procurement and scope of services for the Independent Engineer (IE) are for the Projects use, not for a particular party to the Agreement. The procurement of the IE will be prior to the selection of the Successful Offeror, so the Concessionaire will not be able to participate in the procurement. The estimated cost of the IE will be provided to the Offerors in accordance with the Schedule set forth in Section 2.3 of Part 1.</p> <p>Proposed Addendum: None</p>
28.	Section 4.10 – Information to be Provided by VDOT	Procurement schedule imposes very short reaction time to VDOT addenda. Jul.31 (VDOT addenda due) to Aug.14 (detailed proposal due). This will be very short time to adapt to VDOT assumptions including Department Costs, PVR Discount-Rate and then finalize/audit the proposal value including the initial financial model.	C	<p>Response: Two weeks should be sufficient to respond to addendum if changes are limited to discount rate and Department costs. If there are more substantive changes, the Department will give advance notice to the Offerors.</p>

				Proposed Addendum: None
29.	Section 4.11 - DBE/SWAM Requirements 13% and 27%.	For a project of this magnitude, are these targets representative of industry results?	C	Response: This administration is strongly committed to participation of disadvantaged businesses; these goals have been established on that basis and are consistent with other recent P3 procurements in Virginia. Proposed Addendum: None
30.	Section 4.11 DBE/SWAM Requirements, ...federal Disadvantaged Business Enterprise ("DBE") contract goal for this procurement is 13% and the Commonwealth's Small, Women and Minorities ("SWAM") contract goal for this procurement is 27%.	The aggregate 40% of the contract as goal for DBE/SWAM seems very difficult to meet. We suggest using the overall goal for VDOT during FY 2008-2009 which is a 8.88% according to the public notice for participation of DBEs.: Home>Business>Civil rights Division>Public notice for participation of DBEs.pdf	C	Response: The Offeror shall develop a Detailed Proposal accounting for the current goal for DBE and SWAM participation. Proposed Addendum: None
31.	Section 4.11 – DBE/SWAM Requirements	Please confirm that the DBE and SWAM contract goals for this procurement may not be additive if a firm to be retained is a member of both categories.	C	Response: That is correct; SWAM firms working on federally funded contracts are not counted toward credit for DBE participation toward attainment of DBE goal. For additional information see VDOT's website and fact sheets. http://www.vdot.virginia.gov/business/bu-civil-rights-home.asp http://www.vdot.virginia.gov/business/resources/SWAM_DB_E_FactSheet.pdf Proposed Addendum: None
32.	Section 4.11 – DBE/SWAM Requirements	Regarding the 13% DBE and the 27% SWAM aggregating to a goal of 40%, was it your intention to say that; Offeror shall be required to fulfill a commitment " <u>to make a good faith effort</u> " to achieve these goals... The goal appears unrealistic, committing to a good faith effort will likely delay the procurement process and we certainly cannot commit to achieve the goals.		Response: Good faith effort documentation is required in accordance with Attachment 1 to Exhibit J of the CA. Proposed Addendum: None
33.	Section 5.1.5 General Information and Delivery Requirements	Please reduce the number of paper copies. Reducing the number of copies will improve the logistics and make the process more environmentally friendly.	C	Response: No change Proposed Addendum: None

34.	Section 5.4.1 – Benchmark Interest Rates and Initial Base Case Financial Model	The Offeror selection from the Initial Benchmark Interest Rates provided by VDOT of the appropriate indices, debt terms and derived rates to match Offeror's structure should be at the Offeror's risk and not subject to VDOT adjustment.	A	Response: The Department agrees and will delete 5.4.1(b). Proposed Addendum: Delete 5.4.1(b)
35.	Section 5.4.1(a): "Any refinancings anticipated in the Initial Base Case Financial Model shall be assumed to be at or above the rates of the then amortizing debt"	Please change to "The Base interest rate of any refinancing anticipated in the Initial Base Case Financial Model shall be one of the Initial Benchmark Interests Rates identified by VDOT or a combination of them"	A	Response: Agreed Proposed Addendum: Section 5.4.1 (a) shall be amended as follows: "The Base interest rate of any refinancing anticipated in the Initial Base Case Financial Model shall be one of the Initial Benchmark Interest Rates identified by the Department or a combination of them"
36.	Section 5.4.1(b) Benchmark Interest Rates and Initial Base Case Financial Model	VDOT shall not have the right to select indices, interest rates or debt terms but shall communicate with the Concessionaire that in VDOT's view the selected indices do not best match the Offeror's debt structure and provide an opportunity for the Concessionaire to select new indices and resubmit Table 5 of Form 8-D and the Initial Base Case Financial Model. If a change in the indexes is needed VDOT and the Concessionaire need to be mutually agreed. If that is not the case we need a mechanism to solve the dispute.	C	Response: The Department will delete Section 5.4.1 b. Proposed Addendum: As described above.
37.	Section 5.4.1(b) – Benchmark Interest Rates and Initial Base Case Financial Model	If VDOT unilaterally elects to modify our financial proposal as suggested in the referenced section, is the Offeror permitted to withdraw without being subject to forfeiture of his bid security?	A	Response: Upon deletion of Section 5.4.1(b), this question does not apply. Proposed Addendum: Delete 5.4.1(b)
38.	Section 6.3.2(b), Financial Pass-Fail Requirements	Please replace the last sentence by: If the TIFIA and/or PABs funds considered in the Financial Plan are not available, the Concessionaire should not be obliged to fund the Equity.	C	Response: No change Proposed Addendum: None
39.	Section 6.3.2(b) and (i) – Financial pass-fail requirements	Please delete last sentence, as Committed Investments from Offeror need to be predicated upon achieving financial close with the contemplated Offeror debt structure presented in the Detailed Proposal.	C	Response: No change to language. Proposed Addendum: None
40.	6.3.2(c) - Financial pass-fail requirements "Each evaluation component marked "[P-F]" in Table 6.4F ..."	Table 6.4F Initial Baseline Schedule has no P-F designation. We believe you meant to refer to Table 6.4H Financial Proposal Feasibility.	A	Response: That is correct, Section 6.3.2(c) should reference Table 6.4H. Proposed Addendum: "Each evaluation component marked "[P-F]" in Table 6.4H"
41.	Section 6.4 – Proposal Evaluation Criteria and Weighting	It is proposed that the relative weighting of the Concession Value vs. Proposal Quality is of suboptimal value to VDOT and future projects users. Quality items	C	Response: The purpose of the current weighting is to emphasize the criticality of cost and scope to the development of the Route

		such as the Outline Project Development Plans and Baseline Schedule, as well as Proposed Toll rates and Financial Plan, are of critical importance to the Project's success, timely implementation and eventual road usage and are therefore recommended to carry a scoring weight closer to 50%-please adjust accordingly.		460 Project. The current weighting achieves that goal. The Department agrees that the Proposal Quality score has components that are critical to the overall success of the project and it is anticipated that the Offerors team will provide responses to those evaluation criteria that are commensurate with the critical nature of the project component. Proposed Addendum: None
42.	Section 6.4.2 – Proposal Quality Score Determination and Criteria, Page 23 Section 6.4.8	The evaluation team responsible for evaluating elements relevant to the Proposal Quality Score should use a more clear system than the adjectival ratings currently described in Section 6.4.2. A point system with a range for each adjectival rating would better determine the which Offeror has the better Outline Project Development Plan, Proposed Initial Baseline Schedule, Proposed Toll Rates, or based on the feasibility of the Financial Proposal.	C	Response: The Department will continue with the proposed approach. Proposed Addendum: None
43.	Section 6.4.4 – Table 6.4E – B6.3 Outline Quality Management System Plans (QMSP)	The Offeror should not be evaluated on whether it has a construction quality team independent from both the design and construction team. The Offeror oversight will be structured into the design-build agreement and should be arranged by the Offeror's in a way consistent with the Offeror's business model.	C	Response: The Department requires independence in Concessionaire's quality assurance/quality control program for design and construction. Proposed Addendum: None
44.	Section 6.4.4 – Table 6.4E – B6.12 Outline Health, Safety and Security Plan	Revise to incorporate changes. "...there is little risk that the Offeror's approach to health, safety, and security will result in an unsafe Project."	A	Response: Agreed Proposed Addendum: correct "safe" to "unsafe" Project.
45.	Section 6.4.4 – Table 6.4E – B6.14 Outline Life Cycle Maintenance Plan	Replace minimal with reasonable or expected.	C	Response: No change Proposed Addendum: None
46.	Section 6.4.6 - Table 6.4G – Proposed Toll Rates Score	What is the VDOT-designated set of comparator roadways and how has VDOT determined the toll rates? How does VDOT propose to handle pricing which may change due to the time of the day? Is VDOT prepared to be flexible on this criteria should the toll rate need to be more than the noted "highest comparator toll rate plus 10%" should the project require such a toll rate in order to be financially feasible?	A	Response: The criteria on comparator roadways (1 st criteria listed in table 6.4G will be deleted and the weights are being re-allocated accordingly. Proposed Addendum: Delete 1 st requirement in Table 6.4G and adjust the weights for the remaining criteria to 40%, 40%, and 20%, respectively.
47.	Section 6.4.6 – Table 6.4G – Row 1	If VDOT is going to use a designated set of comparator roadways, then that set should be provided to Offerors. Why would or should toll rates for different roads be aligned?	A	Response: The criteria on comparator roadways (1 st in the list) will be deleted and the weight is being re-distributed. There should be no restrictions on toll rates. Proposed Addendum: Delete 1 st requirement in Table 6.4G and adjust the weights for the remaining criteria to 40%, 40%, and 20%, respectively.

48.	Section 6.6.3	This is a competitive process and the return on the investment is a business decision of each of the Offerors for this particular project taking into account its particular and unique characteristics. Therefore it's not comparable to any other road. VDOT should not be allowed to change the Maximum PVR. If VDOT wants to change the PVR, the Offeror should be able to walk away from the process.	C	<p>Response: The Department requires that the return to the Concessionaire is reasonable and may need to address this issue with the apparent Successful Offeror prior to its approval of that Offeror. If the parties are unable to resolve such issue, the Department may elect to proceed with the next highest ranking Offeror.</p> <p>Proposed Addendum: None</p>
49.	Section 6.6.3 – Approval of Comprehensive Agreement	The marketplace will determine what is a reasonable Return on Investment when the three proposals are examined. Since VDOT appears unwilling to accept the markets determination of reasonable ROI, could VDOT publish a range of “acceptable” ROI for consideration of the Offerors prior to investing significant effort in a “Best Value” but unacceptable proposal?	A	<p>Response: No acceptable ranges will be published. As required by law, the Department will determine the reasonableness of Return on Investment by benchmarking proposed returns against comparable recent PPP greenfield toll road transactions. The Department will exercise its sole discretion to adjust the findings of its benchmark research to reflect the particular risk, terms and conditions of the Project.</p> <p>Proposed Addendum: None</p>
50.	Section 6.6.4	Will the rankings for all Offerors be released when a Best Value Proposal is selected?		<p>Response: Pursuant to the PPTA, all procurement records will become subject to disclosure under the VFOIA, with exception of certain proprietary information or trade secrets (See VA Code Section 56-573.1:1 (D)). When the evaluation team notifies the Successful Offeror that the Commissioner has approved such Offeror pursuant to Section 6.6.7, the other Offerors will be notified.</p> <p>Proposed Addendum: None</p>
51.	Section 6.6.5 – Approval of Comprehensive Agreement	Once selected as "Best Value Proposal", there is a positive obligation on that Offeror to negotiate with VDOT in good faith. If VDOT determines the Offeror is insisting on terms and conditions which are inconsistent with the RFDP, that Offeror's Detailed Proposal Security is forfeited. This is not an equitable situation as negotiations at this point would be about material deviations from the RFDP in order to structure a Proposal that is able to be financed and able to be accepted by VDOT. This 6.6.5(ii) should be deleted as VDOT has the ultimate sanction of walking away from these detailed negotiations with the first "Best Value Proposal Offeror" and commencing discussions with the next Offeror.	C	<p>Response: In accordance with 23 CFR 636.513, it is the Department's intent to conduct limited negotiations to “clarify any remaining issues regarding scope, schedule, financing or any other information provided by that Offeror”. It is not the Department's intent to negotiate material deviations from the RFDP at this stage of the procurement. See also Section 6.6.3 of Part 1, which allows for negotiation by the Department to reduce the Maximum PVR or to take other measures enabling VDOT to make the required determination that the Offeror's return on investment is reasonable.</p> <p>Proposed Addendum: None</p>
52.	Section 6.6.5 – Approval of	Please provide that both Offeror <i>and</i> VDOT shall be obligated to negotiate in	A	<p>Response: Agreed</p>

	Comprehensive Agreement	good faith. Examples cited as failures of good faith should apply to both parties.		Proposed Addendum: Section 6.6.5 will be modified to address good faith negotiations.
53.	Section 6.6.8 – Approval of Comprehensive Agreement	Please reduce Detailed Proposal validity to 90 days, given the current and expected continued financial markets turbulence and economic uncertainty. The time period of 180 days is too long for Lenders and Equity to remain committed to the deal without some type of protection, through a provision such as a "Material Adverse Changes".	C	Response: The Department has consulted with its financial and commercial consultants and has determined the proposed duration of 180 days will remain unchanged. Proposed Addendum: None
54.	Section 6.7.2 – Actions Following Approval Date	Please provide a detailed budgetary estimate of these costs prior to Detailed Proposal submittal date, and change payment terms to 30 days after receipt of VDOT- approved invoice. Furthermore, the failure to pay such invoice shall have a cure period of 60 days	A	Response: The Department will provide a budget for the proposed audit to the Offeror in advance with other information provided in Milestone 9 in Section 2.3 of Part 1. The Department is willing to extend the date for payment of its related costs (as described below), but will require payment as a condition to execution of the CA. Proposed Addendum: Modify 6.7.2. from 10 days to 30 days for payment of invoice and provide for a 15-day cure period prior to the Department drawing from the Proposal Security.
55.	Section 6.7.2	The Traffic and Costs estimates are risks supported purely by the Concessionaire and its lenders without recourse to VDOT, therefore we consider this audit irrelevant. The total cost of the Audit must be fixed upfront.	C	Response: As stated in Section 6.7.2, the audit and reimbursement are statutory requirements, see also #54. Proposed Addendum: None
56.	Section 6.7.3 – Actions Following Approval Date	Please change from 15 days to 30 days.	A	Response: The Department has removed the requirement for submission of the Quality Management System Plan (QMSP) and the Public Information and Communication Plan as a condition precedent to execution of the CA. The new submittal dates will be after execution of the CA and as defined in Attachment 1.5A. The schedule is aggressive but will remain at 15 days. Proposed Addendum: Modify the Submission Timetable in Attachment 1.5A to reflect a post Agreement submittal of the QMSP and the Communications Plan. Delete requirement for submission of these plans from 6.7.3.
57.	Section 6.7.3(i)(7) – Actions Following Approval Date	Please delete or reduce this requirement to 10% and allow for letters of credit to substitute for cash, as the latter is more cost-efficient for the Project	A	Response: Letters of credit are acceptable as a substitute for cash. No other change to be made. Proposed Addendum: Modify the section to state that letters of

				credit are acceptable and cash is not required.
58.	Section 6.7.3.i.7	The Equity Members should not be required to contribute 15% of Committed Investment concurrently with or prior to delivery of the executed Comprehensive Agreement. This will just punish the IRR calculation and therefore the feasibility of the project. Equity should be disbursed when needed or as required by lenders at Financial Close.	A	Response: Agreed Proposed Addendum: This section will be reworded to clarify that cash is not required. Can use “commitments” in place of “cash contributions”
59.	Section 6.7.3.j	The 60 day deadline may be not enough time to submit the executed Comprehensive Agreement. Please consider increasing the deadline to 90 days.	C	Response: No change Proposed Addendum: None
60.	Section 6.7.4 – Actions Following Approval Date	Please change 15 days to 30 days.	C	Response: The Department will not allow more than 15 days to cure a deficiency in the satisfaction of the requirements to execution of the CA, There is a provision for mutual agreement of an extension if necessary, but this is a critical time of the procurement and the Offeror needs to remain focused on the deadlines for information. Proposed Addendum: None
61.	Section 6.7.5 – Actions Following Approval Date	A \$20 million proposal security upon bid submission is unacceptable. Proposal Security to be provided after selection of the Successful Offeror.	C	Response: The level and timing of the proposal security has been reviewed by the Department, with its financial and commercial consultants. The language in Part 1 will remain as previously stated. Proposed Addendum: None
62.	Section 6.7.6 – Actions Following Approval Date	Please reduce period from 180 days to 90 days.	C	Response: The Department has consulted with its financial and commercial consultants and has determined the proposed duration of 180 days will remain unchanged. Proposed Addendum: None
63.	Section 6.7.7 – Actions Following Approval Date	Please delete the following part of the beginning of the second sentence: “Subject to the mutual agreement of the parties otherwise,”	C	Response: It is the intent that the Proposal Security will be returned to the Offeror under the circumstances described in the second sentence of Section 6.7.7, unless both the Department and the Offeror agree otherwise. Proposed Addendum: None
64.	Section 6.7.5 and Form 7-A 2(b)	Paragraph 6.6.4 describes a tiering of possible Successful Offerors. How does this reduced Bond recourse apply to that tiering, such as in the case of any early	C	Response: Following selection of the Successful Offeror, draws on proposal security of the other Offerors by the Department will

	...in the event Principal is not selected as a Successful Offeror ... VDOT's recourse against the Bonded Sum is limited to Ten Million ...	withdrawal of a non-competitive proposal? Why would there be any penalty for a non-successful Offeror?		only occur if the then current Successful Offeror does not meet the requirements of Part 1 and the Department elects to negotiate with the next highest ranking Offeror. Please refer to Section 6.7.5 and other relevant provisions of the RFDP – Part 1. Proposed Addendum: None
65.	Section 8.1 – Specific Rights and Obligations of VDOT	<p>Please delete the words "...without notice.." in the second sentence, 1st paragraph, as it applies to subsections a-w.</p> <p>Also, please add to e. at the end the following text: " , subject to it not unfairly affecting one Offeror vs. another Offeror."</p> <p>Under m., please add the following text at the end: "subject to the Detailed Proposals Due Date not having passed."</p> <p>Under q., please add the following text at the end: " and not remedied during the applicable Cure Period".</p> <p>Please delete t., so as to underscore the value VDOT attaches to entering into good faith negotiations with the Successful Offeror.</p>	C	<p>Response: Section 8.1 shall remain as presently written. VDOT requires the flexibility allowed by this Section to proceed with the procurement of this Project.</p> <p>With respect to Section 8.1 (m), it is not the intent of VDOT to unilaterally impose binding obligations on the Offeror's, but VDOT may alter its requirements at any time prior to its execution and delivery of the CA, understanding that the Offeror may withdraw from the procurement as a consequence if the changes impose a materially different obligation on the Offeror.</p> <p>Proposed Addendum: None</p>
66.	Section 8.1(a) – Specific Rights and Obligations of VDOT	<p>We have identified to VDOT that there is a funding gap for this project. VDOT has not provided any further information to demonstrate that either (i) the project could be self funding; or (ii) that VDOT has alternate funds to complete the project.</p> <p>VDOT would like all Offerors to spend a considerable amount of money to assess this project, with VDOT retaining the right to cancel the process at any time and no certainty the project will proceed given there is likely to be a significant funding gap even with the scope being reduced to the "Core Requirements".</p> <p>VDOT should offer a significant stipend to encourage bidders to participate in the procurement.</p>	C	<p>Response: Consistent with Section 1.7 of the Part 1, "There is no source of funding from the Commonwealth of Virginia to support the development..." There are no funds available for a stipend.</p> <p>Proposed Addendum: None</p>
67.	Section 8.1(g) – Specific Rights and Obligations of VDOT	The ability to modify the evaluation criteria must cease at some point prior to the Detailed Proposal Due Date in order to allow Offerors sufficient time to make necessary modifications to their proposal strategy, negotiations and documentation.	C	<p>Response: In the event of a material change in the evaluation criteria, VDOT will consider appropriate adjustments to the Detailed Proposal Due Date.</p> <p>Proposed Addendum: None</p>
68.	Section 8.1(i) – Specific Rights and	In order to preserve the integrity of the Detailed Proposal Due Date, and avoid an	C	Response: VDOT does not intend to act arbitrarily in connection

	Obligations of VDOT	unfair advantage to any Offeror it must be clarified that such addenda and supplements will only be taken into consideration in evaluating an Offeror's proposal if they are submitted in response to a specific request for clarification from VDOT.		with its acceptance or rejection of supplemental material from the Offerors, but will consider such submittals on a case by case basis with a view toward promoting the overall fairness of the process and the procurement of the best value for the Commonwealth. Proposed Addendum: None
69.	Section 8.1(p) – Specific Rights and Obligations of VDOT	Under what circumstances would VDOT accept and review a non-conforming proposal?	C	Response: VDOT does not intend to act arbitrarily in connection with its acceptance or rejection of supplemental material from the Offerors, but will consider such submittals on a case by case basis with a view toward promoting the overall fairness of the process and the procurement of the best value for the Commonwealth. Proposed Addendum: None
70.	Section 8.1.u	Please provide details on interim agreement.	C	Response: The PPTA allows for an interim agreement; however, it is not anticipated that an interim agreement will be required for this project. The Department reserves this right. Proposed Addendum: None
71.	Section 8.2 – No Assumption of Liability by VDOT	Given the firm nature of the Detailed Proposals required and the amount of diligence needed to be conducted by each Offeror in order to comply with this requirement, it is strongly recommended that a meaningful stipend be considered for the procurement.	C	Response: Consistent with Section 1.7 of the Part 1, "There is no source of funding from the Commonwealth of Virginia to support the development..." There are no funds available for a stipend. Proposed Addendum: None
72.	Section 8.2.1	Will VDOT consider a stipend for unsuccessful Offerors? VDOT is requesting a considerable amount of detailed documentation during the proposal stage, and all that documentation will remain in his possession for future use. This entitles the Offerors to receive compensation in case its proposal is unsuccessful.	C	Response: The Department shall not pay a stipend and it shall not use the proprietary work product provided by the unsuccessful Offerors. Proposed Addendum: None
73.	Section 8.2.3 - No Assumption of Liability by VDOT "Any and all information made available to the Offerors ... is without representation or warrantee of any kind."	By industry practice and contract law, isn't the owner/client (VDOT) responsible for its content, furnished to the Offerors and used in the good-faith preparation of their bids?	C	Response: VDOT will adhere to, and requires that the Offerors and the Concessionaire to accept, the provisions set forth in the RFDP, including Section 10.05 of the CA regarding the extent to which they may rely on information furnished to them in connection with this Project. Proposed Addendum: None

74.	Section 9.1, Virginia Freedom of Information Act	The financial model must be exempted from VFOIA in order to ensure to keep our proprietary information confidential. This would have an adverse effect on our potential bids in all future projects.	C	<p>Response: As in the case of all documents submitted by the Offeror to VDOT, Offeror must request that VDOT determine whether the document qualifies for exemption from disclosure under VFOIA. VDOT cannot make such determination in advance of its receipt and review of the document.</p> <p>Proposed Addendum: None</p>
75.	Section 9.1.1 – Virginia Freedom of Information Act	VDOT should be responsible for any negligent or willful misconduct relating to a disclosure of proprietary information that the Offeror has requested be kept confidential and to which VDOT has agreed.	C	<p>Response: VDOT will comply with applicable law, including the Virginia Freedom of Information Act. Its liability, if any, shall be determined in accordance with such laws.</p> <p>Proposed Addendum: None</p>
76.	Section 9.1.4 – Virginia Freedom of Information Act	Please delete the words “endeavor to”.	C	<p>Response: VDOT will comply with applicable law, including the Virginia Freedom of Information Act. Its liability, if any, shall be determined in accordance with such laws. VDOT has no obligation to notify Offeror in advance of VDOT’s compliance with the Act, but will endeavor to do so.</p> <p>Proposed Addendum: None</p>
77.	Section 9.3.1 – Administrative Requirements	Please include “business entities” in an index of defined terms. Does “business entities” mean Offeror, major subcontractors, subcontractors, advisors?	C	<p>Response: Section 9.3.1 is intended merely to alert Offerors to certain prerequisites to conduct business in the Commonwealth of Virginia. Please refer to the applicable resources noted in that Section for further information and VA code 13.1-1201.</p> <p>Proposed Addendum: None</p>
78.	Attachment A - Core Requirements	How practical is the 70 mph, 2 lane, 55-mile road, without any intermediate interchanges, we are being asked to considered in the Core case? Does it meet, or can it even be considered for, State safety standards for emergency access, etc? Can the intermediate interchanges be simple, common-grade, signal crossings?	C	<p>Response: The design speed of the horizontal and vertical alignments and design features should be maintained as currently identified in Attachment A. If a configuration is presented that is less then the Base Case requirements, then the posted speed limit will be reduced to meet the design and safety conditions of the project. Each Offeror should consider such items as emergency access, etc. in its Schematic Design. See previous recommendation for intermediate interchanges.</p> <p>Proposed Addendum: None</p>
79.	Attachment A - Table A.1 – Comparison of Base Case and Core	What are the minimum standards for Ultimate Configuration ROW, as far as widths of non-paved medians, sideline properties, drainage fields, cross-street	C	<p>Response: The minimum standards for a 4- lane (with expansion to 6-lane in the median) divided highway with a design speed of 70</p>

	Requirements Project Right of Way	run-outs, etc?		mph are included in VDOT's Design Manual. Proposed Addendum: None
80.	Attachment A – Table A.1 – Comparison of Base Case and Core Requirements	The DEIS, FEIS and ROD all require four lane, divided, limited access highway with seven intermediate interchanges. (1) Table A.1 allows base case two lane limited access highway with no intermediate interchanges required, in apparent conflict with NEPA resolutions. Will Offerors have to reopen the ROD to allow this variance? (2) Are “at grade crossings” allowed?	C	Response: No, if the project scope is less than what was approved, then NEPA is not effected; however, if only part of the project is constructed initially and several years pass before constructing another phase or component, then a re-evaluation would likely be required just because of the passage of time. Proposed Addendum: None
81.	Attachment A – Table A.1 - Comparison of Base Case and Core Requirements	If the Core Requirements state that none of the seven (7) intermediate interchanges are required, is it still necessary to construct a crossing (at-grade or grade-separated) at these locations? If so, what are the minimum requirements for these crossings? The VDOT statement of the Core Requirements implies that it is permissible to sever all crossings of the new US 460 for the entire 55 miles.	A	Response: All existing crossings at interchange locations shall be grade-separated, which facilitates the project goal of constructing a facility capable of emergency evacuation. Proposed Addendum: Add note to Table A.1 “As part of the Core Requirements, if the Offeror elects not to construct the full intermediate interchange, a grade-separated structure shall be required to maintain connectivity of the existing transportation network.”
82.	Attachment B – B6.4.1 Outline Design Management Plan	Including the O&M contractor in this description of the Offeror’s approach for designing the project will not be applicable in all cases. Please change text to “...including the O&M Contractor, if applicable.”	A	Response: Agreed Proposed Addendum: Modify B6.4.1 as requested
83.	Attachment B – B6.4.2 Outline Design Management Plan	Please provide appropriate local and/or regional bicycle plans in data room.		Response: Information will be posted upon availability. Proposed Addendum: None
84.	Attachment B – B6.6.2 Outline Environmental Management Plan	Specify the Governmental Approvals that will need to be obtained.	C	Response: It is the responsibility of the Offeror to determine the Governmental Approvals required for its Work. Proposed Addendum: None
85.	Attachment B – B6.7.3 Outline Right of Way Acquisition and Relocation Plan	VDOT should bear all risk related to acquisition of right of way. At least, this risk and mitigation of the risk should be shared. Therefore, point 3 should be restated to say, “Describes the approach for phasing Project Right of Way acquisition with design and construction and how the Offeror and VDOT can share the risks and mitigation of the risks if parcels are not timely acquired.”	C	Response: Section 8.08 of the CA defines the responsibilities of each party in the acquisition of Right of Way. Proposed Addendum: None proposed Policy – IPD, Part 3

86.	Attachment B – B6.10.3 Outline Communications Plan	The Offeror should only be required to provide support for VDOT and not be responsible for scheduling or holding public hearings and meetings. Please clarify that VDOT will call and hold public hearings and meetings and that the Successful Offeror will only provide support.	A	<p>Response: Statement 1 is correct: however, the Concessionaire’s schedule will control when public hearings are held. The requirements are included in the Technical Requirements, Part 2. Each Offeror should consider such issues in its Public Information and Communications Plan.</p> <p>Proposed Addendum: This section will be amended to add clarity.</p>
87.	Attachment B – B6.10.4 Outline Communications Plan	VDOT and Offerors should agree a process which will ensure confidentiality of Offeror’s development ideas and minimize “fatigue” among private/government entities and communities as a result of approaches and discussions with three different Offerors during the RFDP process.	C	<p>Response: VDOT cannot ensure confidentiality of an Offeror’s development ideas in connection with the Offeror’s discussions with other public or private entities. VDOT may assist with coordination with other government entities. The Outline Public Information and Communication Plan should incorporate this concept.</p> <p>Proposed Addendum: None</p>
88.	Attachment B – B6.13.4 Outline Operations & Maintenance (O&M) Plan	Please revise point to accept the following edits. “Commitment to, and strategy for, change management and continuous improvement for the Project during the Operating Period to include traffic management systems, safety and incident management, changing addressing community expectations concerns, technology improvement and upgrades, and other transportation infrastructure.	A	<p>Response: Agreed</p> <p>Proposed Addendum: “Commitment to, and strategy for, change management and continuous improvement for the Project during the Operating Period to include traffic management systems, safety and incident management, addressing community expectations concerns, technology improvement and upgrades, and other transportation infrastructure.</p>
89.	Attachment B – B6.13.8 Outline Operations & Maintenance (O&M) Plan	Can you please clarify the actual meaning of this section? Which is the actual extent of the integration of the project into existing public highway system?	C	<p>Response: The proposed Route 460 will become part of a roadway network serving the Commonwealth between Richmond/Petersburg and Hampton Roads. Coordination of the Concessionaire with VDOT or other entities within the roadway network will be integral to moving people and goods within the region. Examples include: integration of network operations – a major incident within Hampton Roads may need to be communicated with Route 460 users – integration with the Smart Traffic Centers.</p> <p>Proposed Addendum: None</p>
90.	Attachment B – B7.1 Proposed Initial Baseline Schedule	What legislative activities would need to be performed by concessionaire?	C	<p>Response: Legislative activities would be those activities necessary to comply with Law, such as providing information and coordinating with the Department and others to ensure the Project remains in the Constrained Long Range Plans and Transportation</p>

				Improvement Plans (TIP) as required by FHWA. Proposed Addendum: None
91.	Attachment B – B8.1.5 Offeror’s Schematic Design – General	Text seems to be unintentionally omitted. “...local comprehensive [omitted text needed here] and land use plans,...”	C	Response: Each County has a Comprehensive Plan which includes plans for transportation improvements, economic development, land use, etc. The text is correct as stated. Proposed Addendum: None
92.	Attachment B – B8.5 Strategic Compliance Evaluation	Please provide the Hampton Roads Hurricane Traffic Control Plan, 2006 in data room.		Response: This has been completed. Proposed Addendum: None
93.	Attachment C – C1.1 Financial Statements	Providing financial statements is not necessary since they were already submitted. Only updates are needed for the Financial Proposal.	A	Response: Agreed Proposed Addendum: The Department will clarify in C1 that full documentation should be submitted upfront but when Detailed Proposal is submitted, should provide material updates or certify that no material changes have occurred.
94.	Attachment C – C1.1.2 (e)	If Equity Members are not US entities, the footnotes might not be denominated in USD. While Equity Members might be in a position to convert items (b) to (d) into USD with a certified translation, this requirement is usually not extended to footnotes, the translation of which represents a significant cost. VDOT to confirm that it is acceptable to provide USD translation for items (b) to (d) only.	C	Response: All items are to be translated, including the footnotes. Proposed Addendum: None
95.	Attachment C – C1.3	The Offeror’s capital markets issuance or the ones of any Major Participant might only receive a rating from two rating agencies. The text should be amended asking for “credit ratings issued by any rating agency”.	C	Response: No change Proposed Addendum: None
96.	Attachment C – C1.4 Letter of Support from Provider(s) of Financial Close Security	The \$75 million Financial Security should not be linked to the Financial Close. Look at comments on the CA.	C	Response: No change Proposed Addendum: None
97.	Attachment C – C1.5	Will VDOT accept a Performance & Payment Bond from the Design Build Contractor in lieu of a Letter of Credit from the Concessionaire? If so, will VDOT accept Performance and Payment Bond forms similar to the standard Commonwealth of Virginia Department of Transportation Contract Performance and Payment Bond forms but running from the Design Build Contractor as Principal to the Concessionaire as Obligee and naming VDOT as an Additional	C	Response: The Letter of Credit (LOC) shall be the only acceptable form of performance security. Section 8.13(b) of the CA currently allows for an alternative performance security arrangement, which allows the LOC to run through the DB Contractor and/or other prime contractors.

		Obligee guaranteeing construction obligations?		Proposed Addendum: None
98.	Attachment C – C1.5	Will the L/C or Performance and Payment Bond amount be \$125 million or \$225 million. There is a discrepancy in the Exhibit G Form of Performance Security	A	Response: \$125 million Proposed Addendum: Correct error in Exhibit G.
99.	Attachment C – C1.7 Letters of Support from Lending Institutions	Lenders should not be required to evaluate Offeror capability of securing, managing, and bringing to financial close the financing a project of this size and nature. It doesn't add value to the project to require Letters of Support in an early stage when we have already gone through a prequalification process and there are only three bidders remaining or outstanding.	A	Response: Research has determined that the request for letters of support is reasonable. Proposed Addendum: Item (ii) of this section will be deleted.
100.	Attachment C – C2 Maximum PVR (Financial Proposal Requirement)	The form must only contain the PVR. The variable on competition is the Maximum PVR. If there is any mistake in the other outputs of the model, those would need to be fixed but they are not parameters of the bid.	C	Response: No change Proposed Addendum: None
101.	Attachment C – C3 Initial Toll Rates and Illustrative Toll Rate Adjustment Policy (Financial Proposal Requirement)	Set Initial Toll Rates to CPI as of January 1, 2009.	C	Response: No change Proposed Addendum: None
102.	Attachment C – C3	By restricting the toll indexation to inflation, VDOT constrains the potential amount invested by the private sector in the project. Toll indexation can be set according to a variety of aggregates, including GDP, GSP, GDP per capita, each of those returning different PVRs. We recommend that VDOT allow for a more dynamic tolling regime than inflation.	C	Response: C3 only indexes Initial Toll Rates from the schedule submitted in the Detailed Proposal through 30 days prior to the Service Commencement Date. Proposed Addendum: None
103.	Attachment C – C4.1	Please confirm that a letter signed by the chief financial officer disclosing any off-balance sheet liabilities not mentioned in the financial statements will satisfy this requirement.	A	Response: Yes, this will satisfy the requirement. Proposed Addendum: None
104.	Attachment C – C4.4 Letter of Commitment to Provide Performance Security	Please verify that the section refers to the Design-Build Performance Security.	C	Response: Section C4.4 refers to the Performance Security that secures performance of the Concessionaire's design and construction obligations. Proposed Addendum: None
105.	Attachment C – C4.5 vs C1.4	Letter of Support for Financial Close Security - what is the difference between this requirement and the similar requirement at C1.4?	A	Response: C1.4 is preliminary and C4.5 comes in with the Detailed Proposal submission. They are submitted at different times.

				Proposed Addendum: An addendum will be issued to revise the title of these sections, and all references made therein, from “Financial Close Security” to “Committed Investment Security.” For additional information, please see Part 3 Comments, item #58.
106.	Attachment C – C5.1.7	Back-up structures are not possible in the current market conditions and Offerors will not be able to provide anything more than the Initial Base Case.	C	Response: Back-up structures are always possible. Proposed Addendum: None
107.	Attachment C – C5.2.1.2(b)	The obligation under C1.1 to provide financial statements for Equity Members, Design-Build Contractor, and Guarantors already covers this requirement.	C	Response: These are separate requirements; no change. Proposed Addendum: None
108.	Attachment C – C5.2.1.2(c)	VDOT to confirm that this is only applicable to the Offeror.	A	Response: Applicable to the Concessionaire. Proposed Addendum: None
109.	Attachment C – C5.2.1.3(b)	The information requested for senior and/or mezzanine debt especially items (a) and (b) may not be available. A conditional statement saying, “if available” should accompany them.	A	Response: Agree Proposed Addendum: Add “If available.”
110.	Attachment C – C5.2.1.4, 5, 6 and 7	The DSCR, PLCR, LLCR, Project IRR and Equity IRR are standard ratios that are part of the Base Case agreed with the Lenders. Given market conditions and specific transaction aspects, the calculation of those ratios might be different than the calculations presented in sections 4 to 7. We strongly recommend that VDOT request communications of the ratios used in the Lenders Base Case for their own assessment. This will avoid duplication and confusion on the metrics assessing the robustness of the project.	A	Response: Agreed. Proposed Addendum: Remove current definitions of DSCR, PLCR and LLCR. Insert a requirement that the Initial Base Case Financial Model include the calculation of DSCR, PLCR and LLCR that matches the lenders’ requirements for those metrics. The Offeror’s Detailed Proposal must provide a comprehensive definition of how each metric is defined and calculated.
111.	Attachment C – C5.3.3	It is not customary to have copies of the audit reports addressed to VDOT as VDOT will not be a party to the engagement with the model auditor. Amendments from the auditor are expected to be required before the final bid and final commitments are delivered.	C	Response: The Department needs to receive copies of the audit as an addressee. Proposed Addendum: None
112.	Exhibit C Section C5.3.3 MODEL AUDIT	VDOT mentions that copies of the model audit report shall be addressed to the Department, please clarify if VDOT intends to be able to rely on the report and, if so, whether VDOT will sign a reliance letter accepting a cap on liability in favor of the model auditor.	A	Response: Agreed Proposed Addendum: add, “subject to cap accepted by the

				lenders.”
113.	Attachment C – C5.5 Sensitivity Analysis	The Sensitivity Analysis as a whole has too many requirements and will be overly cumbersome for Offerors to prepare. Items c, f, g, k and l are particularly burdensome for a sensitivity analysis.	A	<p>Response: The Department is considering adjustments to the sensitivity analysis requirements.</p> <p>Proposed Addendum: This section will be revised in the addendum.</p>
114.	Attachment C6.1 Debt Commitment Letters	Please delete this section. If it’s not required to submit a fully closed financing package with the proposal it shouldn’t be required to submit this information either.	A	<p>Response: Agreed</p> <p>Proposed Addendum: Modify language by prefacing “to the extent applicable.”</p>
115.	Attachment C – C6.1 – Debt Commitment Letters	The ratings communicated to VDOT should be the ratings “issued” rather than “provided”.	C	<p>Response: No change</p> <p>Proposed Addendum: None</p>
116.	Attachment C – C6.1 – Debt Commitment Letters	VDOT states that Initial Project Financing may not include fully committed financing; however, Attachment C6.1 requires authorization from lenders’ senior management or credit committees. Such approvals may not be possible before completion of lenders due diligence and term sheets. Also, lenders will have limited control over setting date for financial close prior to proposal submission and then CA execution.	A	<p>Response: Agreed</p> <p>Proposed Addendum: Modify language by prefacing “to the extent applicable”.</p>
117.	Attachment C – C7.1 and C7.2	Please clarify that the Schedule of Values and the Traffic Forecasts are expected to be extracts of the Base Case Financial Model upon which the Offeror will base its bid.	A	<p>Response: The Department expects the Concessionaires cost estimates/Schedule of Values to incorporate all costs to design, build, operate and maintain the Project; this is not an extract from a model. The traffic forecasts are the results of modeling efforts, but the Department must be provided sufficient information, in accordance with Attachment C of Part 1, to assess the validity of the assumptions used in the model.</p> <p>Proposed Addendum: Delete requirement for model.</p>
118.	Attachment C – C7.1 Schedule of Values, C7.2 Traffic Forecast	The Offeror should not be required to provide models associated with the traffic forecast. We consider this requirement unnecessary to evaluate the proposal. This work is part of the intellectual property of the consultant and the Offeror and cannot be release to third parties.	A	<p>Response: Agreed. The Department is considering adjustments to the sensitivity analysis requirements.</p> <p>Proposed Addendum: Delete model submittal requirement from Attachment C. The T&R report requirements will be consistent with the revised sensitivity requirements,</p>

119.	Attachment C – C7.2 (m) Traffic Forecast	The open-ended requirement is too much information to provide for the RFDP.	A	<p>Response: Agreed. Text will be amended to limit requirements to traffic and revenue related information.</p> <p>Proposed Addendum: Revise “m” to read as follows: “any other traffic and revenue related information.”</p>
120.	Attachment G – Form 7-A 2.b	Please describe why VDOT would need to access Proposal Security as liquidated damages for Offerors not selected as Successful Offeror.		<p>Response: To compensate the Department for the resulting damages that would otherwise be difficult and impracticable to measure or prove.</p> <p>Proposed Addendum: None</p>
121.	Form 1 – Submittal Letter	All members of the Offeror cannot be jointly and severally liable for the obligations of the Offeror/Concessionaire.	C	<p>Response: The RFDP (Form 1 – Attachment G) provides: “Offeror understands and agrees that if the Offeror is a joint venture or association other than a corporation, limited liability company or partnership, all members of the Offeror shall be jointly and severally liable for all obligations and representations of the Offeror under this Detailed Proposal, and each of the members shall execute and deliver this Submittal Letter.”</p> <p>It is the intent that the “Offeror” is the entity proposed to be the Concessionaire under the CA, not its various subcontractors (i.e., the design-builder). If the Offeror is a joint venture or general partnership, the constituent members must agree to be jointly and severally liable for the obligations and representations of the Offeror under the Detailed Proposal.</p> <p>Proposed Addendum: None</p>