April 29, 2016

Subject: RFP HSR15-92 Questions and Answers

The following are responses to all questions submitted via email on or before the April 27, 2016 deadline for questions. The content of the questions contained in this document have not been modified from their original submittal.

Q1: Small Business Participation (Section 7)

Section 7.3.3 Small Business Program Contractual Requirements – The RFP references the Authority's SB program with a link to the Policy and Program web page: http://www.hsr.ca.gov/Programs/Small_Business/policy.html

- The policy on the web page states: "The Authority has established a Small and Disadvantaged Business Enterprise Program, inclusive of Small Business (SB), Disabled Veteran Business Enterprise (DVBE), Disadvantaged Business Enterprise (DBE) and Microbusiness (MB), which meets the State of California SB/DVBE and federal DBE certification eligibility criteria, and herein after, will be referred to as SBs."
- Based on this policy is it correct to assume that a company with a Disadvantaged Business Enterprise (DBE) certification be considered a Small Business for this procurement and count towards the Prime contractors Small Business goal?

A1: Please reference the entire Small Business Participation section (Section 7) in the RFP. As this RFP is 100 percent State funded, Disadvantaged Business Enterprises (DBE) do not count toward meeting the Small Business Goal for this RFP.

Q2: Part 2, Technical Proposal (Section 5.3.2)

Unlike any past RFP's, why suddenly Now, is the CHSRA requesting and seeking services that the proposer for Financial Advisor Services, must have: (Please explain)

a) 15 years as the prime or lead on major international infrastructure projects, at least one of which is directly related to high-speed rail?

b) At least one (1) of these projects must be a Public-Private Partnership (P3)?

c) Experience as a Prime Contractor with at least one (1) project exceeding $1 billion, and directly related to high-speed rail?

These untimely requirements do not support the views of the FHWA IPD that has become a national knowledge base and understanding toolkit for P3 infrastructure projects."

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A2: Proposers should reference Section 5.3.2(A) "Minimum Requirements," which requires Proposers to demonstrate their ability to deliver a project of this magnitude by detailing prior work.

Q3: Procurement Schedule and Process (Section 3)

Why allow only 14 days for the current HRS15-92 Proposal due date, when the cancelled HRS15-91 and prior the HRS 14-01, each allowed at least 40 days for the Proposal due dates? For the number of untimely changes to HRS15-92, from HRS15-91, would it not, "only be reasonable and fair" to provide 40 days? (Please explain)

A3: The timeline specified in this RFP will remain unchanged. Proposers should reference Section 3 of the RFP "Procurement Schedule and Process" for pertinent dates.

Q4: Prior RFP

How does the new HRS15-92 RFP, solve the factors, which led up to the CHSRA cancelling the HRS15-91 RFP? (Please explain)

A4: HSR15-92 contains revisions in several areas to add more specificity and clarity to the requirements.

Q5: Standard Agreement, Exhibit A (Attachment H)

Why does each RFP for Financial Advisor Services, purpose and overview states "Contractors to provide financial analysis of the Authority's existing funding plans and prospective funding sources, business planning and analysis of delivery models, and procurement options and potential financing sources, among other tasks appropriate for the System", but each Final Business Plan clearly do not present how Tasks 2.3 thru 2.9 have provided financial analysis of these purposes? , Is so, where?

A5: Proposers should reference Exhibit A of Attachment H: Standard Agreement in the RFP.

Q6: Standard Agreement, Exhibit A (Attachment H)

Is Tasks 2.3 thru 2.9 of the RFP, the CHSRA Business Plan's Goals or actual Tasks to be performed, by which the CHSRA have requested Financial Advisor Services? (Please explain)

A6: Proposers should reference Exhibit A of Attachment H: Standard Agreement in the RFP. Proposers must be able to perform all tasks in the referenced exhibit as part of the scope of the Agreement.

Q7: Standard Agreement, Exhibit A (Attachment H)

"Was Tasks 2.3 thru 2.9 performed for 2014 & 2016 CHSRA Business Plans? If No, Why? , If yes, where are these work products for the Business Plan, since the Financial Analysis Section is underdeveloped or missing; Tasks 2.3 thru 2.9 are absent; and/or other financial analysis sections seem to be performed by other firms or a Peer Review Group?"

A7: Proposers should reference Exhibit A of Attachment H: Standard Agreement in the RFP. Proposers must be able to perform all tasks in the referenced exhibit as part of the scope of the Agreement.

Q8: Standard Agreement, Exhibit A (Attachment H)

How the CHSRA expect a Vendor/Proposer to present and perform Tasks 2.6, 2.8, and 2.9, and the HRS15-92 RFP current scope of work, to provide financial analysis of the Authority'…… ?

A8: Proposers should reference Purpose and Overview of RFP (Section 2) and Exhibit A of Attachment H: Standard Agreement of the. Proposers must be able to perform all tasks in the referenced sections as part of the scope of the Agreement.

Q9: Part 2, Technical Proposal, Section 5.3.2(A), Minimum Requirements

Please note that many global consulting and banking organizations are structured as membership organizations with separate member firms in each country. It is critical that the language of these requirements be made more precise and also that several changes be made to ensure that credible Proposers can comply with them and to avoid ambiguity.

1. Please state with respect in an addendum that: "For the avoidance of doubt, for prime firms which are part of similarly branded, global organizations, the experience cited to meet the Minimum Requirements (and throughout the proposal) may include the experience of affiliates and member firms of the same global organization."
2. Please edit Minimum Requirement 1 as follows: "The Proposer prime firm or the prime firm's lead project managers, must have a minimum of 15 years' experience working as the prime or lead financial advisor on major international infrastructure projects, at least one of which is directly related to high-speed rail. For the avoidance of doubt, prime firms which are part of similarly branded, global organizations, the experience cited can to meet this requirement may include the experience of affiliates and member firms of the same global organization."
3. Please edit Minimum Requirement 3 as follows: "The Proposer prime firm must have experience as a prime contractor for financial analysis /advisory work with respect to at least one (1) project exceeding $1 billion, and directly related to high-speed rail."
4. Please edit Minimum Requirement 4 as follows: "The Proposal team Proposer must have at least 10 years' experience as a prime or lead in financial and economic analysis and planning." Please also clarify if Requirement 4 should be satisfied only by the prime firm.

A9: The Authority will address each item individually:

1. The language in RFP HSR15-92 Section 5.3.2 will remain as written.
2. Per the language in Section 5.3.2(A)(1), the Proposer prime firm, or project managers, may be used to meet the mandatory qualification.
3. Section 5.3.2(A)(3) will continue will remain as written.

4. The Proposal team, which is inclusive of the Proposal firm and key team members, shall have at least 10 years' experience as a prime or lead in financial and economic analysis and planning. The Proposer may either use the firm to meet this requirement, or the key team members. However, if the Proposer chooses to use key team members to meet this requirement, the years' experience is not accumulative.

Q10: Part 2, Technical Proposal (Section 5.3.2(D)(1))

We note that under the new Cost Proposal approach, there is not a total budget. Accordingly, please consider clarifying or editing this paragraph as follows:

"The Proposal shall list all key personnel who will be working on the project including key personnel of Subcontractors. Proposers shall include resumes for key personnel with their titles, qualifications, the role they will serve, where they are headquartered, a summary of similar work or studies performed, any special expertise, a statement or table(s) indicating the allocation of resources to various tasks including as a percentage of the total budget, and what tasks each professional and firm will perform."

A10: Proposers shall indicate the allocation of resources to various tasks as a percentage of the total budget listed in Section 2.

Q11: Part 3, Cost Proposal (Section 5.3.3)

Section 5.3.3 requires cost proposals to include reimbursable expenses and to exclude travel from fully loaded hourly rates. Please edit this requirement and/or confirm if and how Attachment F and G submittals should indicate estimated travel costs.

A11: Proposers should reference Part 3, Cost Proposal (Section 5.3.3), which reads:

"All Cost Proposals must include anticipated reimbursable expenses. The rates listed on the Cost Proposal Worksheet shall be fully loaded and include all direct and indirect costs, excluding travel, including overhead and taxes incidental to the specified rates. Proposers shall review Attachment H, Sample Agreement, for information regarding allowable costs."

Q12: Attachment E: Task Order (Technical)

1. Please provide an editable copy of Attachment E or confirm that proposers may recreate it

2. Please clarify which boxes on the Attachment E form need to be completed by the Proposer

3. Please confirm that the ability to satisfy the requirements in Attachment E (whereby the Contractor: "must demonstrate how they would work with Authority staff to leverage the ERP software to enable the Authority's ability to perform Business Process Reengineering (BPR) and associated changes to its business processes with the goal of integrating and maximizing the ERP"; "must show a methodology that would eventually provide traceability from the Authority's processes to the requirements in a future Requirements Traceability Matrix that will be included in a BPR and Financial System Recommendations Report"; and "shall demonstrate how it will document its analysis of the Authority's requirements to establish the Authority's need for a financial system and

to resolve any identify gaps with the ERP System prior to proceeding with development of solutions requirements") can be satisfied with supplemental material independent of the Task Order form provided. There does not appear to be room on the Task Order form provided to conveniently address these required topics.

4. Please provide page length guidance for the "Task Order description with overview of activities and interactions with Authority staff, processes, data points, etc." and consistent with the question above, please confirm that this can exceed the space shown
5. Does the Authority intend to award a task order based on this proposal (and related hours and cost estimate)?
6. The Task Description included in Attachment E refers to "implementation activities of the State's new Financial Enterprise Resource Program (ERP)". To clarify, is this reference to a "Program" intended to be the State's new FI$Cal system? Or to an additional program for the Authority rather than for the State?
7. The Task Description refers to the existing Financial Accounting System. As this reference is capitalized, does this "Financial Accounting System" refer to a specific system, or combination of systems, currently in use by the Authority? If so, please specify and describe the system(s) in place.
8. The Task Description specifies the timing for delivery of 3 future deliverables under the task (i.e., 60, 90, 120 days). The directions on page 2 of 3 of Attachment E indicate that Proposer should identify the planned Task Order schedule and deliverable due dates.
   a. Should the Proposer assume the 3 deliverables shown on page 1 of 3 are the only deliverables required for this Task Order?
   b. Should the Proposer use the timing shown for these 3 deliverables as a guide for completing the Task Order Schedule and "Planned Delivery Date" in our response, or should the Proposer develop its own schedule independent of these timeframes?

A12: The Authority will address each item individually:

1. Proposers may recreate Attachment E: Task Order (Technical).
2. Per RFP HSR15-92, Attachment E: Task Order (Technical), Proposers are to fill out the following Task Order and provide the following:
   - Task Order description with overview of activities and interactions with Authority staff, processes, data points, etc.
   - Number of hours by classification to complete the Task Order
   - Acceptance criteria
   - Proposed Task Order schedule
   - Planned deliverable due dates

- o The future deliverables listed above are not to be included with the Proposer's Task Order (Technical) submission

3. Proposers may use additional pages as necessary. Per Required Format for a Proposal (Section 5.1(2)), the Technical Proposal shall be no longer than 50 pages in length, **exclusive** of the Administrative Response (Part 1), Attachment E: Task Order (Technical), and the Cost Proposal (Part 3).
4. Proposers may use additional pages as necessary. Per Required Format for a Proposal (Section 5.1(2)), the Technical Proposal shall be no longer than 50 pages in length, **exclusive** of the Administrative Response (Part 1), Attachment E: Task Order (Technical), and the Cost Proposal (Part 3).
5. Per RFP HSR15-92 Attachment E: Task Order (Technical), this is a theoretical Task Order based off of Task Orders that may be assigned during the term of the Agreement. This Task Order is for evaluation purposes only, and will be used to determine a Proposer's ability to demonstrate its competence of the Work outlined in the Task Order, and its ability to anticipate the hours and classifications needed to complete the Work.
6. Per RFP HSR15-92 Attachment E: Task Order (Technical), this is a theoretical Task Order based off of Task Orders that may be assigned during the term of the Agreement.
7. Per RFP HSR15-92 Attachment E: Task Order (Technical), this is a theoretical Task Order based off of Task Orders that may be assigned during the term of the Agreement.
8. The Authority will address each item individually:
   a. Per RFP HSR15-92 Attachment E: Task Order (Technical), this is a theoretical Task Order based off of Task Orders that may be assigned during the term of the Agreement. The Authority would like for Proposers to analyze the Task Order and respond with a theoretical schedule corresponding to the information provided in Attachment E: Task Order (Technical).
   b. Proposers may use their own schedule.

Q13: Attachment F, Cost Proposal Format

1. Please delete the concept of a range for each title (i.e. pleased delete columns c and d). Otherwise, the Authority will not be able to identify what the actual rate of a given person is and, in theory, a proposer could raise the rate of a given person after award without the Authority knowing it. Proposers can create different classifications/titles if multiple rates are needed for similar titled professionals.
2. Please clarify the requirement for a "rate cap for positions equal to, or lesser than, Junior Analyst and Junior Accountant"

A13: The Authority will address each item individually:

1. Per RFP HSR15-92, Attachment F: Cost Proposal, Proposers shall attach to this table a list of Key Personnel to be used on this Agreement, identifying their name, classification, and hourly rate to support the ranges for each classification.

2. The Authority feels all positions lesser than or equal to Junior Analyst and Junior Accountant should be included as a single classification range. The top portion of this range would be the rate cap for these positions. Proposers shall attach to this table a list of Key Personnel to be used on this Agreement, identifying their name, classification, and hourly rate to support the ranges for each classification.

Q14: Attachment G, Task Order (Cost)

1. Please clarify this table to avoid ambiguity. The various firms on each proposer team do not have the same positions, and not all firms have positions with these names. In addition, we note that some positions are listed twice (Associate) or are essentially the same in some organizations (such as Partner and Principal). The Authority may wish to consider: either providing specific definitions for each of the listed positions or changing the titles to the following categories:
   a. Partner/Principal/Senior Managing Director or equivalent
   b. Executive Director/Managing Director or equivalent
   c. Senior vice President/Senior Manager/Director or equivalent
   d. Vice President/Manager or equivalent
   e. Senior Associate / Senior Consultant / Associate or equivalent
   f. Analyst / Staff Consultant or equivalent
   g. Professional / Junior Analyst, Junior Accountant / Clerk or equivalent
2. Please clarify that to the extent subcontractors will be used for a portion of the hours, a blended rate should be reported in the Rate/hr column, with a separate attachment showing the ratio of participation by firm and the calculation of the blended rate referencing rates from Attachment F. For example if 300 Professional hours will be supplied by the prime contractor and 300 Professional hours by a subcontractor, the Rate/hr should be the average of the Professional Prime rate and the Professional Subcontractor rate.

A14: The Authority will address each item individually:

1. Per RFP HSR15-92, Attachment F: Cost Proposal, Proposers may adjust the classification titles to appropriately match those used by its firm. However, the classifications chosen by a firm must be equivalent to the level of classifications provided by the Authority.
2. Per RFP HSR15-92, Attachment F: Cost Proposal, rates must also include all proposed Subcontractors rates and classifications. The Subcontractor's rate shall be included in the range for the corresponding classification; however, if the Subcontractor has a classification title outside of those contained within the Prime Proposer's firm, the Proposer may add a new classification to support the position. Proposers shall attach to this table a list of Key Personnel to be used on this Agreement, including Subcontractors, identifying their name, classification, and hourly rate to support the ranges for each classification.

Q15: Forms and Certifications (Sections 5.3.1.2) and Part 1, Transmittal Letter (5.3.1.1)

Section 5.3.1.1 Transmittal Letter states that 'the Forms and Certifications described in Section 5.3.1.2 should be attached to the Transmittal Letter in Part 1, Administrative Response.

However, Section 5.3.1.2 Forms and Certifications states that 'All Forms and Certifications shall be included in the original Technical Proposal and on the electronic version of the Proposal.'

Please confirm that the forms and certifications should only appear in Part 1, Administrative Response and that no duplicate is required in Part 2, Technical Proposal.

A15: Per Part 1, Administrative Response (Section 5.3.1), resumes (Section 5.3.2(D)), references (Section 5.3.2(F)), certifications and business license, and the Forms and Certifications described in Section 5.3.1.2 shall be attached to the Transmittal Letter. Per Section 5.2, each Proposer shall include one (1) electronic version of its Proposal in a printable and searchable .pdf format on a CD or DVD. This CD or DVD must be inclusive of all required documents outlined in this RFP.

Q16: Forms and Certifications (Section 5.3.1.2)

Section 5.3.1.2 and the Proposer Checklist lists Form C: DVBE Declaration and Form D: California Disabled Veteran Business Enterprise (DVBE) Declaration, STD 843, but the PDF of the Forms and Certifications includes only a Form C: DVBE Declaration (STD. 843). Please confirm the exact required forms for DVBE firms.

A16: Proposers shall respond using Form C: DVBE Declaration (STD. 843).

Q17: Forms and Certifications (Section 5.3.1.2)

Section 5.3.1.2 states "Proposer shall submit a copy of the quotes from each DVBE (on the DVBE's company letterhead) as proof of commitment." Please delete this requirement or clarify the detail that needs to be contained within the quote as the total contract value and exact staffing on each task order is unknown at this time.

A17: At minimum, DVBE quotes shall contain a proof of commitment and the percentage of the Work that they will be performing during the duration of the Agreement. Proposers shall refer to Forms and Certifications (Section 5.3.1.2) for detailed description of requirements.

Q18: Part 2, Technical Proposal (Section 5.3.2(E))

In the proposal, Section 5.3.2, E is titled 'Past Performance and Experience.' This section title does not match the section title in Attachment 1 Required Proposer Checklist or Attachment A: Criteria for Awarding Points to the Technical Proposal. In Attachment 1, Section 5.3.2, E is titled 'Previous Work Products'; in Attachment A, Section 5.3.2, E is titled Past Performance and Experience/ Client References. Please revise or advise.

A18: Attachment A: Criteria for Awarding Points to the Technical Proposal, item 4, Past Performance and Experience/Client References (5.3.2 E), merely details the specific areas of focus for the Technical Proposal scoring.

Q19: Future Agreement

We understand that the liability for damages shall be limited to contract value. Given that work will be issued on a Task Order basis and a total contract value initially unknown (as the Authority will award two contracts), can you confirm the Authority can limit liability to the aggregate amount of fees paid to Contractor under task orders executed rather than an open-ended contract value? Alternatively, please confirm that the Authority will establish contract values (which could be amended) that represent reasonable but non-binding estimations of the work that may be expected by each given contractor.

A19: Per RFP HSR15-92, Section 2, Purpose and Overview of RFP, the total dollar value for all Work performed under the Primary and Secondary Agreements will not exceed $40 million.

Q20: Procurement Schedule and Process (Section 3)

We would like to request an extension on the deadline to submit written questions to May 2, 2016.

A20: The timeline specified in this RFP will remain unchanged. Proposers should reference Section 3 of the RFP “Procurement Schedule and Process” for pertinent dates.