



SACRAMENTO REGIONAL WASTEWATER TREATMENT PLANT BIOGAS COGENERATION SYSTEM DBOM PROJECT

RFQ QUESTIONS AND ANSWERS SUMMARY (RELEASE 1)

DATED: December 18, 2020

RFQ Questions and Answers Summary			
No.	Date Received	Respondent Question	Answer
1.)	12/3/2020	<p>Section 9 of table 4. SOQ Submittal requirements states- “Respondents must provide electronic copy of the following financial information separately from the technical submittal. Information should be provided for Respondent and for any parent company, affiliated company, or third party providing financial guarantees for the project.”</p> <p>Please confirm that the requirements of Section 9 (Financial Capacity) apply solely to the Design-Build Entity that will enter in to the DBoM Contract and provide financial guarantees for the Project. This includes any participating members or affiliates, in the case of a joint venture or consortium, and a parent company, where applicable. This excludes entities that are not a member of the Design-Build entity, non-member affiliates or third party(s), such as subcontractors, or otherwise not providing financial guarantees for the Project.</p>	<p>Your assumptions are confirmed. Only entities signatory to the contract (individual companies or all members of a JV) must submit financial materials. If the Parent Guarantor is different than the contract signatory (e.g., an affiliate with separate financials or a third party), it is required to submit its financials as well.</p>
2.)	12/8/2020	Does the 24.5 MB limit include Section 9 (Financial Capacity)?	If Section 9 (Financial Capacity) exceeds the 24.5 MB limit, Section 9 may be broken out into two files (Vol. 1 and Vol. 2).
3.)	12/8/2020	<p>Attachment B: Preliminary Insurance Requirements, 5.0 Deductibles and Self-Insure Retention states that any deductible or self-insured retention must be declared to Regional San and any deductibles in excess of \$100,000 must be declared and accepted by in writing by Regional San. Deductibles are the sole responsibility of the first named insured on the policy and not the responsibility of Regional San or any other additional insureds or third party. On liability policies, the deductible is a risk only between the first named insured and the insurance company. Because there is no financial exposure to Regional San, Design-Builder’s deductibles should be at the sole discretion of the Design-Builder’s. Please consider the following amendment:</p> <p><i>5.1. Any deductible or self-insured retention that applies to Commercial General Liability, Commercial Automobile Liability or Professional (E&O), must be declared to Regional San. Any deductibles or self-insured retention in excess of \$100,000 must be declared to and accepted by Regional San in writing. Design-Builder has the option to provide by separate letter the amount of its General Liability, Automobile Liability, Professional (E&O)</i></p>	<p>Regional San declines the proposed changes to the Preliminary Insurance Requirements and reserves the right to review insurance and proposed deductibles, in light of the Design-Builder’s financials, before accepting a deductible in excess of \$100,000. High deductibles are a way for an insured to reduce insurance premiums by retaining some of the financial risk presented by the insured’s operations, and Regional San would like to maintain transparency surrounding these risks.</p>

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		<p><i>and, if applicable, other coverage deductibles or self-insured retentions to Regional San's Risk Management Office for a confidential review and acceptance prior to the execution of the Agreement. Regional San reserves the right to require Design-Builder to substantiate its ability to maintain a deductible or self-insured retention in excess of \$100,000 through furnishing appropriate financial reports. All deductibles or self-insured retentions shall be borne solely by Design-Builder, and Regional San shall not be responsible to pay any deductible or self-insured retention, in whole or in part.</i></p>	
4.)	12/8/2020	<p>Section 4.4 Submittal Requirements and Evaluation Criteria: sub section 2.0 Respondent Organization stipulates that Respondent must be willing to commit to a parent guarantee and notes that a parent guarantee will be required. Sub section 9.0 also in Section 4.4, stipulates that Respondents must provide electronic copies of a list of 8 bulleted items for both the Respondent and for any parent company, affiliated company or third party.</p> <p>Individual Respondent financial health can vary and we can appreciate why a parent company guarantee may be required. We make the following requests in a spirit of maintaining transparency and providing the information you need to judge each Respondent without providing excessive amounts of information.</p> <ol style="list-style-type: none"> 1. We request that Regional San establish some criteria or benchmark of when a parent guarantee would be required (i.e. a parent company guarantee is not required if the Respondent has equity of more than 5x's the expected cost range of the project). 2. Respondents legal structures will likely vary from the simple to the complex. We request that you limit the disclosure of the information in Section 9.0 to the Respondent and a Parent Company, if a parent guarantee is required. 3. Because the Respondent is required to provide surety information, we request to submit parent company financial statements and the additional bullets do not apply. 	<ol style="list-style-type: none"> 1. A parent guarantee will be required in all circumstances 2. Only entities signatory to the contract (individual companies or all members of a JV) must submit financial materials. If the Parent Guarantor is different than the contract signatory (e.g., an affiliate with separate financials or a third party), it is required to submit its financials as well. 3. All requested financial information is required.