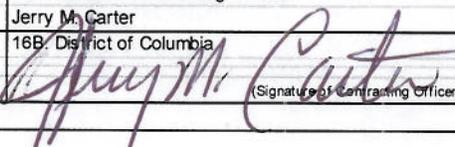


|   |  |                                     |   |   |                              |
|---|--|-------------------------------------|---|---|------------------------------|
| <b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>   |  |                                     | 1. Contract Number  | Page of Pages<br>1 9  |                              |
| 2. Amendment/Modification Number<br><b>Ten (10)</b>   | 3. Effective Date<br>See Box 16C   | 4. Requisition/Purchase Request No. |   | 5. Solicitation Caption: Operation & Maintenance of the DC Streetcar Sys. |                              |
| 6. Issued By:<br>Office of Contracting and Procurement<br>Roadways and Highway<br>55 M Street, S.E., 7th Floor<br>Washington, DC 20003  |  | Code                                | 7. Administered By (If other than line 6)   |   |                              |
| 8. Name and Address of Contractor (No. Street, city, country, state and ZIP Code)   |  |                                     | (X)   | 9A. Amendment of Solicitation No.<br><b>DCKA-2011-R-0121</b>              |                              |
|   |  |                                     |   | 9B. Dated (See Item 11)   |                              |
|   |  |                                     |   | 10A. Modification of Contract/Order No.                                   |                              |
|   |  |                                     |   | 10B. Dated (See Item 13)  |                              |
| Code  | Facility   |                                     |   |   |                              |
| 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS   |  |                                     |   |   |                              |
| <input checked="" type="checkbox"/>   | The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or fax which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or fax, provided each letter or telegram makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified. |                                     |   |   |                              |
| 12. Accounting and Appropriation Data (If Required)   |  |                                     |   |   |                              |
| 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14   |  |                                     |   |   |                              |
| A. This change order is issued pursuant to: (Specify Authority)<br>The changes set forth in item 14 are made in the contract/order no. in item 10A.   |  |                                     |   |   |                              |
| B. The above numbered contract/order is modified to reflect the administrative changes (such as changes in paying office, appropriation date, etc.) set forth in item 14, pursuant to the authority of 27 DCMR, Chapter 36, Section 3601.2.   |  |                                     |   |   |                              |
| C. This supplemental agreement is entered into pursuant to authority of:  |  |                                     |   |   |                              |
| D. Other (Specify type of modification and authority)   |  |                                     |   |   |                              |
| <b>E. IMPORTANT:</b> Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return 1 copies to the issuing office.   |  |                                     |   |   |                              |
| 14. Description of amendment/modification (Organized by UCF Section headings, including solicitation/contract subject matter where feasible.)<br><br>The solicitation is amended as follows:<br><br><b>ADD</b> the following section to the end of <b>SECTION L: INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS</b> of the RFP:<br><br>L.20 Performance Bond:<br><br>The successful contractor will be required to submit a performance bond in the amount of 100% of the contract price. The bond shall bind the Principal and the Surety(ies) to the District of Columbia for the base period of the contract. The bond shall be renewed for each successful option period when exercised by the District.<br><br>Corporations executing the bond as sureties must be among those appearing on the US Treasury Department's list of approved sureties and must be acting within the limitations set forth therein, and shall also be listed with the "Insurance Administration, Department of Consumer and Regulatory Affairs", to do business in the District of Columbia. The surety shall attach hereto an adequate Power-of-Attorney for each representative signing the bond.<br><br>Each offeror shall submit with its proposal a Letter of Commitment from the Surety stating their intent to provide a performance bond upon demand by the Contracting Officer.<br><br>Except as provided herein, all terms and conditions of the document referenced in Item (9A or 10A) remain unchanged and in full force and effect |  |                                     |   |   |                              |
| 15A. Name and Title of Signer (Type or print)   |  |                                     | 16A. Name of Contracting Officer<br>Jerry M. Carter   |   |                              |
| 15B. Name of Contractor<br><br>(Signature of person authorized to sign)   |  | 15C. Date Signed                    | 16B. District of Columbia<br><br>(Signature of Contracting Officer) |   | 16C. Date Signed<br>12/13/11 |

## Answers to Final Questions for RFP DCKA-2011-R-0121

### Hours of Operation/Operations

1) What are "the hours of operations to be defined at a later date"? Do they include hours that are already in the first five year period or are they additional hours and/or hours after the initial first 5 year contract period?

**ANSWER: Hours of operation are assumed to be as defined in the draft operation and maintenance plan Exhibit A-1. All exhibits have not changed.**

2) The service schedule for service hour lists varying service schedules by day of the week, including; Monday – Thursday schedule, Friday, Saturday and Sunday each with different service days, please confirm that the original service hour schedule has not changed.

**ANSWER: See Exhibit A-1 Operation and Maintenance Plan for assumed hours.**

3) The service schedule lists frequency of service as every ten minutes. Please confirm and more specifically, identify if there is a peak hour versus off peak hour period for each of the daily service schedules, e.g., weekday and weekend.

**ANSWER: Every ten minutes.**

4) The first line of service will operate on H Street between First and Oklahoma. Will there be a turnaround in place at Oklahoma and how will service connect via H Street at First to Union Station. Please explain the linkages to the maintenance facility and the plan to provide an interim service location before the facility is available.

**ANSWER: Assume turn around and ability to operate at 10 min headways.**

5) Add to B.5.5 Does this change mean that we should propose on the first segment only? If this is correct can you confirm the estimated annual hours and mile to be used. If we are still requested to propose on all segments can you clarify the estimated start date for each segment and the estimated annual hours and miles for each segment?

**ANSWER: Yes propose rates, staffing plan and approach to operations based upon first segment. Explain how you would approach training and operation for a rapid expansion as outlined previously.**

### Vehicles/Rolling Stock

What does the word "method" (second paragraph) refer to with regard to the Rolling Stock 2.11, second paragraph first sentence?

**ANSWER: Method refers to how streetcars will be acquired - if Contractor and DDOT agree to a method of providing streetcar vehicles for service, then DDOT will provide specification on the specific vehicle, Operator would provide price and DDOT would accept or reject that offer.**

As of today, how many and which vehicles does DDOT intend to buy and when?

**ANSWER: DDOT owns three vehicles from Inekon, and in the process of buying two additional streetcars.**

3) When were the first three vehicles acquired?

**ANSWER: 2007**

What is the warranty period for these vehicles? Is there any agreement with the manufacturer to assist the owner after the Warranty Period?

**ANSWER: Offeror should assume warranty is in place for proposal purposes. There is not any agreement in place for assistance after the warranty period.**

5) Can you provide details on any maintenance activities implemented on these vehicles since they were purchased to maintain their condition?

**ANSWER: Offeror should assume DDOT will bring the vehicles to a Revenue Service ready condition.**

6) Is there an agreement with the manufacturer on the pricing and availability of spare parts and unique maintenance tools?

**ANSWER: No agreement on prices or suppliers; any additional spare parts will have to be acquired by the Contractor.**

7) Please let us know the estimated time periods for the purchasing of additional streetcars which could be required by the contractor.

**ANSWER: No additional vehicles are anticipated for the first line. Additional vehicles will be incorporated with the development of additional lines.**

8) In the new scheme, would it be the offeror responsibility to determine how many vehicles are needed to meet the service requirement levels?

**ANSWER: The initial five vehicles are assumed to meet the needs of the first line operation.**

9) Please describe the frequency of the D.C. inspections described in Addendum #7, p 7 of 12 and please give us guidelines on what these inspections will entail.

**ANSWER: Amendment #9 replaces #7.**

#### Pricing

1) Pricing Forms - Please verify that bidders need to complete both the section B pricing forms along with table 1-4, Table 3-1-1, 3-1-4 and 3-3-1. In doing so we are providing the same information in multiple formats. Is it possible to condense the pricing forms into one set?

**ANSWER: Amendment #9 includes all required cost tables.**

2) Which items would be subject to audit to determine what the potential dollar liability is?

**ANSWER: All aspects of O&M are subject to audit per Amendment #9.**

3) How should the offerors factor in their cost/price proposal this new potential hypothesis? Or should they not take it into account in their cost proposal - thus limiting their response to the very specified items in paragraph 3 (general business terms and conditions)?

**ANSWER: Offeror should provide the new cost table and hours table in Amendment #9.**

4) Addendum 7 indicates that the pricing for extensions would be negotiated closer to the Notice to Proceed for the contractor to operate the extension. If this is the case, should the proposal solely focus on the initial line operations and maintenance for the five year period?

**ANSWER: Offeror should provide the new cost table and hours table in Amendment #9. Offerors should describe any training costs for proposed expansion**

5) In Addendum 7 there is a discussion of the Base and Marginal rates with respect to adjusting up to a 20% change. The language needs to be clarified.

**ANSWER: Not applicable. Replaced by Amendment #9.**

6) In Addendum 7 Section G.4 is appended with language suggesting a fee and overhead audit. This is unusual for an operations contract (it is usually applied to Consulting contracts). We would like to understand what an audit of fees and overhead rates in this context means.

**ANSWER: See amendment #9. Audit will be performed at DDOT's discretion to verify the billable hours.**

7) Add to G.4 Payment. The first paragraph creates great ambiguity. We are being asked to propose on a fixed rate per scheduled hours with a 20% potential variance. This change appears to be completely inconsistent with the proposal instructions and the second paragraph of this section. It would appear that the language "Offeror's fees and overhead may be subject to audit and certification prior to notice to proceed" implies a cost plus fixed fee contract. We do not understand how the audit would change the DDPT "dollar liability" if the fixed rate is applied.

**ANSWER: Contract is assumed to be cost plus fixed fee**

8) We have had experience with A-87 and A-102 and other regulations which are implied here and they are applicable to cost plus fixed fee type contracts. Since we assume risk when bidding on a cost per scheduled hour basis with a significant potential variance why would fee's and overhead be subject to audit?

**ANSWER: Amendment #9 includes all required cost tables.**

9) Audit Settlement- Since the payments will be based on schedule hours shall we assume this section refers to billing for too many or too few scheduled hours. If not what other areas of payment would it be referring to.

**ANSWER: Audit will be performed at DDOT's discretion to verify the billable hours.**

1) If the initial operations are to be assumed by July 8, 2013 and the maintenance facility will not be available until September, 2013, has DDOT developed plans to provide a site to do routine maintenance, parts storage, etc. which would be moved into the maintenance facility?

**ANSWER: Yes the CBTC site will be available for the Contractor April 2013 with final completion September 2013. Temporary facilities will be provided on site.**

2) Please provide the specifications for the Power Pressure Washer detailed in Exhibit A6.

**ANSWER: Available specifications have been provided.**

In reference to Addendum #7 regarding 3.1 P4 of 12 "Service Delivery failure to achieve...". Can you further detail how this statement and the amounts for failure to achieve the performance

standards described in Addendum #7 relate to the description of the scorecards and calculation of incentives/disincentives in Section 5 of the RFP?

**ANSWER: See Amendment #9 G.4.**

#### General Contracting Questions

Addendum 7 and the original RFP raise the prospect of federal funding for the DDOT Streetcar. We are concerned that this may trigger 13 (c) requirements. Federalizing the project may also be inconsistent with DDOT's CBE requirement.

**ANSWER: This is not a question, no answer provided.**

Please provide a copy of the Union Agreement pertaining to the employees of the DDOT Circulator service.

**ANSWER: There is no union agreement that DDOT can provide.**

There are several places in the RFP as amended that gives DDOT the right to override objections of the Contractor. Would DDOT consider the use of an arbitration clause to provide more balance to the contractual relationship?

**ANSWER: Disputes arising out of this contract performance will be adjudicated by the District Government Contract Appeals Board.**

4) Should mutually agreed upon changes occur during the operation and these changes require an amendment of the base contract to assure that DDOT's maximum obligation is revised, will DDOT assure that such changes will result in an amendment to the contract?

**ANSWER: If it's mutually agreed, the contract will be changed to reflect that agreement.**

5) Customer Service - It is our understanding that the contractor is responsible for investigating and responding to customer complaints, but that customer service calls will be handled centrally by DC Metro. Is this correct? If not please clarify the contractors responsibilities in the area of customer service.

**ANSWER: Yes.**

6) CBE Requirements - Please clarify if the 35% CBE requirement applies to the entire contract total, or to the contract total minus the cost of materials and supplies?

**ANSWER: CBE applies to total dollar amount minus the cost of materials and equipment.**

7) Page 13 in original RFP lists the following: "create sponsorship and promotional opportunities for businesses in the Corridor." Please provide an explanation or example of a similar program in the District.

**ANSWER: A central goal of the Streetcar is to encourage and support community development along the alignment. Contractor will work with DDOT to refer business contacts and sponsorship opportunities to DDOT.**

1) Can we assume that Amendment 9 effectively replaces the original RFP in its entirety?

**ANSWER: Yes.**

2) In addendum #5, Question #6 asked if there would be bonding requirements, DDOT answered that a performance bond in the amount of 100% of the contract price and a payment bond in the amount of 50% would be required. There was no language addressing this in addendum #9. Please clarify if bonding is still required and if so, please specifically outline the terms of the bonding.

**ANSWER: A performance bond will be required. See first page of Amendment No. 10 for language.**

B.4.1

3.) It states, "Offerors shall present operation and maintenance costs in a format that shows the tasks, personnel, rates, markups, overhead and associated costs of the start-up activities and the first full year of Revenue Service under the contract." It goes on to state, "Exhibit J-11 shall be used to summarize costs."

Are the cost and hours forms in Exhibit J-11 are the only pricing forms that are to be submitted?

**ANSWER: Yes. Attachment J-11 and J-12 are the only pricing forms to be submitted.**

If they are the only forms to be submitted, is it allowable to add additional categories to them? Example: Parts & maintenance supplies, Workers' Compensation coverage (which, per instructions, is not to be included under Insurance), office supplies, etc.?

**ANSWER: No. Additional categories should not be added. Worker's Compensation should be included in labor overhead.**

Or, alternatively, should we submit a separate cost summary – in our own format – that provides more detail?

**ANSWER: No**

B.5

4.) It states, Offerors should describe a proposed schedule of start-up activities in their proposals. In order to definitively schedule startup activities, we would need the detailed schedule for the completion of the construction for all of the facilities and systems. Can you provide these schedules?

**ANSWER: Offeror should describe what they recommend to achieve an efficient and effective startup to streetcar service based upon the availability of rail and vehicles April of 2013 and a start of Revenue Service July 2013.**

5.) It also states, the Maintenance Facility is scheduled to be certified as complete in November 2013 but a temporary facility will be available for the Contractor's use by Spring of 2013. Can you provide location and design documents of the temporary maintenance and permanent maintenance facility/training center? Would DDOT provide any systems to be installed in the training center?

**ANSWER: Temporary facilities will be provided within the permanent car barn training center for Contractor to operate the system.**

B.5.6

6.) Please describe to us what items are under warranty and what the duration of the warranty is so we can differentiate between normal vehicle maintenance costs and vehicle warranty administration.

**ANSWER: Offeror should assume warranty is in place for proposal purposes.**

C.4.5

7.) Under context, financial sustainability you stated "achieve 30% farebox recovery, we want to be clear that although our excellent performance will aid in achieving this, it will not be a contractual requirement.

**ANSWER: Farebox recovery is not a requirement.**

8.) The fourth bullet under financial sustainability seems out of place. Is this a request that we demonstrate our capabilities to provide this assistance to DDOT?

**ANSWER: Yes, DDOT is interested in Offerors ability to assist in the expansion of streetcar service and the procurement of new vehicles. Offerors should outline their approach to expansion of the system and how they would assist in the procurement of new vehicles.**

C.5.3.6

9.) Please provide us with copies of all warranties with respect to vehicles and all applicable systems and facilities.

**ANSWER: Offeror should assume warranty is in place for proposal purposes.**

C.5.7.4

10.) Under the Substance Abuse Testing Program, we are concerned on page 23, 1st paragraph that making test results available may not be lawful. We will check with our testing lab and suggest that you confirm that "access to test results" beyond our organization is permitted

**ANSWER: DDOT will operate within the law.**

C.5.8.2

11.) It states, DDOT shall provide technical specifications for business systems to be acquired for this operation including run-cutting, Management Information Systems and maintenance packages. DDOT or its agent shall approve these systems before they are deployed for this project. Should proposers include the estimated purchase costs of such software in their pricing?

**ANSWER: No these systems and costs will be negotiated during start up.**

G.4

12.) If payment is solely based on revenue hours, then please confirm that the audit settlement language solely pertains to revenue hours as reported correctly.

**ANSWER: Annual audits will be conducted.**

M.5

13.) It states preferences for Certified Business Enterprises (CBE), our main subcontractor is a CBE will we get preference and/or points for this?

**ANSWER: Only the Prime Contractor can get preference points if they are a certified CBE. The 35% CBE is a requirement for subcontracting.**

Attachment A 3.2

14.) It states, the Contractor is responsible for maintaining all logs, records, and reports which relate to the above listed items during the testing phase.

Since some of the items listed will be the primary responsibility of others, we would like you to clarify that our logs, records and reports would be done in coordination with installers, testes and constructors and we will be in a supervising coordination role.

**ANSWER: Contractor will be responsible for maintaining records and logs for its activities. Contractor's role in testing will be limited and negotiated based upon rates provided.**

Section A 5

15.) It states the following:

- "Goal: 96% of headway coordination defined as maintaining separation of at least seven minutes and no more than fifteen minutes;
- Goal: Streetcars available for 100% of scheduled service;
- Mean Distance Between Failure, goal: 30,000 miles;
- Climate Control, goal: HVAC system 98% operational measured at the point of pullout;
- Goal: All repairs complete within three days;
- ADA Equipment Status, goal: Operational 100% of Revenue Service;  Cleaning Program- Interior and Exterior of vehicle, goal: Clean 95% of Revenue Service;
- Goal: Customer complaints less than 1 in 15,000 passengers;
- Destination Sign Functional Goal: 98% of Revenue Service;
- Fare box goal: availability 100% of Revenue Service."

We share DDOT's focus on performance standards and a commitment to perform the best possible service, however in a new system it is difficult to predict the interaction behind traffic and streetcars in a mixed traffic environment. We believe it will be necessary for the contractor and DDOT to take a realistic look at performance standards during first 6 months of operations and be flexible with respect to "failure to meet standards". This would be an item for negotiations prior to start-up.

**ANSWER: Yes these items, along with SOPs, will be refined and negotiated during startup**

The revised RFP and Addendum 9 refers to Attachment J-9 – Attachment A with Exhibits A-1 to A-8, including equipment lists, etc. For example in Section C %.3.4 – Spare Parts, Inventory. However, the 28 pages of this attachment do not include such lists. Will DDOT provide these please?

**ANSWER: Exhibits A-1 – A-8 have not changed**

In section B4.1 – Cost Format – Please define what is meant by support services. Does DDOT regard either Right of Way Maintenance (Maintenance of Way) or Facilities Maintenance as support services.

**ANSWER: Contractor will secure Right of Way maintenance, Facilities Maintenance and other support services for operation and maintenance of the system through a competitive bidding process and will add these services to the contract through a negotiated process with DDOT during the start up period.**

IF DDOT regards either of Right of Way maintenance or facilities maintenance as support services subject to a process defined in Section B.4.1 – Cost Format, does that mean that the contractor is wedded to whoever the lowest bidder is, or can we simply self-perform the work?

**ANSWER: Contractor shall outline any self-performed work and provide rates and estimated hours in the cost and hours tables provided. Contractors will be required to bid any work that will be subcontracted.**

If it's got to be low bidder, will DDOT provide performance relief if the low bid sub can't perform?

**ANSWER: These contracts will be negotiated and entered into during the start-up period. Contractor will be required to pre-qualify a list of capable and responsible subcontractors that it will solicit bids from.**

Also, if this scope is excluded from the base proposal, what is left to contract out for the subcontracting requirement?

**ANSWER: Offerors should outline what services they intend to subcontract, such as, or including, Right of Way maintenance and facility maintenance. They should also separately outline how they will meet the 35% CBE requirement that applies to the total contract amount. Any contract costs that are undefined and estimated that will be included as meeting the 35% CBE should be clearly defined, estimated and outlined. The 35% requirement applies to the final negotiated contract amount. The 35% requirement will be reconciled or adjusted against the total contract amount.**

Will it count if we subcontract it at DDOT'S request?

**ANSWER: Offerors should outline which services they plan to subcontract**

Would that be acceptable as part of the subcontracting plan?

**ANSWER: No. Additional scope outside the original request would be separate from the subcontracting plan.**

Please clarify if Right of Way maintenance must be subcontracted or not. Is it the Contractor's choice?

**ANSWER: Yes, it is the contractor's choice which service to sub contract.**

Right of Way maintenance and Maintenance of way terms are used interchangeably. Please clarify if Maintenance of Way (Scope of service section 2.3) includes Right of Way maintenance services such as track cleaning, trimming etc, as implied in section 2.3.1 – Maintenance of Track and Stations.

**ANSWER: Yes, those terms are the same and used interchangeably.**

The wording of section 5.2.3 (Vehicles) and section 5.2.5 (Power System) in Attachment A, under the sub-heading "Responsibility" is not clear. Do these sections imply that the contractor is financially responsible for the life-cycle replacement of vehicles, power systems and their components, or will DDOT reimburse the contractor for replacements needed due to the end of useful life, or damage caused by third parties or Acts of God?

**ANSWER: Contractor shall be responsible for repair and replacement. DDOT will reimburse contractor for extraordinary costs that are not the responsibility of contractor.**