ADDENDUM 2
REQUEST FOR QUALIFICATIONS NO. 161602
UTILITY SAVING PROJECTS & INITIATIVES

Total pages in this addendum: Five (5)

Please note the following questions were asked prior to the deadline for inquiries date of 2/12/16 at 5:00 P.M., MST.

1. Q. What are you looking for the proposer to do? From the RFQ it’s unclear whether they would be developing energy projects, managing existing projects or both.
   A. The intent of the RFQ is to find a General Contractor (GC) who has the ability to manage projects and sub-contractors in order to implement energy savings projects. ASU’s Energy Innovations group, in particular, will leverage these services to assist in not only developing final project costs to present to the SIRF committee for funding, but then General Contractor will implement and install these projects once they are funded. These projects include, but are not limited to, lighting upgrades, DC retrofits, mechanical system improvements, or any combination thereof.

2. Q. What are ASU’s standards that qualify a “good” economic return?
   A. The energy saving type projects we are looking to implement need to meet our SIRF funding guidelines. Based solely on energy savings, the qualifications are as follows: If the total project cost is under $500k, the simple payback (ROI) needs to be better than 5 years, the NPV is >$10k and the IRR is >8%. If the project is over $500k, the simple payback (ROI) needs to be better than 10 years, the NPV is >$10k and the IRR is >8%. However, ASU may, at its discretion, to use alternate funding sources to move a project along and get it implemented.

3. Q. It’s our understanding that only when proposed projects are approved to participate in the SIRF program would we (ie the contractor) be eligible to charge a fee for our work. In other words, all investigative work and proposal development (minus pricing assistance) is not reimbursable unless the project is approved.
   A. When a project is approved and funded for its final, not to exceed value, is correct.

4. Q. What is meant by “operate and maintain completed projects where appropriate through warranty period” in Section V?
   A. The intent of this statement is that during the warranty period, the contractor is responsible for the warranty. ASU will actually “operate and maintain” the installed Energy Conservation Measure (ECM).

5. Q. Is this proposal related to RFP 081601 for Residential HVAC Control and Engagement?
   A. No. That’s a separate project.
6. Q. On Page 19, I’m unclear on the fee structure you’re asking for.
   A. We want hourly costs with tool box attached (no surprises). See Attachment A for REVISED SECTION IX - Pricing Schedule.

7. Q. Is there a Phase 1 and Phase 2? Is the proposer’s role a consultant type?
   A. The selected GC will assist in developing a firm and final, not to exceed, cost to implement the project. From there, the total package will be put forth to the SIRF committee for approval; If approved, it will then go to construction phase.

8. Q. Then, do you need our costs in Phase 2?
   A. A “price not to exceed” cost needs to be developed in “Phase 1” that meets SIRF guidelines. Once funded for that amount, “Phase 2” will begin with a PO being issued for the proposed amount.

9. Q. For our costs in Phase 1, no invoices are submitted?
   A. Correct. Until a project is approved by the SIRF committee, there is no budget for investigative work.

10. Q. How do we know what energy saving products you are seeking?
    A. The selected GC will work with ASU’s Energy Innovations group in developing projects.

11. Q. Are you looking for a GC (general contractor) for this RFQ?
    A. A B-1 license is required, yes.

12. Q. In the pricing for products, i.e. a lighting fixture, would we recover any mark-up?
    A. Yes.

13. Q. Why would I want to do this?
    A. This contract is an ongoing vehicle to do many Energy Saving Projects for the University, similar to the JOC (job order contracting) program. This is a new type implementation method for the SIRF initiative.

14. Q. Does ASU identify ECM’s?
    A. Yes.

15. Q. Who would maintain the lighting?
    A. ASU does it internally.

16. Q. You are looking for partners to identify projects/there’s a threshold of innovation. Is there alternative delivery options?
    A. You’ll need a contracting side, plus value added beyond a standard JOC contractor.

17. Q. The contract is for five years?
    A. The initial contract term is one (year). Reference the RFQ.

18. Q. Is the link to SIRF requirements available?
    A. Reference the RFQ for the link, https://cfo.asu.edu/sirf

19. Q. How many contractors do you want on this contract?
    A. Depends on the qualified responses we receive. If we get 2-4 qualified firms, we’ll move forward with this.
20.Q. For identification of projects, will we have access to the plans?
   A. The awarded firms will have access to ASU plans.

21.Q. Do you have projects ready now?
   A. Yes. And we will have projects for many years on multiple campuses.

22.Q. Will the contractor be sent into a building to find the “need”?
   A. Depends on the contractor/project. We can’t clash with ASU facilities or other vendors doing work on campus.

23.Q. How would a detailed job work?
   A. ASU’s Energy Innovations group develops ideas and may work with subcontractors before we take it to you. From there, we would then bring the project to the contractor and ask for their action/quotes/materials. The project needs to qualify based on SIRF guidelines and if it does, it is then taken to the SIRF committee.

24.Q. Is it possible the contractor may need to whittle the quote?
   A. Absolutely.

25.Q. Would we need to get 3 bids?
   A. On primary bids, yes.

26.Q. Is the GC scope beyond lighting?
   A. Yes. There could be conduit issues, paint & patch, steam upgrades, window tinting, mechanical systems, controls, etc.

27.Q. Is there ancillary work to the ASU Design Guidelines?
   A. Yes. Go to the web site for the Guidelines.

28.Q. Does ASU do the ROI & Rebates?
   A. Yes, ASU will do. If the awarded GC can assist, we will work them on how to maximize this effort.

29.Q. During the pilot project, what was the percentage of recyclables?
   A. This isn’t entirely a sustainability initiative; this is on the utility side. ASU does follow sustainable guidelines, which includes recycling practices.

30.Q. Steam trap – what is the mechanism to find out what ASU currently has?
   A. For this RFQ response, we are not looking for ideas.

31.Q. Section IX – A (pg. 19): Would you clarify “open book pricing”? For example, would you like us to submit our labor rate build up (labor costs, overhead, profit) or a pricing model for a typical project including direct costs, margin, subcontractor costs, and markup, etc.?
   A. Your typical general condition labor rates.

32.Q. Section IX – B (pg. 19): is this referring to the markup we would apply to our subcontractor fees? Or, how would you define the “project fee schedule for overhead and profit (%)”?
   A. The Overhead and Profit % is the overall value your company would add to the final project cost.
33.Q. Is this RFQ focusing on particular SIRF tiers? For example, is the RFQ focusing on Tier 3 projects (10 year payback) and/or Tier 2 projects (6 year payback)?
   A. Both SIRF Tier 2 and Tier 3 projects will be considered.

34.Q. If Tier 3 projects are included, how much funding will be available for Tier 3 projects in 2016 and beyond?
   A. The SIRF is fully funded and receives additional financial contributions every year. On top of which, it is a revolving fund. In that, the savings of previous projects re-invest into the fund to keep SIRF growing.

35.Q. How will project execution be prioritized? For example, will qualified firms have access to utility data and building data in order to prioritize projects based on energy savings potential? Or, who will decide which projects to execute, and how will those decisions be made?
   A. The awarded contractors will work with the Energy Innovations (EI) group to develop project priority. Access to Utility and Building data will also be orchestrated through the EI group.

36.Q. Could this RFQ be awarded to multiple firms (to later compete on projects)? Or will this RFQ be awarded to only one firm?
   A. The intent is to award to multiple firms, depending on the quality of responses. Currently the vision is to have 2-4 contractors under contract.

All other specifications, terms and conditions of the solicitation shall remain unchanged.

NOTE: Please acknowledge your firms' receipt of this addendum in your bid on the Addendum Acknowledgement form.

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Attachment A: Revised Section IX – Pricing Schedule
SECTION IX – PRICING SCHEDULE
REVISED PER ADDENDUM 2

Proposer shall submit a detailed cost proposal to include all aspects of providing the scope of work associated with this Request for Qualification.

A. Provide open book pricing.

B. Identify the project fee schedule for overhead and profit (%).
   a. $0 - $499,999 - (For example 6.00%) - ________(your value)
   b. $500,000 - $999,999 - (For example 5.25%) - ________(your value)
   c. $1 million - $1,999,999 - (For example 4.25%) - ________(your value)

C. Identify other costs for similar projects.

Proposer shall describe the approach, provide high level activities and estimated hours and personnel to be assigned to those activities, for similar work.

The cost should include a breakout of labor rates including operational and expected reimbursable items, such as:

<table>
<thead>
<tr>
<th>Position</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Director</td>
<td>$__________</td>
</tr>
<tr>
<td>Sr. Project Manager</td>
<td>$__________</td>
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<tr>
<td>Project Manager</td>
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<tr>
<td>Project Superintendent</td>
<td>$__________</td>
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<tr>
<td>Senior Estimator</td>
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<td>Estimator</td>
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<tr>
<td>Scheduler</td>
<td>$__________</td>
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<tr>
<td>Administrative Support</td>
<td>$__________</td>
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All fees and costs will be reviewed and finalized prior to the execution of a contract.