



October 30, 2009

## **ADDENDUM #2 - REQUEST FOR PROPOSAL FOR METER AUTOMATION AND REPLACEMENT PROGRAM: IMPLEMENTATION PHASE**

Dear Prospective Proposers,

The Cleveland Division of Water hereby issues the following Addendum #2 to the Request for Proposal for Meter Automation and Replacement Program: Implementation Phase. The following addresses questions received by October 16<sup>th</sup>.

1. **QUESTION:** After reviewing the RFP I have some questions regarding the Meter Box lids. I am trying to get a more precise feel as to what MFG lid you currently have (Ford, A.Y. McDonald, etc.) and the type of lid (Ford A, C, or X style lids). If you have spec drawings on the meter boxes that also would be helpful.  
**ANSWER:** CWD will procure any necessary vault lids. The Service Provider should indicate in their proposal their approach to dealing with CWD's cast iron lids, such as replacement with composite lids, drilling existing lids, relocating the MIU outside the vault, or other approach. Cost implications of any approach should be indicated. If the installer encounters a non-standard lid size, CWD will perform the installation.
  
2. **QUESTIONS:** Several inquiries were received regarding bonding.  
**Q:** Would Cleveland Water consider any or a combination of the following scenarios?
  - Bonding of Network reading infrastructure only?
    - No.
  - Has Cleveland Water provided performance protection without the use of bonds? If so can you share those possible bonding alternatives?
    - CWD is not aware of any examples of performance protection without the use of bonds.
  - Can bonding requirements be reduced as system demonstrates it meets performance requirements. For example, maybe we bond the all or part of the project in year one, then reduce requirements in years 2 – 4 depending on attainment of performance requirements.

- The bonding requirements are in the Sample Agreement. See the complete answer below.
- Another option would be that [the service provider] proposes to provide performance bonding on an annual basis, renewable up to three years. Annual bonding will be based on the estimated value of the contract during the subject year.
  - The bonding requirements are in the Sample Agreement. See the complete answer below.
- If acceptable [the service provider] would prefer to provide an annual Letter of Credit, based on annual estimated value of the contract.
  - This is not acceptable.
- Is it acceptable to have subcontractors (installer) provide performance bonding directly to the City, on an annual basis, based on an annual estimated value of the contract.
  - This is not acceptable.

**Q:** Will there be any bonding and insurance requirements for this project?

**Q:** Will Phase 1 require bonding?

**ANSWER:** In the Sample Agreement, Section XVI. PERFORMANCE BOND, replace the entire section with the following:

Service Provider shall secure performance of this Agreement with a bond from a surety company authorized to do business in the State of Ohio, and approved by the City, in the form and content prescribed by and acceptable to the Director of Law, with good and sufficient sureties and in an amount equal to at least fifty percent (50%) of the contract price on the current year's work for Meter Interface Units and installation work (to be re-evaluated every year) and one hundred percent (100%) of the contract price on the current year's work for all other system components. Neither a check nor a letter of credit is acceptable in place of a performance bond. The City of Cleveland reserves the right to require a performance bond in various amounts or to modify the performance bond requirement whenever it is determined to be in the best interest of the City of Cleveland to do so. The performance bond shall be submitted to the City's Department of Law along with the original signed copies of this Agreement. Consultant shall maintain bond in full force and effect during the entire period of performance under Contract. The performance bond will not be released until all the provisions of the contract have been fulfilled.

Insurance requirements can be found in the Sample Agreement, SECTION IX. INSURANCE REQUIREMENT.

Bonding only needs to be secured after winning the contract. No bid bonds are required.

3. **QUESTION:** Is the Service Provider to provide pricing for the selected meters referenced in Tables P7, P8, P9, P10, P11, P12 or is the Division of Water providing the meters?

**ANSWER:** No. As indicated in the Request for Proposal, the City of Cleveland will purchase all meters and registers for the project.

4. **QUESTION:** Should the Installation Contractors complete [a technical proposal] with an Executive Summary by November 6th or will we have an opportunity to submit this information by the Phase 2 deadline of December 18th?

**ANSWER:** No. Installation providers will submit information in Phase II as part of the Phase II technical proposal, teamed with one or more short-listed technology service providers, as they so chose.

5. **QUESTION:** You had mentioned at the pre-bid that the Northern Ireland Fair Employment Practices Form would only have to be submitted by the prime contractors. Will the other forms need to be completed and submitted by a subcontractor by the November 6th Phase 1 deadline?

**ANSWER:** The City required documents need to be submitted by the prime consultant only. The prime contractor submits completed OEO schedules 1-4. The CSB subcontractors only need to complete schedule 3 of the OEO documents. The Prime and CSB subcontractor dollar amount must match on schedule 2 and 3 to receive credit.

6. **QUESTION:** We are also interested in the questions/answers that are being submitted by others, even for the Phase 1 Technology portion. Will these be available to Installation Contractors after the October 16th deadline?

**ANSWER:** Yes, this document provides those requested answers.

7. **QUESTION:** Who is responsible (CWD or Service Provider) for educating the community relative to Media Buys and Public Information Forums?

**ANSWER:** The Cleveland Division of Water shall be responsible for any media buys and organizing public information forums.

8. **QUESTION:** In regard to section 5.2, who are the specific audiences as it relates to providing public relations unit assistance?

**ANSWER:** Anyone impacted by the project, including residential and commercial customers.

9. **QUESTION:** Could you please clarify the meaning of the third paragraph on page 68?

**ANSWER:** The third paragraph on page 68 states:

For fixed network AMI system, Proposer shall be responsible for the cost of any additional data collection units and repeaters, including installation and annual

maintenance fees, for up to 10% above the quantity proposed in the above table, should such additional units be required to achieve minimum required performance levels. Additional units required in excess of this quantity shall be provided to CWD at no cost.

Please delete that paragraph in its entirety and replace with the following:

“For fixed network AMI systems, CWD shall be responsible for the cost of any additional data collection units and repeaters for up to 5% above the quantity proposed in the above table, should such additional units be required to achieve minimum required performance levels. Additional units required in excess of this quantity shall be provided to CWD at no cost by the service provider, including installation and annual maintenance fees.”

10. **QUESTION:** Are there any MBE or WBE goals in effect for this contract?

**ANSWER:** No, only Cleveland Small Business (CSB) goals, as detailed in the RFP.

11. **QUESTION:** What is “CWD Outlying Facility Inventory”? Has that attachment been provided?

**ANSWER:** This document was provided at the pre-proposal meeting, and it was sent via email with the first addendum. Due to the sensitive nature of the information it contains, it is not posted to the web.

12. **QUESTION:** The txt.file of addresses on the Cleveland web site does not contain zip codes. Can CWD provide an updated file with the zip plus 4 data and/or GIS locations of meters?

**ANSWER:** A GIS data file has been made available with addendum 1 to provide additional location data.

13. **QUESTION:** The RFP states that completed work orders must be returned in the evening of the same day. Will CWD allow a 24-48 hours window between installations and upload which would allow for time to audit the data and investigate any exceptions?

**ANSWER:** The RFP states, “At the end of each day, the Proposer shall transmit electronically to CWD information on work performed in a CWD-approved file format.” CWD recognizes that the installation contractor may need to process work orders from the field and verify data. However, CWD needs to know at the end of each day where work was performed by the contractor that day. This is a separate report from the completed work orders. Please indicate in your proposal if a larger window is preferred and the reasons why.

14. **QUESTION:** Will meter seals be provided by CWD?

**ANSWER:** Yes. Meter seal inventory must be controlled by the installation contractor and will be audited by CWD.

15. **QUESTION:** Which determination/prevaling wage does CWD want proposers to use when preparing their response? The provided prevailing wage worksheet details a number of different designations that could qualify as the proper determination for "meter installation technician". Please clarify which designation would be required?  
**ANSWER:** CWD is still researching this issue, and will provide a clarified response for Phase II proposals.
16. **QUESTION:** What percentage of the inside meters currently have generator remotes? Of those with remotes, how many have 3-wire as opposed to 2-wire?  
**ANSWER:** An exact percentage is not available. We estimate the vast majority of inside meters have generator remotes with 3 wire cable.
17. **QUESTION:** Since overall contract CSB goal is 20% and phase 1 pricing does not include installation services, would a phase 1 response be poorly rated if their CSB percentage was well below 20% so long as they indicated they were committed to meeting the goal in phase 1 and phase 2 combined?  
**ANSWER:** No. CWD understands achieving the full 20% goal during Phase I proposals is unlikely. Scores will be based on what you have achieved so far, and your strategy for meeting the goal as described in your proposal.
18. **QUESTION:** Do CSB's have to be a tier 1 contractor (working directly for prime), or can they be subcontracting with the Prime's installation sub?  
**ANSWER:** CSBs must be a sub consultant contracted directly with the prime (i.e. a Tier 1 sub) in order to receive credit. One option proposers may wish to consider during Phase II is a joint venture between the technology provider and the installation firm. Firms subbing directly to the joint venture team would be considered Tier 1 subs, and would be credited toward meeting CSB goals.
19. **QUESTION:** How will routes be issued and in what quantities?  
**ANSWER:** Some routes will be prioritized by CWD. The remainder will be released geographically. Details will be worked out during contract negotiations.
20. **QUESTION:** Can all routes be issued and Prime /contractor handle route planning?  
**ANSWER:** No. We anticipate obtaining significant contractor input on route planning, but to aid our ongoing meter reading operation, all routes will not be issued simultaneously.
21. **QUESTION:** What is the [percentage] of homes that do not have a permanent ground wire? (pg 47-48 item 13.15.11)  
**ANSWER:** Unknown.
22. **QUESTION:** What [percentage] of accounts will have no existing meter couplings? (pg 47-48 item 13.15.11)

**ANSWER:** Unknown, but we believe the total number is small. To eliminate concerns about this issue, the following sentences, on page 48, paragraph 1, line 12, shall be deleted from the RFP: "Proposer is required to install standard connections (meter couplings) for all 5/8" thru 2" meters if none exists currently. These couplings must receive prior approval from CWD." CWD will provide with the meters the necessary fittings to install them in the existing meter settings.

23. **QUESTION:** Will there be another opportunity to ask questions prior to Phase 2 responses being due?

**ANSWER:** Yes. Those questions will be due by December 11<sup>th</sup>.

24. **QUESTION:** Can the use of surgically deployed electricity be used in the system, if the city feels it is beneficial? If so, what are the boundaries within the service area where electricity meters could be placed?

**ANSWER:** No.

25. **QUESTION:** Can the CWD provide a list of approved locations for infrastructure – Water Towers, public buildings, light poles, etc?

**ANSWER:** Such information was provided with Addendum #1.

26. **QUESTION:** Will the City consider any vendor proposals submitted with Exceptions?

**ANSWER:** A proposal must be for a complete and working system, except for the meters. With regard to specific provisions, a proposer may take exception provided it details the reasons and provides an alternative. See section 5.3 of the RFP.

27. **QUESTION:** Page 17, 5.2 – Last sentence - Please provide rest of sentence.

**ANSWER:** On page 17, paragraph 6, last line, please add the word "Proposer" as the last word of the paragraph.

28. **QUESTION:** Page 19, 1.6 Grouping of Meters - Please clarify what is meant by synchronized reading. What is the result that the City wishes to achieve?

**ANSWER:** A synchronized reading is a set of time-coincident readings from a selected group of meters. This is a desirable feature, but not a required feature.

29. **QUESTION:** Page 22, 2.2 – MIUs for Different Meter Types – Please indicate where the City wishes to have the programming taking place if not at the customer premises.

**ANSWER:** Since it is likely that the majority of installations will utilize a single register model, it is preferred if the MIUs can be factory programmed to use that register. Additional programming for other register types may be field programmable.

30. **QUESTION:** Page 24, 2.13 – Meter Vault Installation – Provided quantity of meter vault lids.  
**ANSWER:** See table P13.
31. **QUESTION:** Page 33, 8.7 – Meter Location Data – Please clarify what the City means by “managing.”  
**ANSWER:** On page 33, section 8.7 Meter Location Data, line 2, please replace the word “managing” with “editing.”
32. **QUESTION:** Page 38 – 12.2, Extended Support Period – What situations/instances would the City require onsite support?  
**ANSWER:** Any instance where CWD is unable to transfer current data into its CIS system for the purposes of billing, and telephone support has proved unsuccessful.
33. **QUESTION:** Will the City of Cleveland provide notices and scheduling of phone calls for customer notifications?  
**ANSWER:** No, scheduling meter installation and providing customer notification is the responsibility of the service provider or a sub.
34. **QUESTION:** 13.15.12 – Meter Salvage - Can the City identify the vendor or vendors that it has sold scrap meters to in the past?  
**ANSWER:** CWD uses a city-wide competitively bid contract for the resale of scrap. We are unable to provide a list of vendors who have had this contract.
35. **QUESTION:** Will the City entertain pricing for criteria outside of normal business practices?  
**ANSWER:** CWD is unsure of the meaning of this question, and has not yet received clarification. See response to question #25.

**Schedule:** The Cleveland Division of Water has developed the following tentative schedule for releasing a shortlist of candidates, Phase II of proposals, oral interviews, and selection.

- November 6<sup>th</sup>, 2009, Noon – Proposal due date.
- December 4<sup>th</sup>, 2009 – Publication of shortlist
- December 11<sup>th</sup>, 2009 – Final day for questions, Phase II of proposals
- December 16<sup>th</sup>, 2009 – Final Addendum
- December 23<sup>rd</sup>, 2009 – Final Proposals Due
- January 7<sup>th</sup> and 8<sup>th</sup>, 2010 – Oral Interviews

- Week of January 11<sup>th</sup>, 2010 – Final Selection
- February, 2010 – Contract Award by the City's Board of Control
- April or May, 2010 – Notice to Proceed