

600 North Tenth Street
Sacramento, CA 95811
calottery.com



April 3, 2009

RE: Request for Proposal (RFP) 6122, Pre-Construction Services and Construction of the Lottery Headquarters Building and Establishment of Pre-Qualified Contractors List for Future Projects, Amendment 1

To All Potential Responders:

1. Following are changes to Request for Proposal (RFP) 6122:

All reference to the proposal due date and time is amended to read:

“No later than 3 pm on Friday, April 17, 2009.”

2. Attached are the Lottery’s responses to questions submitted by the due date of March 25, 2009.
3. All other conditions of the RFP remain the same.

Sincerely,

John Muise
Contract Administrator
Contract and Procurement Services Section

Questions and Responses

Request for Proposal (RFP) #6122

Pre-Construction Services and Construction of the Lottery Headquarters Building and Establishment of Pre-Qualified Contractors List for Future Projects

Question 1:

I would like to confirm the RFQ is not only for the Headquarters Bldg. project, but to create a list of prequalified general contractors for future projects of various sizes.

Response 1:

Yes, it is the intent of the Lottery to establish a list of pre-qualified contractors for future contracting opportunities associated with development of the Lottery campus.

Question 2:

Do you have any idea the dollar value of future projects?

Response 2:

The Lottery's preliminary estimate for the entire campus development is \$185,000,000, which includes the new Lottery Headquarters Building. The entire campus development includes the new Lottery Headquarters Building, two additional six-story office buildings of approximately 165,600 square feet each, and a six-story parking structure.

Question 3:

Will the future projects have the strict LEED requirements as the Headquarters Building project?

Response 3:

The Lottery anticipates that future projects will have similar LEED requirements as the Headquarters Building project.

Question 4:

Are you going to select a contractor for this project from the RFP or are you going to short list firms and put this out to bid at a later date?

Response 4:

It is the intent of the Lottery to select a contractor from this RFP.

Question 5:

Will subcontracting opportunities (ie grading, paving and demolition) fall under the pre-qualified prime general contractors or will subcontractors (non-prime) have to submit their own pre-qualification as a stand alone?

Response 5:

No. The Lottery will pre-qualify the general contractor and not individual subcontractors.

Question 6:

Please clarify the intentions for the Trade Specialist(s) (Subcontractor) described on page 11 of General Information in relation to the Lottery's Competitive Bidding Guidelines noted on page 13. Is it intended that those Subcontract Specialists provide their expertise in Pre-Construction (as part of the Contractor's service and fee structure) and then, have to bid on the Construction in compliance of the Competitive Bidding rules as further described in Exhibit E?

Response 6:

Yes.

Question 7:

Please clarify the purpose of the language differences in the 'Pre-Construction' indemnity requirements (Article 6 of Exhibit C.3) versus the 'Construction' indemnity requirements (Article 3 of Exhibit C.4).

Response 7:

The indemnification provision within the Preconstruction Phase of the agreement is geared around Professional Services (including some design). The indemnification provision required under the Construction Phase of the agreement is written around construction related activities (i.e. work of construction, site, etc.)

Question 8:

I would like to know if there would be any upcoming job walks for the above project and how may we obtain plans and specifications to bid?

Response 8:

The Lottery will not conduct a job walk or pre-bid meeting during the solicitation phase of this project. All plans, drawings and specifications may be downloaded as Exhibits F-Y of RFP 6122 at the Lottery's website at www.calottery.com under "Vendor Opportunities".

Question 9:

Will there be a published list of general contractors who have responded with in intent?

Response 9:

A list of firms who have submitted a written Intent to Respond was released to those firms who submitted a written Intent to Respond and was also posted on the Lottery's website at www.calottery.com under "Vendor Opportunities" on March 27, 2009.

Question 10:

I wanted to check with you to possibly obtain a list of general contractors that are providing you with bids on RFP 6122.

Response 10:

Please see the response to Question 9.

Question 11:

Assuming we would not have to prequalify, will a list of proposed general contractors that have filed a "letter of intent" be available to the subcontracting community once the deadline has passed (3/25/09)?

Response 11:

Please see the response to Question 9.

Question 12:

We understand that the Lottery intends to use an IPD method on this project. The RFP requests that we name our major Trade Specialists (Subcontractors) as part of our proposal. While we wholeheartedly endorse the IPD method, during this economic timeframe there may be a competitive advantage for the Lottery in deferring this selection until the General Contractor is selected. The GC could then get competitive proposals from multiple Trade Specialists for each trade, similar to the way the Lottery is getting the Contractor on board. These major trades comprise approximately 45% of the Cost of the Work, so there is a definite advantage to maintaining a competitive environment during their selection. This would lock down their profit, overhead, staff costs, etc. while still getting them on board early enough to interact with the project team during design. It also allows the project team to have input into the selection process of these important trades, and it gives the most flexibility for getting the right Trade Specialists on the team, as their selection would not be tied to any one General Contractor. Would the Lottery consider this approach?

Response 12:

The Lottery will not amend the RFP to address this issue; however, as stated in RFP 6122, Section II, A, 2 - List of Exceptions, a Responder can propose an alternate approach such as this proposed item.

Question 13:

I just wanted to clarify the due for RFP 6122. Is it Friday, April 17th @ 3pm or Monday, April 20th @ 3pm? The proposal states the deadline as Monday, April 17th, but the 17th is a Friday.

Response 13:

Please see Amendment 1 to RFP 6122 which amends the RFP to clarify the proposal response due date and time.

Question 14:

The RFP states a submission due date of Monday April 17th. April 17th is a Friday. Please clarify the actual submission due date.

Response 14:

Please see Amendment 1 to RFP 6122 which amends the RFP to clarify the proposal response due date and time.

Question 15:

The due date is listed as Monday, April 17. The 17th is actually on Friday. Please confirm that the due date is Friday, April 17, not Monday, April 20.

Response 15:

Please see Amendment 1 to RFP 6122 which amends the RFP to clarify the proposal response due date and time.

Question 16:

Attachment 4, Small business and DVBE Program Form. The form indicates a requirement to fill-in all shaded areas on the form if the respondent is a small or DVBE business. Other areas of the form are not shaded. If (firm's name) is neither a small or DVBE business, do we need to do anything with this form?

Response 16:

No. Instructions to complete and submit this form with your proposal response are at Section II, Proposal Requirements of RFP 6122.

Question 17:

We would like to propose a "Controlled Insurance Program" for this project. Much of the RFP you referred me to is tailored towards contractors/architects, etc. What would be the best way of submitting an insurance proposal be?

Response 17:

The Lottery will not amend the RFP to address this issue; however, as stated in RFP 6122, Section II, A, 2 - List of Exceptions, a Responder can propose an alternate approach such as this proposed item.

Question 18:

The Design/Build RFP for the CA Lottery Headquarters project states the special inspection and material testing services is not part of the scope. How and when will these services be contracted?

Response 18:

The Lottery will directly procure this type of service at the appropriate time.

Question 19:

Who will be the Engineer of Record for each discipline?

Response 19:

The Architect and its engineers will be the Engineer(s) of Record, unless the IPD Team collectively agrees to change this designation.

Question 20:

Is the core and shell going to be designated at the same time as the TI?

Response 20:

The core and the shell will be designed at the same time as the TI.

Question 21:

Who will be responsible to procure and manage the security consultant?

Response 21:

The Architect and the Architect's sub-consultant(s) during the pre-construction phase.

Question 22:

Will a pre-bid meeting be held?

Response 22:

No. Please see the response to Question 8.

Question 23:

Has the lottery registered this project with USGBC?

Response 23:

Yes.

Question 24:

Please provide a list of sole sourced items.

Response 24:

A list of sole sourced items is not available at this time. The Lottery anticipates using single or sole source items but none have been determined at this time.

Question 25:

How will the Architect and Engineers be tied into the IPD process and how will the design contingency apply?

Response 25:

The Architect has the same Integrated Project Delivery Team Scope of Services exhibit tied to its agreement. Furthermore, once the Contractor has been determined, the Lottery, the Architect, and the Contractor will all sign a joining agreement collectively binding each party to the terms of the IPD Team Scope of Services. As new members are selected, they too will sign a similar joining agreement. For information on how the design contingency applies, see Exhibit B - Draft Terms and Conditions, Exhibit C.2 - Integrated Project Delivery Team Scope of Services for Preconstruction and Construction Services, Article 9 – Budget and Cost Modeling (beginning on page 49).

Question 26:

Will there be liquidated damages for this project? If not, will a waiver of consequential damages be provided?

Response 26:

No, there will not be liquidated damages. No, there will not be a waiver of consequential damages. The Integrated Project Delivery Team Scope of Services is intended to mitigate risk for all parties involved. The IPD process is fluid throughout the life of the project allowing for changes and decisions to be made in a collaborative manner. Thus, changes or deviations from any particular aspect of the project would be agreed upon and documented in real time, thereby potentially reducing claims at a later date.

Question 27:

Are there additional rules or policies above and beyond what is provided in the RFP? If so, please provide a copy of these.

Response 27:

No.

Question 28:

There seem to be inconsistencies between Article 22 and the Guaranty. What is the purpose of the Guaranty form?

Response 28:

The Lottery's Attachment 3, Guaranty Form of the RFP, is a pre-construction guarantee of the intent the Responder has to perform the work should they be awarded the Project. This form has no relation to Article 22. The Guarantee Form, Attachment D to the Special Terms and Conditions for Construction Services, is a construction guarantee for the materials and workmanship of the Project and provides assurance that any defects will be properly handled as described in the Contract documents. This form directly corresponds with Article 22.

Question 29:

Please provide a copy of the Joining Agreement.

Response 29:

A copy of the final Joining Agreement referenced in Exhibit B, the Draft Contract Terms and Conditions is not available at this time. A copy of the draft Joining Agreement is attached.

Question 30:

Please provide a list of Potential Responders.

Response 30:

Please see the response to Question 9.

Question 31:

Please elaborate on who the members of the Lottery Evaluation Team are.

Response 31:

Information regarding the Lottery Evaluation Team is not available at this time. The Lottery's solicitation process documents are confidential until after the Notice of Award is presented to the public.

Question 32:

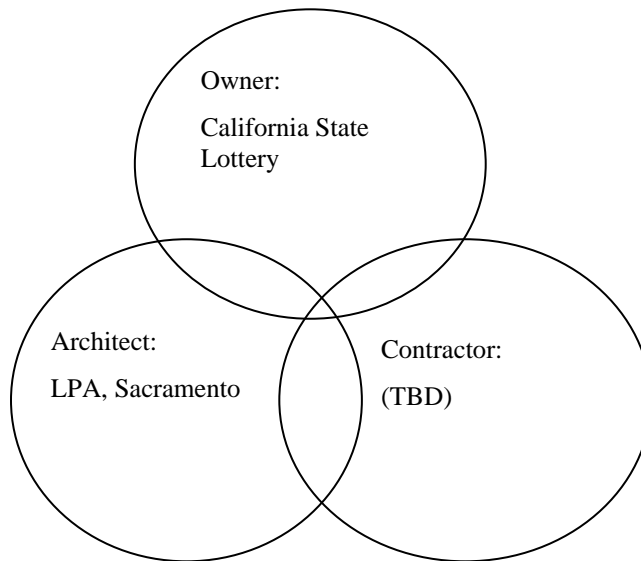
Please confirm that the Agency acknowledges funding is in place for both pre-construction and construction via acceptance of proposals.

Response 32:

The California State Lottery operates under the authority of the California State Lottery Commission (Commission). Preliminary approval of the entire Lottery Headquarters Campus has been granted by the Commission. Funding for individual contracts is available as the Commission approves their award. The Commission is expected to provide approval of the contract award for this project at the May 2009 Commission Meeting as shown in the Projected Timetable on page 4 of the RFP.

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Integrated Project Delivery Joining Agreement between Owner, Contractor and Architect



The Contractor and Architect identified above are to become a member of the Integrated Project Delivery Team, as described in the Integrated Project Delivery Team Scope of Services for the Project described as the construction of the New Lottery Headquarters Building.

The Contractor and Architect agree to participate fully in all IPD Team functions as described in the Integrated Project Delivery Team Scope of Services, including IPD Team meetings, Target Value Design efforts, and the planning process. The Contractor and Architect understand the roles and responsibilities of the Core Group and will abide by its determinations to the extent provided in the Integrated Project Delivery Team Scope of Services. The Contractor and Architect understand that each will contract separately with Owner but that the terms of the Integrated Project Delivery Team Scope of Services will govern all parties' relationships on the Project to the extent provided in the Integrated Project Delivery Team Scope of Services.

By their signatures below, Owner, Entity, and Architect acknowledge their participation as an IPD Team member with the rights and responsibilities set forth in the Integrated Project Delivery Team Scope of Services.

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<p>OWNER: California State Lottery</p> <p>By: _____</p> <p>Its: _____</p>	<p>CONTRACTOR:</p> <p>By: _____</p> <p>Its: _____</p>
	<p>ARCHITECT: LPA, Sacramento</p> <p>By: _____</p> <p>Its: _____</p>