

Addendum #1

GREEN INFRASTRUCTURE (GI) /STAY ON VOLUME (SOV) BANK PROGRAM CITY OF CHATTANOOGA, TENNESSEE CONTRACT NO. S-16-012

1. With this RFQ, is it the City's ultimate objective to have these projects act as a catalyst to create more SOV credits for the city to use to incentivize development and/or to create inventory for an SOV bank?

Answer: Yes, this is one major goal. When existing developed sites are retrofit w/SOV improvements, the City benefits from cleaner downstream watersheds, better flood control, site beautification, and water quality coupons to either retain or distribute to the design firm and other benefits. The eventual contracts will result in benefits for the City, the selected firm(s), and other new developments by way of marketable coupons, possible reduced water quality fees, use of City property as offsite mitigation, etc.

2. In the RFQ, the city suggests that Non-Profits and other non-traditional entities might consider applying. What is the City's intent by opening this type of project up to local NPO's?

Answer: We envisioned partnerships might be possible with universities, environmental groups, and non-profit entities, such as Church's, when seeking assistance, public participation or locating SOV retrofit sites. Retrofits can occur to private property as long as a willing owner is identified who will maintain the SOV practice.

3. How many teams does the City plan to Shortlist for this project?

Answer: On past RFQ's, we looked for a clear break in team scores and shortlisted the firms/teams above that break. If 7 firms respond with 4 receiving A and B scores and the remaining 3 firms receive scores of C through F, we may be inclined to short list the top four. This is purely an example. Our short listing practice is always fair and dependent on assigned scores which are dependent on firm/team expertise.

4. Is the City looking for a Design/Build Team to submit or is the City looking for Design Consultants only? From the RFQ, it appears there are a lot components including: Public education, funding, planning, design, construction, maintenance, and ownership of the

BMPs/SOV Credits. Is it the City's intention that the submitting team be capable for performing everyone aspect the project listed?

Answer: Design build would be used less often than pure design as we, the City, can advertise the completed designs for bid by contractor as easily as requiring that the consultant hire a green infrastructure contractor. Also, our City Wide Services Crews can install some retrofits once studies/ plans/ permitting and other aspects are finalized.

Submitting firms are not required to fulfill every aspect. Firms may be shortlisted even when they only have expertise or experience at one or a few of these components. Please keep in mind that some retrofits may require site reconnaissance, design, installation (City cannot construct), public outreach (beyond city availability), complex operation/maintenance instructions, and extensive coordination and planning. These retrofit sites would go to the short listed firm/team with the best perceived overall experience and capabilities.

5. How are these projects to be financed? The RFQ suggests multiple funding sources. Is it the intent that the selected consultant and/or design build team finance the construction of the project?

Answer: The WQ program received three hundred thousand dollars (\$300,000) in FY17 capital funding. This can be used for any aspect: infiltration testing, design, installation, public outreach, etc. Depending on the success and public desire for similar projects, we anticipate requesting more funding in FY18. Earned coupons and water quality fee reductions are another eventual funding source or "reimbursement source". Large SOV devices are capable of treating tens of thousands of cubic feet of SOV. Ten thousand cubic feet sold at \$30/cf would result in another \$300,000 in coupon proceeds. Some or all of these proceeds can be negotiated in the contract. If the City finds they are unable to negotiate a fair contract with one shortlisted firm, we reserve the right (at any time) to move onto another shortlisted firm or any firm that we can negotiate with to install retrofits at a fair price.

6. Is there a list available of anticipated projects?

Answer: No. We have ideas on some City owned property, including rights of way, which would benefit from SOV practices. Site selection will be heavily dependent on infiltration testing results and the presence of existing/functioning water quality facilities. We would also like to hear from shortlisted firms/teams on their suggestions where practices might be most effective and accepted by visitors and adjacent property owners.

7. Once the SOV credits are constructed, will the City maintain ownership of the BMP's or will the Design/Build team be responsible for owning and maintaining the BMP's?

Answer: Retrofits to City property will most likely be permanently maintained by the City AFTER a one-year establishment/performance period. During the performance period, the installer or plant supplier may be required to maintain/replant/prune plants until they are established and proven to be disease free, site tolerant and site appropriate. Privately located/owned BMP's will be the responsibility of the Private Ownership. Publicly located/owned BMP's will be the responsibility of the City of Chattanooga.

8. Who will only own the SOV credits once they are constructed?

Answer: Depends on the negotiated and signed contract. Anyone could own the resulting coupons: the design engineer, the land owner, the plant supplier, a developer, a non-profit. If the consultant's contract price (example: for plans/permitting) is at the range that they typically receive, then I doubt they would also be receiving coupons. If the contract price is at the low end of what is typically received or if the design engineer wants to work for free (yes!) then they could receive some or all of the marketable coupons.

9. Who will be the lead project manager for the City on this project?

Answer: An employee of the City's Water Quality Department

10. How long will the design/build team be required to own and maintain these SOV structures once they are construction and the credits sold on the SOV market?

Privately located/owned BMP's will be the responsibility of the Private Ownership. A Maintenance Agreement will be executed and recorded with the Hamilton County Registrar's office.

For Platted Parcels:

http://www.chattanooga.gov/images/citymedia/publicworks/I__M_Agreement_Form_for_PLATTED_parcel_2-5-2015.pdf

For Un-Platted Parcels:

http://www.chattanooga.gov/images/citymedia/publicworks/I__M_Agreement_Form_for_UNPLATTED_parcel_2-5-2015.pdf

Please see the following link to the Resource Rain for further guidance:

<http://www.chattanooga.gov/public-works/city-engineering-a-water-quality-program/water-quality-program/44-public-works/989-resource-rain>

September 13, 2016

/s/ Justin C. Holland, Administrator
City of Chattanooga
Department of Public Works

