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**REQUEST FOR QUALIFICATION  
NUMBER 924536**

ISSUE DATE: 07 May, 2014

**THIS IS NOT AN ORDER**

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## ADDENDUM #1

### REQUEST FOR QUALIFICATION

### VALLEY LINE LRT - STAGE 1

This Addendum forms part of the RFQ Documents and modifies them as stated herein.

**1.1:** Replace Section 2.3.5 d) of the RFQ as shown in tracking below:

**2.3.5 Other Key Terms**

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d) *Regulatory Approvals* – Pursuant to City Bylaw #7188, North Saskatchewan River Valley Area Redevelopment Plan, an environmental impact assessment has been carried out for the Project. In September 2013 City Council approved the Environmental Impact Screening Assessment and Site Location study (“EISA”) for the Project based on the City’s reference design. Environmental assessment approvals are not required for this Project under either the federal Canadian Environmental Assessment Act or the provincial, Alberta Environmental ~~Protection and~~ **Protection and** Enhancement ~~and Projection~~ Act. Except for a limited number of specified approvals which the City has obtained, or is in the process of obtaining, Project Co will be responsible for all permits, licences, authorizations and related approvals required to construct, commission and operate the Project.

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**1.2:** Replace Appendix B Section B 8 of the RFQ as shown in tracking below:

## **APPENDIX B – DETAILED SUBMISSION REQUIREMENTS**

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### **B 8 Financial and Organizational Capacity**

#### ***Financial Capacity***

The Respondent should provide information that validates its financial capacity to undertake the Project. Respondents should describe in some detail, its other financing commitments and/or future contingent financing commitments that are anticipated to arise over the Project's construction period and could impact on the Respondent's financial capacity in the context of the Project. The Respondent shall provide descriptions of any future anticipated change in ownership or financing structures or organization of the Team Members, or any renewals or refinancing of existing material financing sources or credit facilities, considerations of any potentially restrictive existing banking covenants and any other pertinent information to adequately evidence the Respondent and its Team Members' financial capacity to undertake the Project.

To facilitate further evidence of these matters, the Respondent shall include (where ~~available~~applicable) for each Team Member, or where a Team Member is a subsidiary to a Parent Company that has provided a Parent Company Guarantee for the Team Member explicitly for the purposes of the Project, then for that Parent Company:

- the Parent Company Guarantee Letter explicitly stating the Parent Company Guarantee in relation to the Project and the Team Member included in the Respondent to the reasonable satisfaction of the City;
- copies of the audited annual financial statements (for the 3 most recent fiscal years) and any interim statements that may be available – where the most recent statement is unaudited, please submit 3 of the most recent audited statements and the most recent unaudited statement;
- current credit rating reports;
- bank or other financial institutions, letters of reference;
- letters from insurance providers to demonstrate the ability to secure the potential insurance package for the Project scope and based on the draft allocation of responsibilities outline in Appendix C.
- a signed letter from the Chief Financial Officer (or equivalent financial authority) of the Team Member setting out, for the Team Member, its Affiliates or its Parent Company (if a Parent Company Guarantee is to be provided), a description of:
  - any off-balance sheet financings;
  - any events that may impact on future financial statements or the capital structure or in any way may present a going concern consideration that is not covered by the most recent audit opinion; and
  - any bankruptcy/insolvency matters.

If the above information does not exist, it may be replaced with equivalent financial information satisfactory to the City to demonstrate that the Team Member has sufficient financial standing, capacity, and resources to carry out its respective role on the Project.

If, at any time following the Submission, a Respondent becomes aware of a change to the financial information required herein; that Respondent must immediately so advise the City, and indicate its proposed response to the change.

The City reserves the right to re-evaluate the Respondent's financial capacity to successfully secure or provide financing for the Project.

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**1.3:** Replace the table in Appendix C of the RFQ as shown in tracking below:

### APPENDIX C – RISKS AND RESPONSIBILITIES ALLOCATION MATRIX

This table presents a general allocation of responsibilities and risks between the City and Project Co. The more detailed allocation of responsibilities in the contractual drafting of the Project Agreement may bring nuances to the level of allocation of responsibilities between the parties that is shown here. Inherent in this allocation matrix is that Project Co will be responsible for adherence to the Project budget and schedule subject to the manifestation of public sector retained risks.

#	Key risks and responsibilities	City	Project Co	Shared
<b>1.</b>	<b>Design &amp; Construction Phase</b>			
	Design		✓	
	Construction of infrastructure		✓	
	Vehicle supply		✓	
	Land acquisition	✓		
	Utility relocation			
	<ul style="list-style-type: none"> <li>• Before financial close</li> <li>• After financial close</li> </ul>	✓	✓	
	Gerry Wright Operations and Maintenance Facility			
	<ul style="list-style-type: none"> <li>• Infrastructure and equipment</li> <li>• Activities surrounding the pipeline crossing the site</li> </ul>		✓ ✓	
	Supply and installation of ticket vending machines (“TVM”)			
	<ul style="list-style-type: none"> <li>• Specification of supplier and supply of TVM</li> <li>• Installation of TVM</li> <li>• Base Construction and conduit installation within right-of-way</li> </ul>	✓ ✓	✓	
	Bus network connections / interfaces (see note 1)			
	<ul style="list-style-type: none"> <li>• Bus infrastructure in Project Co’s right-of-way</li> <li>• Other bus infrastructure</li> </ul>	✓	✓	
	Environmental and other permits and approvals		✓	
	<u>Existing</u> Contamination:			
	<ul style="list-style-type: none"> <li>• Disclosed</li> <li>• Undisclosed</li> </ul>	✓	✓	
	Geotechnical Site Conditions			
	<ul style="list-style-type: none"> <li>• General Corridor</li> <li>• Tunnel &amp; River Valley</li> <li>• Tunnel &amp; Slope Stability</li> </ul>		✓	✓ ✓
	Stakeholder communications		✓	
	Testing & commissioning		✓	

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