

ISLAND TRANSIT

ISLAND TRANSIT HYDROGEN INFRASTRUCTURE DESIGN-BUILD PROJECT

1. Under Section 1 “Brief Description of Proposed Project,”

- The 2nd paragraph that describes the project scope of work does not include design work. Please verify whether design work is part of the scope.

Yes. The owner's representative will provide bridging documents, which include performance criteria for the design work. The Design-Builder will provide all detailed design work.

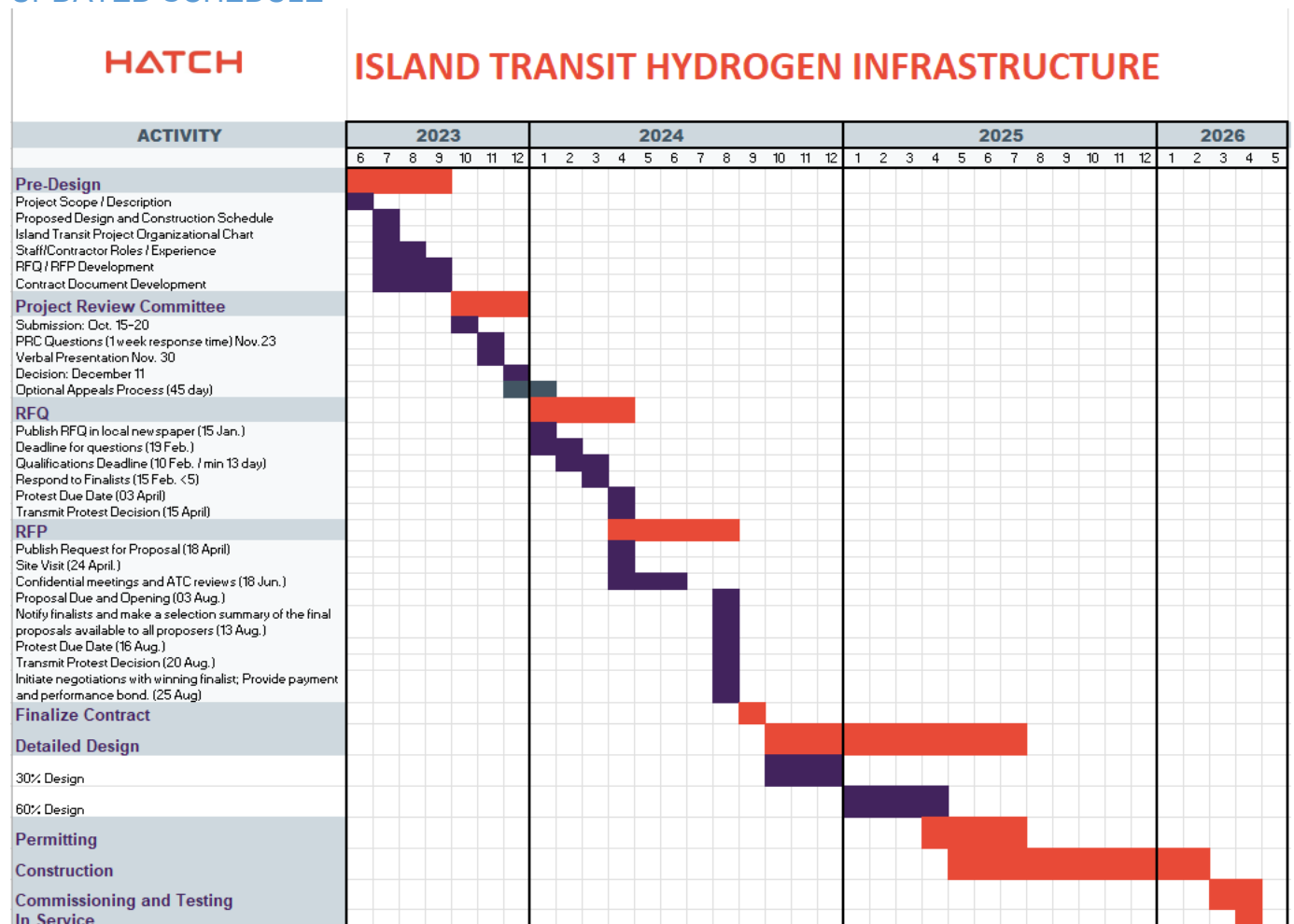
2. Under Section 2 “Projected Total Cost for the Project,”

- Please verify whether the applicant has at minimum 5% contingency beyond the anticipated design-build contract value.

Yes. The total project budget is estimated \$9,000,000, including the design build contract and owner's representation fees. Island Transit has dedicated \$500,000 in contingencies for this project.

3. Under Section 3 “Anticipated Project Design and Construction Schedule,”

UPDATED SCHEDULE



CAPITAL PROJECTS ADVISORY REVIEW BOARD

PROJECT REVIEW COMMITTEE

QUESTIONS RE: PROJECT APPLICATION

Meeting Date: 11/30/2023

- a. Activity "Detailed Design" is shown to last until the end of the Construction period. Why? Please clarify.

Detailed design tasks have been updated in the schedule. Design and construction are anticipated to be fast tracked and overlapping in coordination with the permitting approval process. Tasks such as early works will begin while final design work is still in development.

- b. Are there any permits required? If yes, who is/are responsible to procure those permits, and when do you anticipate permits procurement will take place in the schedule?

Yes. There will be several permits required throughout the project. The contractor will be responsible for obtaining all permits, licenses, approvals, or agreements (PLAA) that are required for the successful completion of the project.

The proponents will be required to submit the list of PLAA and durations to obtain each as a part of their response to the RFP. We anticipate that the permit process will be 4-5 month after 60% design is complete. This milestone is anticipated to be in April 2025. So, all the permits are anticipated to be obtained by August 2025. The schedule is now updated to reflect this timeline for permitting. The contractor will propose and will be responsible for completing the design elements required for each of the permit in compliance with the schedule.

- c. Activity "Construction" is shown to last for 9 months. Are there any long lead material/equipment procurement? If yes, when do you anticipate the design is progressed enough so material/equipment orders can be placed?

Yes. There will be several items with the lead time of 6 months to a year. Items like transformers, switchgear, liquid hydrogen storage tank, and compressors. These items will be orders as soon as 30% design is complete which is anticipated to be completed within the first three months of design activity. So, it is anticipated that the equipment specs will be ready by end of 2024 and the orders can be placed in early 2025 for the item to arrive during the construction activity.

4. Under Section 4 "Explain Why the DB Contracting Procedure is Appropriate for this Project,"

- a. Under "Innovation," the last sentence of the 2nd paragraph includes the following, "*In emerging markets this flexibility encourages and allows Proposers to suggest creative design solutions that may not be publicly available.*"

Did you mean to say e.g., not publicly known? Or did you actually mean what you wrote, "not publicly available" meaning that the creative design solutions may be limited to a particular person or entity only? If the later, would there be an issue since Island County is a public agency and that the DB contract procurement process will be subject to public disclosure?

The intended meaning of this sentence is not to identify products that would not be available to the public outside of this project. It is intended to express the benefits Island Transit can reap from receiving multiple proposals from design-build firms. While much of the equipment is standardized, the firm will still need to provide a customized solution to fit Island Transit's specific need. Currently, the market does not produce a ready-made design of this sort.

5. Section 6 "Public Benefit,"

- a. In the 4th paragraph, the applicant states, "... *Specialty firms will need to offer innovative solutions to guarantee long-term access to usable hydrogen fuel. One potential solution would require signing a power purchase agreement with established local producers, such as*

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Douglas County PUD. In the second scenario the awarded firm would fulfill the supply requirements itself by expanding its production and distribution capacity to meet the needs of this project ... the firm would be able to utilize Federal dollars ... This type of arrangement is mutually advantageous ...”

It appears that the applicant needs to decide which scenario is preferred, write the DB bid scope accordingly, then inform the bidding community of that scope prior to issuance of RFQ but no later than RFP. This is to make sure the applicant leveled the playing field and is bidding out the work fairly. Please clarify the 4th paragraph if the reviewer appears to misunderstand.

Island Transit anticipates that the market may be prepared to offer amenable solutions for long-term hydrogen fuel. The RFQ will state that proposers will be required to propose a detailed plan for hydrogen supply and refueling operations as an option. This is to ensure that operations are not disrupted by limitations to useable fuel or operational logistics.

Once highly qualified Design Builders are shortlisted, Island Transit will discuss this topic with shortlisted proposers during the preproposal site walk and issue the RFP based on the Design Builders' responses to such requirements. This process will provide Island Transit with the ability to review and request the best available option at the time of issuing the RFP.