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May 12, 2021

**Addendum Number 2**  
**Request for Proposal 21-08-208877**  
**Bird Creek Pony Truss CMGC**

**This addendum is being issued to provide information as follows:**

**Questions/Answers:**

1. **Q:** I have a question pertaining to the Price Proposal Fixed Fee Form. Our Firm is in partnership with another firm for the Bird Creek Pony Truss CMGC project. In addition to Our Firm's Project Principal's signature on the Fixed Fee Form, will we need to add a second signature line for the Other Firm?

**A:** The proposal shall be submitted under the name appearing on your Alaska Business License. Once your firms create a partnership, joint venture, or other legal relationship, the signature must be from a party that has direct authority to legally commit the entity – that is, one of the partners or joint ventures who is registered as a contractor with the Alaska Department of Commerce, Community and Economic Development. The legal relationship must be formed prior to proposal submittal. (AS 08.18.011, 12 AAC 21.010, 12 AAC 21.990)

2. **Q:** The Contract Documents indicate that Contractor's remedy for delays caused by the Client/Owner shall allow for an extension of Contract Time but not an adjustment of Contract Price. Such a remedy is inadequate to compensate the Contractor for the direct cost impacts of such compensable changes. Please confirm that Client/Owner-responsible delays will be fairly negotiated as to impacts on time and cost or explain why not.

**A:** CM/GC General Conditions, Sec. 11.5, states that the right of the Contractor to proceed will not be terminated, nor will the Contractor be charged with liquidated or actual damages because of delays to the completion of the work caused by, among other things, acts of the Owner in its contractual capacity.

However, please note that Sec. 14 of the Required Contract Provisions for Federal-Aid Contracts (Revised 06/09/2017), provides that "*Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract, which may be committed by the ARRC, the Contractor expressly agrees that no default, act or omission of the ARRC shall constitute a material breach of this Contract, entitling Contractor to cancel or rescind the Contract (unless the ARRC directs Contractor to do so) or to suspend or abandon performance.*" Additionally, ARRC Procurement Rules provide for a claims process for a Contractor who may be seeking additional compensation.

3. **Q:** The Contract Documents do not expressly exclude damages other than direct damages or liquidated damages. These other damages would be in the nature of indirect damages. Please

confirm that each Party expressly waives any claim for indirect, consequential, special, exemplary or punitive damages that could be demanded by either Party against the other or explain what is intended.

**A:** The Sample CM/GC Contract provides that the Contractor will pay to Owner liquidated damages in the sum of \$4,500 per day, beyond the final completion date agreed to in the Contract, for delays in completing the Project. These liquidated damages are in lieu of actual damages and do not represent a penalty but are rather a reasonable estimate of damages in the event of delays. (See Secs. 5.4.1, 5.4.2 and 5.4.3 of the Sample CM/GC Contract.)

Additionally, Sec. 11.8 of the CM/GC General Conditions also discusses liquidated damages, essentially in the same way as the Sample CM/GC Contract, but also states that the liquidated damages do not cover excess costs of completion or Owner costs, fees and charges related to re-procurement. If a default occurs, the Contractor or his Surety will pay, all excess costs and expenses related to completion as provided in Sec. 14.2.6 in addition to liquidated damages. Also, Sec. 14.2.6 provides that additional damages include costs of assessing the work to be done, costs associated with advertising, soliciting or negotiating for bids or proposals for completion and other re-procurement costs. Therefore, in the event of delays/non-completion by the Contractor, there could be damages in addition to liquidated damages.

4. **Q:** Please confirm that Liquidated Damages ("LDs") are the Owner's sole and exclusive remedy with respect to a late substantial completion ("SC"), and that each Party accepts that LDs are considered to be direct damages and not to be considered indirect damages or explain what is intended.

**A:** See the response to Question No. 3 above.

5. **Q:** Section 12.9 (p54/83) CMGC General Conditions and 14.2.5 (p65/83) of the General Conditions, indicates that Owner or its third-party Surety may take control or possession of Contractor's equipment. Such action violates existing covenants and enforceable agreements and is not permitted. Owner's proper remedy in Default is the Performance Bond. Please confirm that Owner will not take possession or control of Contractor's vehicles, equipment or tools or explain what is intended.

**A:** The referenced provisions in the CM/GC General Conditions are our standard provisions regarding situations in which the Contractor defaults. However, if the parties want to modify those provisions (*for example, to state that a Project Manager and/or Surety will not take possession of the resources but will take control of the work*), the parties could insert the modified terms in the CM/GC contract prior to entering the Construction Phase of the project. Per Sec. 3.5.2 of the CM/GC General Conditions, Contract Amendments and Change Orders Contract would control over the General Conditions.

6. **Q:** The Contract Documents are unclear on existing HAZMAT. Please confirm that the Contract Documents disclose any presently existing HAZMAT within the project limits and include the location, the specific material(s) and concentrations determined, when such HAZMAT is expected to be remediated by the Owner or explain what is intended.

**A:** There are no hazardous materials that have been positively identified on site, and no effort to identify any possible hazardous materials on site has been completed to-date. The identifications of possible hazardous material locations will be completed prior to the finalization of the Contract Documents (*mainly the Plans and Specifications.*) If identified, Contractors will be required to work with and/or dispose of any hazardous materials on this Project in accordance with all applicable Federal, Local, State, and Tribal regulations. The Owner will not be responsible for abating any hazardous materials.

7. **Q:** The General Conditions and the RFP insurance requirements differ in amounts of the required commercial general liability policy. Please confirm which amounts of insurance are required for the Work.

**A:** The amounts required are outlined within the General Conditions.

8. **Q:** The RFP and General Conditions differ on the requirements of a Builder's Risk Policy. Please confirm whether the contractor will be required to provide a builder's risk policy and the amounts.

**A:** A Builder's Risk Policy is required and shall be provided in accordance with the General Conditions.

9. **Q:** The Contract Documents appear unclear on payment for stored materials/material on hand. Please confirm that so long as Contractor stores, segregates and safeguards project materials procured for the Project in a mutually-agreed manner and makes such material available for Owner/Client inspection, Contractor may invoice and shall be paid 80% of the cost of such stored material with overhead and profit for such stored materials or explain what is intended.

**A:** This would be included in the generation of the specifications during the Pre-Construction phase. Where the Federal Railroad Administration does not dictate payment for material on-hand, the Owner will follow the procedures for stockpile payments in accordance with subsection 109-1.07 of the Alaska Department of Transportation and Public Facilities Standard Specifications for Highway Construction, 2020 edition.

10. **Q:** The Contract Documents appear unclear on permits. Please confirm that any and all Project/building permits shall be the sole responsibility of the Client/Owner or explain what is intended.

**A:** Obtaining the permits would not be the sole responsibility of either the Owner or the Contractor. As the Owner has not pre-determined the means and methods that prospective Contractor's will use to perform the Work, it is unable to determine what permits will be required. Once the Contractor and the Owner have agreed on means and methods, either it, the Contractor, or a designated AELS firm will apply for all required permits. During the Pre-Construction phase, and prior to the completion of the design, the responsibility for obtaining the permits will be addressed.

11. **Q:** Please advise whether a schedule of railroad activity will be provided to establish a basis for construction scheduling.

**A:** A tentative schedule for passenger operations is provided below (*Figure 1*) for informational purposes. Additional passenger trains are typically chartered through the project site, and a set schedule for those operations during construction is unavailable at this time. Freight operations through the corridor are dependent on barge traffic into and out of Whittier and Seward, and as such; there is no set schedule. Additional ARRC internal Maintenance-of-Way operations maybe

required to traverse through the project. The Contractor is to assume that it is to follow the guidance provided in the General Conditions on requesting track outages as schedules may frequently change. In addition, communication between the Contractor and the Owner will be paramount to obtaining said track outages. The Contractor, during the Construction phase, will be provided advance notification of ARRC operations that affect the Contractor as outlined in the General Conditions or as determined during the Pre-Construction phase (*i.e.: during the generation of the specifications.*)

		Coastal		Glacier	
Anchorage Depot		06:45	22:15	09:45	21:00
Coastal	:25	7:10	21:45	10:10	20:35
Potter	:10	7:20	21:35	10:20	20:30
Rainbow	:10	7:30	21:25	10:30	20:20
Indian	:10	7:40	21:15	10:40	20:10
Brookman	:10	7:50	21:05	10:50	20:00
Girdwood	:10	08:00/08:05	20:50/20:55	11:00	19:40/19:45
Portage	:25	8:30	20:30	11:25	19:15/19:20
Whittier	0:25			11:50/12:05	12:50
				17:20	18:50
Portage		8:30	20:30	13:15/13:25	17:15/17:25
Spencer	:15	8:45	20:15	13:45/13:55	16:30/16:50
Tunnel	:15	9:00	20:00	15:05	16:15
Grandview	:15	9:15	19:45	15:20	16:00
Hunter	:15	9:30	19:30	15:35	
Jack Burton	:30	10:00	19:00		
Crown Point	:15	10:15	18:45		
Divide	:20	10:40	18:25		
Seward	:25	11:05	18:00		

Figure 1 – 2020 Tentative ARRC Daily Passenger Traffic Schedule

12. **Q:** The Contract Documents do not indicate incomplete right-of-way ("ROW") acquisition or impairment of Project Work and state that all Work will be performed (including access to the Work) on the ARRC easement. Please confirm; or, if there are acquisition, easement or title issues, please disclose those in writing and indicate the expected date of resolution of each and provide the contact information for such land-acquisition person or persons.

**A:** The Owner does not intend to acquire any additional ROW to complete this Work. Project activities may affect permitted facilities (*e.g.: the Seward Highway*) within the ARRC's ROW. Once the Contractor and the Owner have come to an agreement on means and methods, we will determine who is responsible for obtaining all permits and permissions to utilize either land, easements, or permitted faculties not explicitly owned or controlled by the Owner.

13. **Q:** The Contract Documents do not appear to indicate any specific Utility Conflicts of conflicts with underground infrastructure. Please confirm that the Plans properly reflect all known, existing subsurface utilities and infrastructure (whether in the ground or adjacent waters, if any), or specifically identify what inaccuracies exist, where, and with respect to what specific utilities services (like water, sewer, gas, low voltage); and, provide the

expected date of relocation or removal, indicating the responsible entity and point of contact for each separate utility.

**A:** As the design progress is in its infancy, it is unknown if there are any utility conflicts within the areas to be disturbed by the Work. The extents of the areas to be disturbed will be determined once the Contractor and the Owner have agreed on means and methods for construction.

Relocation of the fiber-optic lines are typically the responsibility of the Utility Owner. The Contractor will be expected to assist the Utility Owners in their temporary and permanent relocations of their utilities. Any other utilities that may be on the site would be discovered during the design process, in the Pre-Construction phase.

14. **Q:** General project risks were identified during ARRC's project delivery method selection process. Can we have access to the list of risks? (page 28 of RFP.)

**A:** The General projects risks that were identified during our pre-bid were mainly focused around Contractor's means and methods to complete the work without being confined to constructing the superstructure from the rail (*i.e.: using a locomotive crane*). The main general risks were:

- a. Design – risks stemming from designing a project that is not constructible using either local or readily available resources.
- b. Cost – escalation of project costs because of the Owner's selection of construction means and methods.
- c. Scope – risks that endanger project objectives, deliverables, or timelines.
- d. Schedule – risk that the project may take longer than expected to complete because of the Owner's selection of construction means and methods, which also coincides with cost risks.
- e. Performance – risk that the project may fail to deliver and produce results in accordance with the specifications via the traditional low-bid process.
- f. Operational – risks stemming from poor implementation and process problems such as procurement, production, and distribution of goods.
- g. Market – risks stemming from competition and commodity markets, which also coincides with cost risks.
- h. Resource – risks stemming from soliciting a project that can only be performed by using specialized on-rail equipment, such as locomotive cranes.
- i. Procurement – risks stemming from the procurement of long-lead time items, which also coincides with cost and schedule risks.

15. **Q:** Addendum 1 mentions the following: *Acknowledge receipt of this and all addenda in your firm's Service Bid Form (Form 395-0132)*. I searched the File "RFP 21-08-208877 Bird Pony Truss CMGC Addendum 1.pdf" but can't find Form 395-0132. Can you tell me where the form is located?

**A:** Reference Appendix E, add Services Bid Form 395-0132 (Attachment 1). This form shall be submitted with proposals.

This addendum responds to all remaining questions to date. If you have submitted questions that have not been addressed with Addendum 1 or 2, please notify the Contract Administrator. Last day to submit questions for this solicitation is May 14, 2021.

Acknowledge receipt of this and all addenda in your firm's Service Bid Form (Form 395-0132).

Sincerely,



Michele Hope  
Contract Administrator  
Alaska Railroad Corporation

