OHIO TURNPIKE COMMISSION
682 Prospect Street
Berea, Ohio 44017

ADDENDUM NO. 4

REQUEST FOR PROPOSALS
TO PERFORM TRAFFIC AND REVENUE FORECASTING
AND PLANNING FOR THE OHIO TURNPIKE COMMISSION

RFP Issue Date: January 30, 2013

Inquiry End Date: 5:00 p.m. (E.S.T.), February 19, 2013

Proposals to be received no later than:
2:00 p.m. (E.S.T.), February 26, 2013

ATTENTION OF RESPONDENTS IS DIRECTED TO:

ANSWERS TO QUESTIONS RECEIVED THROUGH
THE END OF THE INQUIRY PERIOD, FEBRUARY 19, 2013

-AND-

MODIFICATION TO THE REQUEST FOR PROPOSALS
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Issued by the Ohio Turnpike Commission February 20, 2013. Issuance authorized by Robin Carlin, Deputy Executive Director and Kathleen Weiss, General Counsel

Robin Carlin 2/20/13 Kathleen Weiss 2/20/13
ANSWERS TO QUESTIONS RECEIVED THROUGH THE END OF THE INQUIRY PERIOD, FEBRUARY 19, 2013

Q#3 On page 3 it suggests that there needs to be a primary consultant who would will take responsibility for the team’s performance but also needs to be a Traffic & Revenue forecaster themselves. Does that mean the specialist Traffic & Revenue modeler has to be a resident of Ohio and also the most senior in the project team.

A#3 The individual managing the services performed under the RFP by the Selected Firm must be uniquely qualified to perform both the traffic and revenue forecasting services, however, there are no qualifications for residency or seniority indicated for that individual in the RFP.

Q#4 Part IX states that by submitting a proposal, the responding firm agrees to be bound by the terms of the contract document attached as Exhibit B. That suggests that no exception to the agreement will be permitted.

A#4 Under PART VII of the RFP, Responding Firms should raise any questions, exceptions or additions concerning the RFP prior to submitting Proposals, and should also list those exceptions with their Proposals (see PART VIII, Section 3).

Q#5 On page 13, the RFP asks the consultant to accept liability and indemnify the authority for "Technical Accuracy". Is this meant to include the forecasting of traffic demand and consequent revenue? This is very different to the way forecasting is normally treated. The only thing anyone can do is to guarantee they will use the best data available and the best techniques and are not negligent in their processing and analyses. The whole forecasting process is also subject to data input from third parties – this also has implications.

A#5 The performance warranty is intended to guarantee that the Selected Firm will perform its services in a manner consistent with the standards of care applicable to its profession. However, please see the modification via this Addendum No. 4 that adds the phrase "Utilizing the best available data" to Section C in Exhibit B.

Q#6 The indemnity provision in clause R, page 20 appears not to be limited to damages arising out of the respondents negligence but includes the obligation to pay for any item that could be described as being in the defense of the Commission.

A#6 Indemnification connotes defense of one party, the indemnitee, that has a claim asserted against it due to the actions of the other party, the indemnitor. Therefore, the indemnification clause speaks for itself.
Q#7  In the RFP part 111. 8 and 9 – Previous studies and Study accuracy you ask for ...”an electronic copy of the most recent investment grade traffic and revenue study completed and successfully used for selling of toll revenue bonds “ and a validation of 3 previous forecast completed within the last 7 years . Unfortunately all the work we have done that fits into this category was subject to “Non-Disclosure “ notices – very similar to the agreement you are asking for from the consultants for this commission , in exhibit B section G . This is of course a normal process that a Traffic & Revenue consultant has to sign up to for doing the work . So the question is :- “ Will it be acceptable to describe the work done without revealing the confidential information contained within the reporting that has been covered by the Non-disclosure agreements that we have signed with previous clients ? “

A#7  Although a copy of the actual forecasts are strongly preferred, Responding Firms may provide a description of the services performed and work produced in lieu of a copy of any traffic and revenue forecast study containing proprietary information, as long as the party for whom the study was conducted is disclosed, and the accuracy of the of forecasts is also provided

Q#8  In terms of producing monitoring information on previous work , in many cases actual traffic and revenue are not known or made public in any way ( often due to future desires to re-finance ). Unless the information is public (which is very rare), even if we were aware of the traffic volumes and annual revenues we would not be in a position to disclose them due to the agreements we signed. The other issue is that to the extent the world economic recession was not foreseen, most toll road forecasts prepared about 5 years ago are too high. Because the forecasts were based on the economic growth forecasts from reputable forecasters (such as FHWA , EIU, IMF and OECD), and no reputable forecast predicted either the severity or length of recession, any forecasts from that period are likely to be too high. Projects that have used post recession forecasts of planning and socio-economic data are unlikely to be operational yet. So the question is: “Will it be acceptable to produce information on previous work of a general nature and only specific traffic & revenue information where it is publically available?”

A#8  See response to Q#7 in this Addendum No. 4

Q#9  I noticed that Addendum No. 2 to the RFP that the historical information to be made available to the consultant dates back to 2002. Does this include data from E-ZPass transponders?

A#9  The Commission did not implement E-ZPass until October 1, 2009 As the summary origin and destination data relates to E-ZPass users, the information described in PART IV of the RFP dates back to October 1, 2009
Q#10 In Part III Proposal Requirements item 8: do you intend to receive the most recent investment grade traffic and revenue study for each of the clients listed in this section or just one report, the most recent study completed by the proposing firm which supported a successful bond issue?

A#10 Yes, it is the intent of the RFP that Responding Firms provide a copy of the most recent investment-grade traffic study that they have completed. Only a complete listing of all such studies conducted over the last seven years (7) years shall be provided. Responding Firms shall provide details concerning the proven accuracy of these studies as well.

Q#11 Is there a current regional demand model for the Ohio Turnpike or are there multiple demand models for the different regions served by the Turnpike?

A#11 There is no regional demand model currently in use to analyze Ohio Turnpike traffic. From time-to-time, the Traffic and Revenue consultant may be requested to analyze traffic between individual Interchanges or sets of Interchanges as directed by the Commission.

Q#12 Can the following items be provided to proposers?

a. the most recent investment grade study for the Ohio Turnpike Commission (OTC)?

b. recent Weekly, Monthly, and Quarterly Updates that have been produced for the OTC?

c. a level of service analysis previously prepared for the OTC?

A#12 There is no current investment-grade traffic study. The Commission will make the other requested information available to the Selected Firm.

Q#13 After award of the contract, can the Ohio Turnpike Commission provide results of any origin/destination surveys previously conducted on the Ohio Turnpike?

A#13 Yes, any studies the Commission has previously conducted will be made available to the Selected Firm.

Q#14 Regarding point 1c in the Scope of Services to Be Rendered (Scope): please provide the meaning of “daily origins and destinations and densities”.

A#14 Daily origins and destinations are the number of trips by class of vehicle from where the vehicle entered to where the vehicle exited (e.g., 225 Class 1 vehicles entered at Interchange 218 and exited at Interchange 71). Densities include all the trips that passed through a section of road. This information is gathered through the Toll Collection...
system and provided to the Traffic and Revenue consultant for compilation into a weekly report.

Q#15 Regarding point 1e in the Scope: is the forecast through 2043 intended to be conducted at an investment grade level (suitable for taking to the Bond Markets), or as a planning level study for internal purposes? Please provide the intended use of the forecast.

A#15 No, investment-grade forecasting studies through the year 2043 is not required under the RFP. These long-view forecasts are intended for planning purposes only. The investment-grade traffic and revenue forecasting requirements are included under Section 2 of the Scope of Services.

Q#16 Regarding point 1f in the Scope which requests a "level of service analysis by section, by year, by day of week, updated annually": please elaborate on the meaning of "level of service" and the intended use of the analysis. Several items in the Scope may or may not be requested by the OTC (point 1d,h,i,j,k,l,m). For purposes of the price proposal, should we assume a set number of hours for these potential assignments in the monthly fee?

A#16 The level of service analysis serves to assist the Commission in planning maintenance or construction activities within certain sections of the roadway. The level of service is the calculation of volume versus capacity of a roadway segment. It is up to each Responding Firm to determine the value associated with the inclusion of these items in their Proposal. The monthly fee will be paid whether these items are requested or not during any given period.

Q#17 Regarding point 2b in the Scope: do you expect the Consultant to meet with rating agencies and investors as part of the bond sale activities?

A#17 Yes, it is anticipated that the Selected Traffic and Revenue Firm will make presentations to the various rating agencies to support each bond rating and sale. The number of agencies may vary with each sale.

MODIFICATIONS VIA ADDENDUM NO. 4 TO THE REQUEST FOR PROPOSAL
Deletions are shown with strikethrough text.
Changes/Additions are shown with bold italicized text.

Page 13 of the RFP
The second sentence in paragraph C of Exhibit B is modified as follows:
“Utilizing the best available data, The Selected Firm shall be responsible for the professional quality and technical accuracy of all traffic and toll revenue forecasting, analysis and monitoring services and any other services furnished by the Firm under the Agreement, and shall promptly make necessary revisions or corrections resulting from its negligence, errors or admissions without any additional compensation from the Commission.”

ATTACHMENTS:
RFP Page 13

(RESPONDING FIRMS ARE ADVISED TO UTILIZE THE ATTACHED REPLACEMENT PAGES).

Receipt of Addendum No 4 to RFP is hereby acknowledged:

________________________________________
(Firm Name)

________________________________________
Signature

________________________________________
(Printed Name)

Date: ___________________________________
EXHIBIT B
GENERAL TERMS AND CONDITIONS

A. **Certification of Responding Firms.** In addition to meeting the Scope of Service requirements outlined in the RFP, the Selected Firm shall be required to adhere to the following General Terms and Conditions, which shall become a part of the Agreement entered into with the Selected Firm. By submitting a response to this RFP, all respondents certify with their signature thereon that they agree to abide by these General Terms and Conditions

B. **Force Majeure.** The Selected Firm shall have no liability to the Commission if it becomes unable to timely perform the agreed to services due to fire, explosion, lightning, pest damage, power surges or failures, strikes or labor disputes (except those caused by improper acts or omissions of the Selected Firm), water, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, terrorist acts, inability to secure raw materials, transportation facilities, fuel or energy shortages, acts or omissions of communications carriers, or other causes beyond the Selected Firm’s control whether or not similar to the foregoing

C. **Performance Warranty.** The Selected Firm and its staff shall provide the services contemplated under the Agreement in a manner consistent with the same degree of care, skill and diligence as is ordinarily possessed and exercised by members of the same profession, currently practicing, under similar circumstances. **Utilizing the best available data,** the Selected Firm shall be responsible for the professional quality and technical accuracy of all traffic and toll revenue forecasting, analysis and monitoring services and any other services furnished by the Firm under the Agreement, and shall promptly make necessary revisions or corrections resulting from its negligence, errors or omissions without any additional compensation from the Commission. The Selected Firm’s duty of care shall extend to the Commission, and the Firm shall be and remain liable to the Commission in accordance with