



June 20, 2018

To All Prospective Respondents

Request for Qualifications for the Design-Build-Finance-Operate-Maintain of the Student Life Project at the University of Puerto Rico Mayagüez Campus.

Request for Clarification #019

We make reference to the Request for Qualifications for Design-Build-Finance-Operate-Maintain of the Student Life Project at the University of Puerto Rico Mayagüez Campus (“**RFQ**”) issued by the Puerto Rico Public-Private Partnerships Authority (“**Authority**”) on May 8, 2018.

According to Section 1.11 of the RFQ, a Respondent may submit a request for clarification (“**RFC**”) to the Authority for explanation or interpretation of any matter contained in the RFQ. This document provides answers to such RFCs in bulleted format below. Capitalized terms not defined in this response take their meaning from the RFQ. The following response correspond to RFC #019.

RFC # 019

Can the PPP Committee please clarify what is meant by the following combined risks?

- a. Vandalism**
- b. Fee**
- c. Labor**

RESPONSE

Page 28 of the RFQ contains a risk allocation table that summarizes the scope of functions and responsibilities that can be allocated between the Owners and the Preferred Proponent. The table is indicative in nature, is not exhaustive and remains subject to revision as the Project progresses into the RFP Process phase of the procurement. The table shows the preferred but preliminary allocation of risk as between the Owners and the Preferred Proponent, such as the risks associated to vandalism, fee and labor. With respect to vandalism, this risk is associated with intentional acts against the Project or portions of the Project. Under certain extreme circumstances, this risk may be shared with the Owners. However, the Owners believe that there is a low likelihood of these occurrences and also expect high vigilance and protection of the Project. With respect to fee risk, it refers to the possibility of a revenue sharing mechanism where both the Owners and the Preferred Proponent could be subject to fluctuations. Finally, labor risks refer to the personnel selection process. The Preferred Proponent will have the obligation to give priority to the Owners existing employees affected by the Project. In this respect, the Preferred Proponent must employ its reasonable efforts to hire the Owners existing employees. However, this is something that will be further discussed at the RFP Process phase.

The risk allocation table contained in the RFQ will be further evaluated and revised during the RFP Process as part of the due diligence process and through discussions with the Shortlisted Respondents.