

September 18, 2020
Industry Day Q&A Minutes

Q: Is the duration for the contract for the entire project or are there interim completion milestones?

A: The duration we included in the Industry Day information was an estimated overall duration. We anticipate that that duration may change as we go through the RFQ process, refine our drawings, and move towards 100% completion on the entire design package. The coordination between the construction of the dams we're leaving primarily up to the contractor with the constraint the North Lake Dam is the only dam that cannot be constructed simultaneously with the other three dams. This is due to the limitations they have in being able to reroute traffic around that facility. The city, when these dams were breached, had no other opportunity but to route onto those unpaved and unsurfaced roads, and it created a significant problem for [the City] to maintain those during that time, so we're trying to avoid recreating that situation. That's why North Lake is going to be the primary focus once Alton Lennon Rd. is open, then we've got another alternate route for everyone that lives beyond that facility to come in and not have to go through those back areas. At this point, we do not have included in our preliminary documents an interim finish date for any of the individual dams. What I would say though is that the city is looking for the speediest way to get all of these dams reconstructed and get all of the roadway reopened. So, we will be looking to the contractor through the RFQ process, through the RFP process and your scheduling for information coming back to us on what you believe is the most feasible way to achieve getting the dams open with the least amount of conflict and getting all the roadways back in use.

Q: What permits are the contractors going to be responsible for?

A: We are working with Army Corps and DEQ as part of our design process to obtain all the environmental permits that are necessary. Because there is involvement with FEMA, we'll also be going through their NHP unit that will be backchecking and verifying that all the federal permitting requirements have been met. In addition to that, we're working with NC Dam Safety, so they will be issuing a permit to construct. So those are the main agencies that we anticipate will be involved in the overall permitting. We expect that we will have all permits in place, they will be part of the package provided to the contractor prior to notice to proceed. And as mentioned earlier, there are constraints on some of the elements of the permit design that are going through Dam Safety. We'll be highlighting that as part of the bid package, so control of water is going to be a major feature that they're pressing on wanting to have pretty much as well solidified as possible without any significant change, so we'll be trying to highlight if there are changes in control of water that are deemed significant by that agency that could end up in 30 to 60 day delays on your schedule as a contractor.

As of right now, we do not anticipate that there will be any permits that the contractor will be responsible for. If there are permits that are the contractor's responsibility, we will make sure those are identified as part of the bid package. I do not anticipate that this project will be a great

exporter of material, I expect it will be an importer of material. In the case that the projects generate a lot of potential export, to keep things fair with mining operations, there are permitting requirements that have been required by DMLR there, so we'll look into that.

The temporary construction areas and roadway permits will be handled by the City. If the contractor needs additional staging areas beyond what is shown within the plans, the coordination with private and public agencies and any associated permits for those additional impacts are the responsibility of the contractor.

Something to keep in mind is that FEMA will want to know where your material is coming from and where it's going to. There will be requirements for material that is hauled offsite, whether it's deemed to be reusable for other construction activities or it's deemed as debris, it will all have to be identified and quantified as to where it's being hauled to and disposed of.

Q: You mentioned state and federal funds. Are 100% of the funds secured for this project?

A: As of right now, we anticipate that the city will be proceeding with the project. All four dams are eligible by FEMA standards. They have not been obligated yet since we're still in negotiations with them as to what they will cover and what they won't cover, but then the City will be making up the difference via a bond fund.

Q: Is the contractor going to be required to get permitting for roadway units?

A: The city will take care of that. We anticipate that all temporary construction easements will all be obtained as part of the design process. Beyond the staging areas that are included in the plans, if the contractor determines that they need additional staging areas located at each dam site or more staging areas than what is already provided within the plans for the project, then obtaining any additional coordination with private agencies, public agencies, etc to obtain the rights for staging or use of that land, and any permits associated with that, would be the contractor's responsibility.

Q: Is this just going to be one contract?

A: As of right now we anticipate that this will be one prime contract, we expect that one general contractor will oversee all four dams' construction. However, for FEMA purposes, they split in two, in the sense that Sanford and Upper are considered one project and Pine Lake and North Lake will be in the second project. So we may, when we get to the selection of the contractor, talk about how invoicing is going to have to be done and all the ways we can identify what's being done where for FEMA purposes.

Q: Has this been advertised yet?

A: No. We're looking at an RFQ going out sometime later this year, but prior to the end of the

year. We anticipate that the RFP will be going out in Spring of next year, probably looking at March or April. That's dependent on receipt of final permits, approval from Dam Safety, etc. There are certain steps the city has to go through to proceed with the prequalification contract procurement, so as of right now we're anticipating that the city will do those processes, which we have to wait for to be completed to put out the RFQ.

Q: Is there an engineering estimate?

A: As of right now, the engineers estimate is not being made available.

Q: So, the city will prequalify contractors and then send them the RFP?

A: Yes, that's the expectation. It will go through a prequalification process that will be distributed as a typical RFQ on a public project. So, it will be distributed widely through the bid houses, and then as we go through the qualification process, based on everyone who comes in with a qualifications package, we will identify those potential applicants that are qualified and they will then receive the RFP.

Q: Will specialty subs be included in this qualification or will they be in their own?

A: As of right now, because we're looking at a single general prime, we'll be expecting that each general prime will have all specialty subs brought in under their team. We'll be looking specifically for specialty subs to be identified as part of that quals package so that that can be included as part of the overall evaluation of qualifications of the team.