

# Western Group Privatization Project Industry Forum Questions and Answers

No.	FE Warren AFB	
6/15/2010		
1.	<b>Q:</b>	A slide was presented which mentioned “end-state for debt-sizing” of 2,984 units. Can you please explain this further?
	<b>A:</b>	The Government’s Project concept requires a total end-state of 3,264 units. However, only 2,984 of those units will be used for the purpose of “debt sizing” the Project. The 280 units excluded from debt sizing are referred to as “financially excluded units” (“FEUs”). The FEUs, located at MAFB and WAFB, will be identified in Appendix B to the RFP. The RFP will require the Offeror to submit a separate worksheet within the proforma for the 280 FEUs. The “FEU pro forma” must include the projected NOI for the FEUs for the fifty (50) year Project term. The FEUs are subject to a variety of additional requirements as described throughout the RFP.
2.	<b>Q:</b>	It appears that utilities are being handled differently this time around. Please clarify what specific infrastructure is being conveyed to the PO and what are the points of Demarcation.
	<b>A:</b>	Yes, the conveyance of utility systems is being handled differently from some prior HP projects. Previously, utility systems were conveyed to the Project Owner (“PO”) who was responsible for maintaining the systems during the fifty (50)-year term of the Project. However, this RFP conveys only those utility systems or those portions of the systems that are specifically identified as being conveyed to the PO. The Points of Demarcation (“PODs”) for utility systems (the points at which ownership of the system changes from the utility system owner to the owner of the facility) will be included in Appendix F of the RFP.
3.	<b>Q:</b>	Your last slide discussed the importance of PPQ’s, has your evaluation criteria changed?
	<b>A:</b>	Yes. The weighting of the 5 evaluation criteria Factors has changed in this solicitation. Factor 1 (Financial) is most important. Factor 2 (Development), Factor 3 (Property Management), and Factor 5 (Past Performance) are of equal importance and are less important than Factor 1. Factor 4 (Qualifications), although a significant Factor, is less important than the other four Factors. The evaluation Factors and Subfactors are shown in Table 34 of the RFP. Subfactors within each Factor remain of equal importance. Subfactors within Factors 1, 2, and 3 will be assigned a Color Rating while Subfactors within Factor 4 will be assigned a Qualifications Rating. Factor 5 will be assigned a Relevancy Rating and Confidence Assessment Rating.
4.	<b>Q:</b>	Please clarify for each installation intended utility infrastructure ownership for gas, electric, water, sewer. Are there plans for utility privatization at any of the installations?
	<b>A:</b>	Except as otherwise provided in the RFP, the Government intends to own and maintain existing utility distribution systems for gas, electric, water, and sewer at each Base (up to the PODs). Please refer to Section 3.0 of the RFP to identify any exceptions that have been made on a Base-specific basis. As described in Section 2.0 of the RFP, Northwestern Energy currently owns, operates, and maintains the electrical service distribution system on Parcel 1-M at MAFB. Energy West owns, operates, and maintains the natural gas service distribution system to Parcel 1-M at MAFB. Telephone and Cable TV distribution systems on the Bases are owned by various providers. There are currently no pending negotiations with other privatized utility providers to own utility systems on any of the Bases.

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5.	<b>Q:</b> Will the EBS be provided with the RFP for each installation? How current is the EBS for each?
	<p><b>A:</b> An EBS for each Base has been posted at <a href="http://amafpress.com/projects/western/">http://amafpress.com/projects/western/</a>. Also, please refer to RFP Subsection 2.3.3 and Appendix F: Technical References.</p> <p><b>BAFB:</b> An EBS was completed in 2002 with an addendum added in 2008 which replaced the 2004 addendum.</p> <p><b>FEWAFB:</b> An EBS was prepared in May 2010.</p> <p><b>MAFB:</b> An EBS was prepared in August 2009 and signed in October 2010.</p> <p><b>WAFB:</b> An EBS was prepared in June 2010.</p>
6.	<b>Q:</b> Will the PA for the housing privatization at F.E. Warren be provided with RFP?
	<p><b>A:</b> Yes. The Programmatic Agreement entered into with the SHPO will be included in Appendix F: Technical References.</p>
7.	<b>Q:</b> Are prevailing wages required at any or all of the bases?
	<p><b>A:</b> Yes. Davis-Bacon Wage rate requirements apply to all construction work as identified in the RFP, Appendix N: Mandatory Clauses Required by Federal Law.</p>
8.	<b>Q:</b> Reinvestment Account Funding: Will the 70% minimum net cash flow split going to the reinvestment account funding be required for the 50 year term?
	<p><b>A:</b> See Subsection 3.2.3 of the RFP which requires the establishment, funding, funds transfer and maintenance of the Reinvestment Account in accordance with the Lockbox Agreement for the purpose of providing a funding source for quality of life improvements. Subsection 3.2.3.8 provides that a <i>minimum</i> of seventy (70%) percent of the net cash flow from the Project shall be deposited in the Reinvestment Account after issuance of the final Certificate of Compliance or Certificate of Development Completion. The PO's commitment to fund the Reinvestment Account is a fifty (50) year commitment. However, the obligation to deposit funds into the Account commences on the successful completion of the IDP.</p>

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No.	Beale AFB	
6/17/2010		
1.	Q:	The area referred to as Beale East seems to have better views and better topography for a housing development. Is there a reason why we are not allowed to build the new housing in that area?
	A:	<p>There is nothing in the RFP that prohibits the PO from constructing housing on Parcel 3-B, also identified as the “Beal East” neighborhood (“the Parcel”). Please refer to Subsection 1.3.1 “Project Concept “BAFB:” and Table 6 (and the Table footnote). The Parcel will be leased to the PO at transaction closing for a minimum lease term of five (5) years or a maximum lease term of fifty (50) years, based on the Offeror’s proposal.</p> <p>These are the proposal options regarding Parcel 3-B currently identified by the Government:</p> <ul style="list-style-type: none"> <li>(i) The Offeror may propose to (a) complete demolition on the Parcel no later than five (5) years from the date of transaction closing and (b) return the Parcel to the Government when the demolition is successfully completed. At transaction closing, the Government will lease the Parcel to the PO for a <i>maximum</i> term of five (5) years and the Parcel lease will additionally provide that if the Offeror completes the demolition work sooner, the Parcel will be conveyed from the PO to the Government on the successful completion of the demolition work; OR</li> <li>(ii) The Offeror may propose to use the Parcel (or a portion of the Parcel) for a purpose (in addition to demolition work) that is acceptable to the Government. If the proposed use is accepted by the Government, then at transaction closing the Parcel will be leased to the PO for a period of fifty (50) years. Please note that any additional work that must be completed in association with the additional proposed use of the Parcel must be completed during the IDP. <i>[AS AN EXAMPLE, ONLY: If an Offeror were to propose to construct housing or other improvements on the Parcel (or on a portion of the Parcel), and the Offeror’s proposed use is acceptable to the Government, then at transaction closing the Parcel will be leased to the PO for a period of fifty (50) years.]</i></li> </ul>
2.	Q:	Will the MC-12 impact the HRMA? (if it is assigned to Beale)
	A:	Any Base-specific mission changes may impact the housing requirements at that Base. If there are any mission changes prior to HRO selection, the Government will notify the Offerors by amending the RFP. If there are any mission changes prior to transaction closing, the Government will notify the HRO directly. The BAFB HRMA described in the RFP is based on the time period from 2009 through 2014.
3.	Q:	Can we do site visits once the SON is published? In case the RFP is later than 7 July?
	A:	Site visits cannot be scheduled until after release of the RFP.
4.	Q:	Do we need to also Demo/Remove roads, utilities, infrastructure and landscaping as part of the Demo Requirement in Parcels?
	A:	See RFP demolition requirements at the following Subsections: 3.4.4.6.1; 3.4.4.6.3, as amended on 09 Aug 2010; 3.4.4.6.4; 3.4.4.6.7; RFP Appendix B; and RFP Appendix F as amended on 09 Aug 2010. Also see existing tree requirements at Subsection 3.3.4.1.2.

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5.	<b>Q:</b>	Do servicers still own the pool?
	<b>A:</b>	The Government owns the pool and the 9th Force Support Squadron (FSS, formerly the Services Squadron) operates the pool. Personnel from the 9th Civil Engineer Squadron (CES) maintain the pool and related pool facilities.
6.	<b>Q:</b>	Do the lawns on Base have a problem growing?
	<b>A:</b>	There are lawns located in the Brookview and Mountain View neighborhoods where the ground was not properly prepared to receive sod or seed. The contractors who installed the lawns went out of business shortly thereafter, and the lawns didn't get a good start.
7.	<b>Q:</b>	How many airmen work in the area?
	<b>A:</b>	Wing demographic statistics dated June 2010 (Mission Support Brief) reported that there are 4,050 U.S. Military assigned to BAFB.
8.	<b>Q:</b>	After the delayed conveyance, will all houses on base have been conveyed to the developer?
	<b>A:</b>	When the 130 units located on Parcel 2-B (Mountain View neighborhood), are conveyed to the PO after transaction closing, all housing units at BAFB will have been conveyed to the PO. During the renovation of the Mountain View units, as groups of units are completed and accepted by the Government, the units may be conveyed to the PO.
9.	<b>Q:</b>	Will the delayed conveyance units have occupants prior to the conveyance to the developer?
	<b>A:</b>	A delayed conveyance unit may or may not be occupied at the time it is conveyed to the PO. Prior to the commencement of renovation work, the unit will be vacated. However, if renovation work is successfully completed and the unit is turned over to the Government prior to transaction closing, the unit may be occupied.

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<b>No.</b>	<b><i>Malmstrom AFB</i></b>	
6/22/2010		
1.	<b>Q:</b>	How long is the average tour for an enlisted airman and officer?
	<b>A:</b>	The average tour for Field Grade Officers through Senior Officers at MAFB is about two (2) years. The average tour for most Company Grade Officers is about four (4) years. The average tour for most enlisted personnel is four (4) years. (This information is based on observations of the Housing Management Office and is not based on verifiable data.)
2.	<b>Q:</b>	Will the Air Force provide a guarantee on the repairs made to the foundations of the conveyed units?
	<b>A:</b>	No. However, any warranties provided by the MILCON contractor to the Government will be assigned to the PO at transaction closing.

# Western Group Privatization Project Industry Forum Questions and Answers

<b>No.</b>	<b>Whiteman AFB</b>	
July 8, 2010		
1	<b>Q:</b>	Will there be an AICUZ posted on the project website?
	<b>A:</b>	Yes. The Whiteman AFB AICUZ will be posted within the Whiteman electronic Document Room located on the Western Group website at <a href="http://amafpress.com/projects/western">http://amafpress.com/projects/western</a>