

November 23, 2021

Mekorot Water Company Ltd.
Process No. P/23-2021

Invitation to Submit Bids
Tender for the Appointment of a Panel of Service Providers for
Detailed Design Services (the "Invitation")

Addendum No. 7

1. Further to the Invitation, re-published on **August 31, 2021**, Clarifications Questions were received. The questions and respective answers are as specified below (unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Invitation).
2. Bidders are to note that:
 - 2.1. As set out in Section 2.3.4 of the Invitation, any Clarification Question not responded by Mekorot shall be deemed rejected; and
 - 2.2. As set out in Section 2.3.5 of the Invitation, in its response to a Clarification Question, Mekorot may rephrase any Clarification Question, including adding to the original language or omitting from the original language, as it shall deem fit under the circumstances.

This document must be signed by the Bidder and attached to the submission.

n°	Topic	Reference to name of document	Reference to page number	Reference to section	Question	Answer
1.	Threshold conditions	Invitation to submit Bids & Annex2	20,21,22	6	<p>The Supplier requests to the Client to kindly confirm if the said Threshold Conditions are met whether the structure for submitting the tender consists of a joint venture formed by an Israeli company and a Spanish company (the second company is presented through a vehicle called UTE under Spanish law, the characteristics of which are detailed below).</p> <p>Under Spanish law, UTEs are temporary business alliances set up for a specified or unspecified period of time, for the purpose of carrying out a specific project or service. UTEs allow several companies (two or more) to operate together on one common project. This form of association is very common for engineering and construction projects but can be used in other sectors as well.</p> <p>While they have no legal personality, in order to qualify for the special fiscal transparency regime provided for UTEs, their formation must be recorded in a public deed and they must be registered in the Special Register of UTEs at the Spanish Ministry of Finance. Furthermore, they must comply with bookkeeping and accounting requirements similar to those of Spanish companies. They may be also registered at the Commercial Registry. Formalities for setting up a UTE are similar to those for a company or branch, adjusted to reflect the special characteristics of this type of arrangement.</p>	<p>Mekorot hereby rejects the request.</p> <p>It is hereby clarified that:</p> <ol style="list-style-type: none"> 1. A joint venture submission does not comply with the threshold conditions for the Bidder as defined in Section 6.1 of the Invitation. The Bidder must be a single corporation. 2. In addition, the Bidder may not rely on UTE as Foreign Engineering Firm, since UTE is not an entity which complies with the threshold conditions for a Foreign Engineering Firm as defined in Section 6.44 of the Invitation.

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2.	Financial statement standard	Annex 3	1	4.1.2.5	The Foreign Firm uses neither Israeli GAAP nor US GAAP but Swiss GAAP FER. We request to Mekorot to approve this financial statement standard for submission	Mekorot hereby approves submission of such Financial Statements. Also, please follow Section 4 of Annex 3 to the Invitation.
3.					<ol style="list-style-type: none"> 1. Please attach revised Annex 2. 2. Please eliminate the requirement to provide evidence of experience for projects in which Mekorot was the direct client. 	<ol style="list-style-type: none"> 1. Confirmed. 2. Mekorot hereby confirms that if the direct client was Mekorot, no documents evidencing the Eligible Tasks should be attached to the Tender Forms. It is hereby clarified Also, please see the last paragraph of Section 6.5 of the Invitation.
4.	Appendix	Appendix H Appendix K			Appendix H and Appendix K are not available for download in section Attachments of this bid.	<p>Appendix H – Key Personnel – will be completed by Mekorot regarding each Successful Bidder and attached to the Agreement prior to signature.</p> <p>Appendix K – Appendix K - Services Performed by the Foreign Engineering Firm is attached to the Agreement. Also please see answer no.6 in Addendum no. 5.</p>

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5.	Designer Threshold Conditions	Annex 2 to Invitation	2	1.1.2	Please confirm that an engineering degrees of B.Tec and B.Eng (Bachelor of engineering) are equivalent to a B.Sc degree in engineering and therefore comply with this threshold condition.	Mekorot hereby rejects the request.
6.	Designer Threshold Conditions- Category quality criteria (pipelines)	Annex 2 to Invitation	10	6.2.3	A GRP pipeline is not in use for lines in diameters of 600 mm and below, therefore we would like to clarify that a larger diameter in GRP pipeline will be considered as eligible tasks for this section and will entitle the bidder for the maximum score of 0.2 points.	<p>Mekorot hereby confirms that if a Bidder submits more Eligible Tasks than the maximum Eligible Tasks that may receive a score in any particular criteria, than such excess Eligible Tasks may entitle the Bidder to receive quality score in the lower criteria in such category. Provided that a single project cannot receive quality score more than once.</p> <p>For example: if a Designer performed 5 Eligible Tasks of 500 m and above, in the criteria set out in Section 7.2.1 of Annex 2 to the Invitation (in category test pumping), the Bidder shall receive the following quality score: a total of 3 points for the first three Eligible Tasks (1 point each) and a total of 1 point for the 4th and 5th Eligible Tasks (0.5 points each) for the lower criteria of 200m-500m. a total of 4 points for the criteria.</p>

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7.	Threshold Conditions	Threshold Conditions and quality scoring per criteria	9	1.6.2	Diameters 30", 36", 40" are missing from the list. Please advice as to which category they will apply.	Please see revised diameter bands in Section 6.2.1 of Annex 2 to the Invitation.
8.	Threshold Conditions	Threshold Conditions and quality scoring per criteria	12	8.1.3	Please confirm that in case the designer cannot present pumping stations with capacities 200-1000 m3/h but can present more than required pumping stations with discharges more than 1001 m3/h, the extra pumping stations will be counted for 200-1000 m3/h criteria.	Please see answer no. 6 above.
9.	Attachment B	B(2)	15		Please confirm that it is not required to present documents evidencing the eligible tasks for projects that were designed for Mekorot.	Please see answer no. 3 above.
10.	Attachment B	B(5)	29		Please confirm that it is not required to present documents evidencing the eligible tasks for projects that were designed for Mekorot.	Please see answer no. 3 above.
11.	Designer for impressed current cathodic protection systems	Invitation to Submit Bids	15	4.5.2	Cathodic protection is a unique discipline with limited quantity of designers in Israel working according to Mekorot standards. Please update this requirement in order to allow cathodic protection designers to register with more than one bidder	Mekorot hereby rejects the request.
12.	Threshold conditions for Impressed Current Cathodic Protection systems	Annex 2 Threshold conditions and quality scoring per category	5	3.1.1	Since outer coating in Europe is a high rank coating, the impressed current cathodic protection systems are usually done by small currents and the execution costs are lower than 85,000 USD. Please add to section 3.1.3.2 "The cost of the Impressed Current Cathodic Protection system was at least USD 85,000 or designer level CP-4 or CP-5 according to standard EN ISO 15257:2017."	Mekorot hereby rejects the request.

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13.	Date of submission	Addendum no. 5	3		Since today 16/11/21 Mekorot published new documents that require signatures of foreign participants, and since this is a holiday period abroad (Thanksgiving) and on December it is Christmas vacation period, we ask that the submission of the tender will be postponed to the end of 01/2022	Mekorot hereby rejects the request.
14.	Financial Guarantor Declaration	Tender Form No. 9	N/A	Tender Forms	The guarantor, the bank, is not willing to sign such documents and will not attach its financial statements. We would like the tender committee to utilize an alternative to signing this form by the Bank.	Mekorot hereby clarifies that a Financial Guarantor should not be a Bank. Please see section 6.3.2.1 of the Invitation.
15.	quality criteria	Appendix 2 of tender no. 23-2021		1.1.2	We request your approval that for the quality criteria only, the bidder will be allowed to present engineers which received their degree entitlement until 30/12.2020, thus allowing equal opportunity to young engineers and showing a mix of engineers.	Mekorot hereby rejects the request.
16.	threshold criteria for foreign company	form tender 11 + appendix C to tender form 11	45	,3.8 Appendix C	We request your approval that for the bid submission, in case of a large international foreign engineering company, it will suffice to submit a signed affidavit regarding the circumstances of the absence of the required documents for evidencing the eligible tasks, the same as it was approved for local companies	Mekorot hereby clarifies that to the extent that the documents evidencing the Eligible Tasks (required under each table in Attachment C to Tender form No.11) are not in the possession of the Foreign Engineering Firm, an affidavit regarding the circumstances of their absence shall be attached. Also, please see Section 7.3 of the Invitation.

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17.	Water Treatment Facilities Designer threshold conditions	Annex 2 Threshold conditions and quality scoring per category	8	5.1.3.2.5 & 5.1.3.2.7	Please add treatment of biogas from municipal sludge and treatment of fouled air from wastewater plant as treatment facilities	Mekorot hereby rejects the request.
18.	Water Treatment Facilities Designer threshold conditions	Annex 2 Threshold conditions and quality scoring per category	8	5.1.3.2.12	Please add municipal sludge as part of the wastewater treatment	Mekorot hereby rejects the request.
19.	Water Treatment Facilities Designer threshold conditions	Annex 2 Threshold conditions and quality scoring per category	8	5.1.3.2.12	Please add biogas from municipal sludge as part of the wastewater treatment	Mekorot hereby rejects the request.
20.	Affidavit for demonstrating quality score for the Bidder	Attachment A to Tender Form No. 6	4	6	In some projects, customers refrain from providing written approval in connection with their projects, despite our efforts to receive such approval. Accordingly, please clarify that details of the relevant project and details of the customer (and the contract person therein) – together with the signed approval of the authorized manager in the Bidder regarding the correctness of such details and the inability to receive written approval from the relevant customer (despite the bidder's attempts to receive it) - will suffice in the absence of a completion certificate or customer 's approval (in order to receive the applicable scoring for design works using a BIM).	Mekorot hereby accepts the request.

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21.	Pipeline Scoring	Addendum 5; Annex 2	17	Addendum 5, Question 19; Annex 2, 6.2	<p>Mekorot's response in Addendum 5, Question 19 states "Mekorot hereby clarifies that in Section 6.1.3.1 of Annex 2 to the Invitation there is no requirement regarding materials used to designs of pressurized pipelines for the transfer of water and/or wastewater and/or recycled water."</p> <p>Does Mekorot's response, which only references 6.1.3.1, also apply to 6.2.1, 6.2.2, 6.2.3 and to Pipelines overall?</p>	No. The response relates to 6.1.3.1 only.
22.	Threshold conditions for Bidders	Invitation to Submit Bids	20,21	6.1	<p>Please clarify if the bidder is a Joint Venture, it will be allowed to jointly meet the threshold conditions, i.e., it is not mandatory for each member of the Joint Venture to meet the threshold conditions individually.</p>	<p>Mekorot hereby rejects the request.</p> <p>A joint venture submission does not comply with the threshold conditions for the Bidder as defined in Section 6.1 of the Invitation. The Bidder must be a single corporation.</p>