

December 15, 2015

Participants of the Bidders Conference.

Re: **Tender number 17/15 for the Acquisition, Installation and Integration of Traffic Surveillance and Control System ("TSCS")**

Minutes of the Bidders' Conference and clarifying answers

Ayalon Highways Co. Ltd. ("**Ayalon Highways**") is hereby pleased to publish the minutes of the Bidders' Conference which took place in the offices of Ayalon Highways on November 25, 2015, which also includes the answers given by Ayalon Highways to the clarifying questions submitted by the participating Bidders.

Attendants:

Eng. Dan Ari – VP of the Engineering Implementation – Ayalon Highways;

Eng. Lev Krasilshikov – Head of the Traffic Control Division – Ayalon Highways;

Ms. Meital Balulu – Traffic Control Center – Ayalon Highways;

Adv. Roy Aga – Goldfarb Seligman – Legal team;

Eng. Shmuel Friedler – Project management;

Mr. Roie Ohayon – Project management;

Mr. Shmuel Tzirkel – System designer – Project team;

Eng. Yoav Sacks – Yoav Sacks Engineering – Project team;

Representatives of participating bidders.

Minutes of the Bidders' Conference

1. The participating Bidders were presented with a presentation describing the significant details of the Project and Ayalon Highways' requirements thereof. The presentation was subsequently uploaded to Ayalon Highways' web site for additional review: www.ayalonhw.co.il

2. **Main Points of the Project.** Mr. Roie Ohayon opened the conference by introducing and describing the main points of the Project which includes, among others, the following:
 - 2.1 Ayalon Highways and its fields of activity;
 - 2.2 Road No. 20;
 - 2.3 The Ayalon Highways' existing Traffic Control System;
 - 2.4 The division of the Tender to separate segments;
 - 2.5 The Ayalon South Turn-Key Project:
 - 2.5.1 Equipment to be supplied as part of the Tender;
 - 2.5.2 It was emphasized that Ayalon Highways reserves the right to reduce the quantities of the Turn-Key Project, however, at the moment, there is no intention to do so;
 - 2.6 Main milestones for Tender submission and management of Segment 1 of the Project:
 - 2.6.1 The Turn-Key Project is expected to be completed within 2 years including all design and implementation stages, after which the warranty stage shall commence;
 - 2.7 Review of material points regarding proposal submission:
 - 2.7.1 It was emphasized that the participants should carefully note the instructions regarding submission in two separate envelopes;
 - 2.7.2 It was further emphasized that the time limit for submitting proposals is according to Israel time (CET+2) and that the proposal must be placed in the Tender box located at the entrance to the Ayalon Highways Offices.
 - 2.8 Review of the different evaluation stages of Bidder proposals by Ayalon Highways' evaluation team.

3. **Further Review.** Mr. Yoav Sacks presented and reviewed, among others, the following points:
 - 3.1 Existing infrastructure along the highway to be used in the Project:
 - 3.1.1 The attention of the participants was called to Chapter 11 of the S.O.W of the Tender.
 - 3.1.2 It was emphasized that the plans provided as part of the Tender are provided for indicative purposes only and cannot, and shall not, be relied on by Contractor in terms of accuracy. These plans are not as-made plans.
 - 3.1.3 Description of Ayalon Highways' responsibility for the "Main Duct" as described in chapter 11 of the S.O.W of the Tender.

3.1.4 Existence of cabinet bases.

3.1.5 It was explained that the gantries along Ayalon South are supported by steel columns, compared to the gantries along Ayalon Center which are supported by concrete columns.

3.1.6 It was explained that the gantries along Ayalon South include a ladder inside the column and the gantries along Ayalon Center include an external ladder to enable access to the gantry.

3.2 Existing infrastructure at the Ayalon Highways control center may be utilized by the Contractor.

3.3 Ayalon Highways LCS policy and Ayalon Highways VMS Policy:

The participant's attention was called to Annex E and Annex F of the SOW of the Tender.

3.4 The evaluation process and the requirements for software description in the proposal, which are described in the Tender documents:

3.4.1 The participant's attention was called to the definition of "Off the Shelf Software" in the Tender.

3.4.2 Bidders shall state in their proposals which of the three following statuses best describes the "Specific System Requirements" in the proposed system:

3.4.2.1 Completed in "Off the Shelf Software" (OTS);

3.4.2.2 Completed in "Other Software" (Other);

3.4.2.3 To be Developed (TBD).

4. **Review of Interfaces.** Mr. Shmuel Tzirkel presented and reviewed, among others, the following points:

4.1 C2C interfaces with Netivei Israel (Israel Highways) and with the Tel Aviv municipality traffic control center.

4.2 C2F interfaces based on NTC/IP.

5. **Encumbrances and Safety Guidelines.** Mr. Roie Ohayon presented and reviewed, among others, the following topics:

5.1 The Electrification Project of the Israel Railways Company:

5.1.1 The Electrification Project of the railway is planned along the full length of Ayalon Highway and is especially close to the South Bound route of the Highway. The contractor must take this into account in terms of compatibility with the design and the supplied equipment.

5.2 The Project will take place in areas where there are "live" systems, including traffic control cameras and other systems in Ayalon South, complete traffic control systems, and other systems in Ayalon Center. The contractor must take these systems into account and consideration in the performance of the Project.

5.3 It was emphasized that Ayalon Highway is a very busy highway and of great importance to the Tel Aviv metropolis. Working in this environment entails many safety issues. The Contractor shall take into account the safety issues entailed in the Project and shall procure all equipment, and take all precautions, required to perform the work safely, including but not limited to, Safety Arrow carts, and all coordination and approvals required from the Police and other relevant authorities before the commencement of the work.

5.4 The system must follow the guidelines for Cyber Protection published by the Israeli Ministry of Transport.

6. **Participants' questions & answers:**

Q	The regulations for Industrial Cooperation state possible different percentages between GPA member states and other state. Please clarify.
A	The extent of Industrial Cooperation shall be according to the Mandatory Tenders Regulations (Mandatory Industrial Cooperation), 5767 , 2007. Thus, the percentages of Industrial Cooperation that the bidders mentioned in Appendix 19 of the proposals shall be in accordance with the Regulations. In any event, The extent of Industrial Cooperation is Subject to the approval of the Industrial Cooperation Authority (ICA).
Q	Can we receive the list of participants in this meeting?
A	No.

7. **Ayalon Highways Traffic Control Center and Ayalon South Tour.** The Bidders participated in a tour of the Ayalon Highways Traffic Control Center and Ayalon South in which they were presented with an overview of the different systems, which included, among others:

7.1 The Ayalon Highways Traffic Control room and equipment room, wherein the new system shall be installed.

7.2 Explanation regarding the 24/7/365 active Control Center.

7.3 Explanation regarding the Control Center and the existing traffic control system which shall continue to operate throughout the design and implementation stages of the new system.

8. **Questions & answers regarding the tour:**

Q	Are there enclosures on the main fiber optic cable in the manholes near the cabinet bases?
A	No, the Contractor is required to supply and install all required enclosures.
Q	Will working on the fiber optic cable require shutting down the cameras?
A	Correct, the contractor will perform this work in a way that will minimize the need for shutting

	down of cameras and only after receiving the prior approval of Ayalon Highways.
Q	Is there a duct between the manhole near the cabinet base and the gantry?
A	Usually there are ducts which end in the gantry column (usually 4 ducts). These ducts should connect to the nearby manhole. Ayalon Highways has no knowledge of the usability of these ducts. In the event these ducts do not exist or cannot be used, the Contractor is required to make the connection.
Q	Do the locations of the speed enforcement cameras clash with the locations of the LCS above the left lane?
A	Should such a problem exist, the Contractor shall inform Ayalon Highways in advance using a detailed description, and the problem shall be solved per specific location.
Q	Is the Contractor responsible for receiving all permits required from the different authorities for performing infrastructure work?
A	Yes, the Contractor is responsible for receiving all the necessary permits for the infrastructure work, in coordination with Ayalon Highways.
Q	Does the work include adding cameras?
A	No

9. **Disclaimer**

9.1 It is hereby clarified that any answers or clarifications given during the Conference and/or presentation and/or tour and/or listed in this Protocol, shall not constitute a commitment of any kind by Ayalon Highways, and Ayalon Highways shall only be bound by an addendum issued by it in accordance with Clause 8.3 or 9.2 of the Tender Conditions of the Tender Documents. Bidders may not rely upon any answers, clarifications or representations provided by Ayalon Highways or any of its representatives or by others during the Conference.

9.2 It is hereby further clarified that the presentation and the Conference serve only as aides for the convenience of participants and only the Tender Documents shall constitute as binding instructions with respect to the Project. In case of any discrepancy between any term, answer clarification or provisions of this Protocol, the presentation or the Conference, and the Tender Documents, the Tender Documents shall prevail.