



October 16, 2017

## REQUEST FOR EXPRESSION OF INTEREST AND PUBLIC COMMENTS IN CONNECTION TO SUBJECT PROJECT

Subject: **Service Contract to Manage-Operate-Maintain-Improve-Finance the Maritime Transportation Services Project**

To Interested Parties:

The Puerto Rico Public-Private Partnerships Authority (“Authority”), in collaboration with the Puerto Rico and Island Municipalities Maritime Transport Authority (“MTA”) and the Puerto Rico Integrated Transit Authority (“PRITA”), is in the process of requesting the delivery of a public-private partnership to manage, operate, maintain, improve and finance maritime transportation services between San Juan and Cataño, and between Fajardo, Vieques and Culebra; the maintenance facility located in Isla Grande, San Juan; and the development of a new route between the former Naval Roosevelt Roads Station and Vieques and Culebra (collectively referred to as the “Project”). In order to better gauge industry interest in the Project, the Authority is asking for industry information and public comments in connection with the attached draft Request for Qualifications (“Draft RFQ”). **Respondents should not submit Statements of Qualifications (“SOQ”) to this Draft RFQ, but should provide comments following the instructions set forth in Appendix C: Market Outreach Instructions.**

The Authority is releasing this Draft RFQ for the Project as a Request for Expression of Interest under Section 5.3 of the *Regulation for the Procurement, Evaluation, Selection, Negotiation and Award of Participatory Public-Private Partnership Contracts under Act No. 29-2009, as amended*, **for the sole purpose of soliciting information and gathering industry comments.** The comments received will be used by the Authority in finalizing the Draft RFQ. The Authority will not be responsible for any cost incurred by the respondents in furnishing the information being requested herein.

All information submitted to the Authority is subject to the Puerto Rico Public Documents Act, commonly known as the Public Records Law (3 P.R. Laws Ann. §§ 1001-1013 (2000)). The Authority may use any information, materials, data or concepts submitted by any person without limitation. Your response explicitly entails a waiver of any claim you may have with respect to the use of by the Authority or its agents as to any information, materials, data or concepts submitted.

This is not a procurement solicitation, and no award will be issued as a result of the information and comments received from the industry, nor does it constitute a compromise from the Authority to incorporate the suggested industry comments to the Draft RFQ. The Authority is merely soliciting industry information and comments for the draft of a working document. **No Statement of Qualifications (“SOQ”) or Respondent Certification are required at this stage.** A response to this request is not mandatory for future participation in the procurement for the Project or any other program of the Authority.

Respondents to this Market Outreach may request clarifications and/or interpretations from the Authority. A response to any request shall be at the sole discretion and if deemed beneficial to the Authority’s purposes. All submittals, questions and other correspondence to the Authority must include a letter of transmittal that identifies a key contact person, address, telephone number, fax number, and an e-mail address. Electronic submittals will be accepted and are encouraged.

For the sole purpose of developing this stage, you will find a Market Outreach Section attached to this letter as Appendix C. Appendix A and B are for reference only. **Any comments provided should follow the instructions stated in Appendix C: Market Outreach Instructions. Responses to this request for comments must be received no later than November 17, 2017,** which will provide the Authority sufficient time to consider the submittals in preparation for the final RFQ. The Market Outreach Responses must be prepared in English and should not exceed a total of fifteen (15) double sided pages. At this time, no marketing materials may be submitted. Submittals received after the deadline will be considered only at the Authority’s discretion. No submittal in response to this information request will be considered following issuance by the Authority of the final RFQ for the Project.

All submittals shall be made to:

[RFQ-Ferrysystem@p3.pr.gov](mailto:RFQ-Ferrysystem@p3.pr.gov)

Very truly yours,

Omar J. Marrero Díaz, Esq.  
Executive Director Puerto Rico Public Private Partnerships Authority

Enc.

- Appendix A: Form of Respondent Certification (for reference only)
- Appendix B: Acknowledgement of Receipt (for reference only)
- Appendix C: Market Outreach Instructions



# APPENDICES





**Appendix A – Form of Respondent Certification**

*[RESERVED]*



**Appendix B – Acknowledgment of Receipt**

*[RESERVED]*



**Appendix C – Market Outreach Section**

**OVERVIEW AND PURPOSE**

The Authority is seeking comments from qualified ferry operators, transit service providers or other qualified firms to operate, manage, maintain, improve and finance the Project (the “Respondent”). The Authority is releasing the Draft RFQ for the sole purpose of soliciting and gathering information and certain comments and feedback from interested market participants (the “Market Outreach Feedback”). The comments received will be used by the Authority in finalizing the RFQ.

Respondents shall submit their Market Outreach Feedback responses in the format described below. Each section of the Market Outreach Feedback shall be tabbed and labelled in the order shown below.

<b>Market Outreach Components</b>
<p><b>Cover Page</b>                  The Respondent Cover Page shall not to exceed one (1) double-sided page. The cover page shall include the title, “Market Outreach Feedback”, submittal date, the Respondent name, principal contact, address, telephone number, fax number, email address and web site address, if applicable.</p>
<p><b>Table of Contents</b></p>
<p><b>Respondent Background and Information</b>                  The Respondent Background and Information shall not to exceed one (1) double-sided page and shall provide a summary of the Respondents company description, number of ferry operations, location of ferry operations and any other additional information that the Respondent wishes to share.</p>
<p><b>Approach to Project</b>                  The Approach to Project shall not to exceed five (5) double-sided pages and shall indicate the Respondent’s belief on how the Project should be structured to meet the goals and objectives stated in Section 2 of the RFQ. Specifically, the Respondent should:</p> <ul style="list-style-type: none"> <li>(i) Describe your level of interest in the Project;</li> <li>(ii) Describe your thoughts on the potential payment structures described in Section 2.3 of the RFQ;</li> <li>(iii) Describe your thoughts on the ability to obtain committed financing under the potential payment structures in Section 2.3 of the RFQ;</li> <li>(iv) Describe your experience with similar transaction structures noted in Section 2 of the RFQ, and any reasons you believe a particular transaction structure would best serve the Project contemplated in this document;</li> <li>(v) Describe your approach to vessel management plan, staffing, vessel transfers, value enhancers, dealings with the Federal Transit Authority and federal interest;</li> <li>(vi) Describe your thoughts on removing the federal interest, specifically as it relates to the MTA vessels that were acquired with federal grants;</li> <li>(vii) Describe your thoughts on removing the federal interest as it relates to the opportunity of establishing differential pricing for user fees;</li> <li>(viii) Describe your approach to developing the New Route referenced in Section 43 of the RFQ;</li> <li>(ix) Describe your approach to user fee optimization, and a scenario that does not include Federal Transit Authority restrictions; and</li> <li>(x) In light of recent developments in the Caribbean as a result of Hurricane Irma, the Authority would also like to receive comments regarding the feasibility of using MTA’s facilities and/or assets in Puerto Rico to provide maritime services (which may include any combination of transportation, docking, engineering, etc.) to the Caribbean islands that are in closer proximity to Puerto Rico.</li> </ul>
<p><b>Project Related Experience (1 page maximum)</b>                  The “Project Related Experience” shall not to exceed one (1) double-sided page. This section shall be used to provide examples of the Respondent’s experience in the past five (5) years specifically related to the envisioned</p>



scope of services in this Draft RFQ.

**INVITATION TO DISCUSSING VIA CONFERENCE**

In order to better gauge industry interest in the Project, the Authority invites interested parties to participate in a conference call with the Authority to discuss the matters solicited herein. Interested parties may use a conference call as a format to request clarification and/or interpretations from the Authority, and to discuss Project matters solicited herein. A conference call should not be used for any other purpose. A discussion with the Authority via conference call should be utilized, if necessary, in connection with the submittal of written feedback requested herein; a conference call is not intended to replace any written feedback.

To request a conference call, please contact the Authority members listed herein, identifying a key contact person, telephone number, e-mail address, and brief schedule of availability for a conference call. Please note that a response to any request shall be at the sole discretion of the Authority if deemed beneficial to our purpose.







# Request for Qualifications for the Puerto Rico Maritime Transportation Services Project

**DRAFT**

**[WWW.P3.PR.GOV](http://WWW.P3.PR.GOV)**



**GOVERNMENT OF PUERTO RICO**  
Puerto Rico Public-Private Partnerships Authority

| October 16, 2017

**INDUSTRY COMMENT DRAFT RFQ SUBJECT  
TO COMPLETION OF D&C STUDY**

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# SECTION 1 – INTRODUCTION





# SECTION 1 – INTRODUCTION



## 1.1 PROJECT OVERVIEW

The Government of Puerto Rico (the “Government”) and most of its public corporations are in the midst of profound fiscal and organizational adjustments. The Government is proactively seeking alternative commercial structures for delivering maritime transportation services, currently provided by the Puerto Rico and Island Municipalities Maritime Transport Authority (“MTA”) under a traditional public delivery structure. The MTA is facing a fundamental challenge as it looks to remain financially sustainable over the long-term. There are critical and inter-related elements of this challenge:

- the Government’s General Fund is under financial pressure;
- the ferry system is currently operating under a poor level of service;
- there are irregular ongoing ferry expenses; and
- there is limited capability to promote and improve the level of service.

The Government recognizes that the quality and level of service for maritime transportation is linked to the stability and sustainability of a cohesive and robust operating and funding plan. In order to address these goals, the Government wishes to engage interested private partners on methods to improve the service under a long-term manage, operate, maintain, improve and finance model. This document, the Request for Qualifications (the “RFQ”), serves as the first step in achieving the Government’s goal.

The Government looks forward to obtaining meaningful input from interested parties that will allow it to structure a long-term Public Private Partnership Agreement (“PPP Agreement” or “P3 Agreement”) under a feasible commercial and technical arrangement to improve the maritime transportation operations and service for the Island.

### 1.1.1 THE PROJECT

The MTA was created by Act No.1 on January 1, 2000, as amended, otherwise known as the Puerto Rico and Island Municipalities Maritime Transport Authority Act (the “MTA Act”). The MTA Act established the MTA as a public corporation which owns ferry assets used to provide maritime services to Fajardo, Vieques, Culebra, San Juan, and Cataño. MTA’s purpose is to control, administer, operate and maintain the maritime transportation service and related assets in Puerto Rico. When the MTA Act was enacted, the MTA was attached to the Department of Transportation and Public Works’ (“DTOP” by its Spanish acronym), which oversees all transportation agencies in Puerto Rico. As part of its operation, MTA and the Puerto Rico Ports Authority (“PRPA”) have received and are currently eligible for federal assistance, primarily from the U.S. Department of Transportation’s Federal Transit Administration (“FTA”). Therefore, at present, the FTA has federal interest over some of MTA’s assets, including its vessels.

On August 3, 2014, the Government passed into law Act No. 123-2014, which created the Puerto Rico Integrated Transit Authority (“PRITA”), also attached to the DTOP, in order to serve as the central agency responsible for managing and developing island wide mass transportation programs. MTA, along with the Urban Train (“Tren Urbano” by its Spanish acronym) and the Metropolitan Bus Authority (“AMA” by its Spanish acronym), are managed under PRITA. PRITA was created in order to further advance public policy for integrated mass transportation by consolidating the current administrative structure into a single entity geared towards the cohesive implementation of such policies. These policies include:

- the integration of routes, schedules, and rates between services (ferry, rail, and bus);
- the formalization and quality control of services offered to users; and
- the promotion and development of mass transportation services.

The Puerto Rico Public-Private Partnerships Authority (the “Authority”) is the sole entity responsible for the implementation of public-private partnerships (“PPP” or “P3s”) in Puerto Rico. PRITA is the public corporations responsible for overseeing and implementing mass transit infrastructure plans, programs and projects in order to facilitate the movement of people and goods while protecting the natural resources of Puerto Rico.



In order to improve the service of MTA's ferry system, the Authority, acting in collaboration and as an agent of MTA and PRITA, is contemplating the establishment of a PPP for the management, operation, maintenance, improvement and financing of the Metro and Island Services (as described in Section 3 below); the maintenance facility located in Isla Grande, San Juan; and the option to develop a new route between the former Naval Roosevelt Roads Station, located in the Municipality of Ceiba, and Vieques and Culebra (collectively referred to as the "Project").

### 1.1.2 OVERVIEW OF PUERTO RICO'S FISCAL CONDITION

Puerto Rico has one of the largest economies in the Caribbean region. As a territory of the U.S. since 1898, Puerto Rico offers a stable legal and regulatory framework where major U.S. and foreign multi-national corporations have historically operated, benefiting from its favorable investment environment and tax advantages. Puerto Rico has a well-educated and bilingual workforce with a sophisticated financial system that historically has acted as a global center for manufacturing, including pharmaceutical, biotechnology, medical devices, agriculture, rum, aerospace, and electronics, complemented by strong consumer, retail and service sectors.

This historic positioning notwithstanding, the Government, its agencies, public corporations and instrumentalities are currently in the midst of profound fiscal adjustments. In June 2015, the Government created a working group tasked with analyzing the fiscal and economic situation of Puerto Rico. After a series of studies and analyses, this working group estimated Puerto Rico's consolidated budget and financing gap (including required pension payments and debt service on tax-supported debt) to be approximately \$59 billion between fiscal years 2017 and 2026.

Multiple factors contributed to this situation, including the following: (a) since 2006, the Government's balance sheet significantly deteriorated due to years of economic recession, and (b) the government historically financed recurring expenses with long-term debt and failed to adequately fund legacy obligations, including the public employee's pensions systems. The Government's balance sheet deterioration, coupled with continued structural budget imbalances, and a lack of continuity and execution capacity in fiscal and economic plans, led to the loss of capital markets access in 2015, limiting the Government's ability to make necessary infrastructure improvements and maintenance investments, and to meet scheduled debt service payments, while guaranteeing essential government services.

Recognizing the delicate fiscal condition of Puerto Rico, the U.S. Congress enacted the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA"), which was signed into law on June 30, 2016. PROMESA provides a series of mechanisms to achieve fiscal and budgetary balance and capital market access to spur infrastructure revitalization in Puerto Rico. Among its main provisions, PROMESA established the Financial Oversight and Management Board for Puerto Rico ("Oversight Board"), provided a framework to restructure Puerto Rico's public debt, called for the approval of long-term fiscal plans and budgets, mandated balanced budgets, and established a specific chapter (Title V) to identify and pursue critical infrastructure projects through an accelerated local permitting process and a prioritized federal review procedure to ensure the prompt and effective revitalization of Puerto Rico's critical infrastructure.

The Administration of Governor Ricardo Rosselló Nevaes took office on January 2, 2017, and as required by PROMESA, submitted a 10-year fiscal plan on February 28, 2017, ("Fiscal Plan"), as amended and certified by the Oversight Board on March 13, 2017. The Fiscal Plan addresses a revised \$67 billion budget gap over the next 10 years and pension reform to secure the benefits of retired and active public employees, while guaranteeing the provision of essential services by the Government and improving the quality of life of the 3.5 million U.S. citizens residing in Puerto Rico. The Fiscal Plan includes redesigning the way the Government operates by integrating and transferring services from the public sector to private entities with proven track records.

In addition to the Fiscal Plan, the Government has taken swift actions that include, but are not limited to, the strengthening of the Puerto Rico Fiscal Agency and Financial Advisory Authority ("FAFAA"), and the approval of Executive Order 003-2017 declaring a state of emergency regarding the condition of various infrastructure sectors in Puerto Rico, thus allowing the implementation and use of an expedited emergency permitting process under Act. No. 76-2000, consistent with PROMESA's statutory provisions under Title V.



The Fiscal Plan seeks to advance P3s as a way to revitalize infrastructure, attract private investment and spur economic development on the Island. Under the Fiscal Plan, the Authority is scheduled to launch a significant pipeline of projects that amount to \$5.1 billion in infrastructure investment over the next ten (10) years. This Project is included as part of the Fiscal Plan. Governor Rosselló has taken unequivocal steps for improving the PPP framework and advancing bankable projects. In January and August 2017, the Governor enacted a series of amendments to the PPP legal framework that allow for unsolicited proposals, pre-development agreements and facilitate the approval procedures for projects under the PPP legislation. Also, in April 2017, the Government conducted its first Puerto Rico P3 Summit in order to restore communication with the infrastructure market and investors and begin showcasing the opportunities in Puerto Rico and future project pipeline.

## 1.2 BACKGROUND TO PUERTO RICO'S P3 PROGRAM

The *Public-Private Partnership Act* (the "Act") was approved on June 8, 2009. The Act states that the public policy of the Government is to favor and promote the establishment of PPPs for the creation of certain "Priority Projects" (as such term is defined in the Act) and, among other things, to further the development and maintenance of infrastructure facilities, share with the private sector the risks involved in the development, operation or maintenance of such projects, improve the services rendered, encourage job creation and promote Puerto Rico's socio-economic development and competitiveness.

The Act confirms that the new public policy must maintain such controls as necessary to protect the public interest. The contractual relationship achieved through a PPP must be mutually beneficial, while ensuring the efficient, effective and affordable provision of public goods and services to all citizens.

According to the Act, every PPP project requires a Partnership Committee ("Committee"). The Committee is responsible for: (1) the qualification, evaluation and selection processes of the proposed PPP; (2) establishing the terms and conditions of the PPP Agreement, which may include the clauses required by the FTA; and (3) reporting on the procedures followed.

**Respondents should note that the Committee has been vested with the authority to negotiate the terms of the PPP Agreement. The Authority's Board of Directors have been vested with the authority to approve the PPP Agreement agreed by the Committee with a Proponent, subject to final approval by the Governor of Puerto Rico and his delegate.**

## 1.3 FUNCTION AND OVERVIEW OF THIS REQUEST FOR QUALIFICATIONS

This RFQ is a Request for Qualifications issued under Section 5.4 of the *Regulation for the Procurement, Evaluation, Selection, Negotiation and Award of Participatory Public-Private Partnership Contracts under Act No. 29-2009, as amended* (the "Regulation"). Prospective Respondents should review carefully the Act and the Regulation (each of which is available for download on the Authority's website: <http://www.p3.pr.gov>) and should ensure that they comply with all applicable provisions set out therein.

This RFQ provides each Prospective Respondent with sufficient information to enable it to prepare and submit a Statement of Qualifications ("SOQ") for consideration and evaluation by the Authority. The SOQ will be evaluated as described in Section 6 of this RFQ.

## 1.4 PROCUREMENT PROCESS AND SCHEDULE

The Authority will select a Preferred Respondent through a four-phase process. The procurement of the Project is expected to take place in the following stages:

### 1.4(a) Phase 1 – Desirability and Convenience Study



In Phase 1, the Authority will issue a Desirability and Convenience Study (the “D&C Study”) which will lay out a detailed description of the Project’s need, funding options and overall benefits to the Government and its users. The Authority is required to prepare the D&C Study pursuant to the requirements of the Act.

**1.4(b) Phase 2 – Issue Final RFQ and Qualifications Process**

In Phase 2, the Authority will issue a final RFQ and will shortlist eligible Respondents based on a review of the SOQ against the evaluation criteria in Section 6. At the end of Phase 2, the Authority will select a shortlist of qualified Respondents that will be invited to Phase 3.

**1.4(c) Phase 3 – Issue Request for Proposals and Proposal Evaluation**

In Phase 3, the Authority will issue a RFP to shortlisted Respondents to provide instructions to submit a Binding Proposal. The shortlisted Respondents will have the opportunity to conduct detailed due diligence and submit a Binding Proposal that will include a final offer for review and consideration by the Authority. The Authority will select a Preferred Respondent based on the Binding Proposals received.

**1.4(d) Phase 4 – Implementation of the PPP Agreement**

A draft of the PPP Agreement will be provided to shortlisted Respondents in Phase 3. If the Authority identifies a Preferred Respondent in Phase 3, it may negotiate a final agreement with the Preferred Respondent and enter into a PPP Agreement.

Once the Preferred Respondent and the Authority have executed the PPP Agreement, the Project will proceed in accordance with the terms and conditions of the PPP Agreement.

**1.5 PROCUREMENT SCHEDULE**

A summary schedule of the major activities associated with the procurement process is presented in Table 1.1.

The dates and activities are subject to change.

**Table 1-1: Procurement Schedule<sup>1</sup>**

The Authority anticipates the qualifications and proposal evaluation process will be conducted according to the following schedule:

<b>October 16, 2017</b>	Draft RFQ issued by the Authority for comments from the general public and market participants
<b>November 17, 2017</b>	Due date for submitting responses of public and market comments on Draft RFQ no later than 5:00 p.m. AST
<b>December 15, 2017</b>	Estimated date of issuance of Final RFQ by the Authority
<b>January 8, 2017</b>	Estimated date for End of RFQ Clarification Period
<b>January 22, 2018</b>	Estimated due date for submission of SOQs with the Authority no later than 5:00 p.m. AST

**1.6 CONSORTIA, JOINT VENTURE OR PARTNERSHIP**

To the extent that any Respondent has formed or proposes to form a consortium, joint venture, or partnership to participate in the RFQ and/or become the contracting counterparty for this Project, such Respondent should respond to this RFQ setting out the identity, role and capabilities of each Team Member. The submittal requirements will need to be satisfied for each member (i.e., financial capacity information and organization information).

<sup>1</sup> Table 1.1 (RFQ Schedule) sets forth the anticipated schedule of the entire procurement subject to the right of the Authority to revise the schedule, in addition to the schedule for the shortlisting of Respondents and selection of the Preferred Proponent.





## 1.7 ADDITIONAL RULES WITH RESPECT TO ALL RESPONDENTS

For purposes of this RFQ, the following terms will have the meaning ascribed to them below, unless the context clearly indicates otherwise:

- **“Key Individual”** means an individual who will play an important role in the Project on behalf of a Team Member.
- **“Key Subcontractor”** means each person or legal entity which will be principally or partially responsible for providing legal or technical services or support in connection with the operation and maintenance of the Project.
- **“Local Parties”** means local general contractors, subcontractors, suppliers, manufacturers, professionals (including architects and consulting engineers) and relevant service providers who are based in or have a significant on-going business presence within the Puerto Rico.
- **“Private Partner”** means the party that executes the PPP Agreement.
- **“Proponent”** means a Shortlisted Respondent selected through the qualification process.
- **“Preferred Proponent”** means the Proponent selected by the Authority to undertake the Project and enter into the PPP Agreement.
- **“Respondent”** means a (i) natural person, (ii) legal person, (iii) joint venture, (iv) partnership, or (v) consortium of individuals, and/or partnerships, and/or companies or other entities that submit a SOQ in response to this RFQ.
- **“SOQ”** means a statement of qualifications to be submitted by Respondents pursuant to this RFQ. All references in this RFQ to “SOQ submissions,” “SOQ submittals,” “SOQ responses,” and expressions of a like nature are deemed to refer to the SOQ.
- **“Team Member”** means a member of a Respondent. Team Members must be identified in Respondents’ RFQ submissions and cannot be changed without the prior written consent of the Committee.

Please note the following with respect to Respondents:

- Except as specifically provided to the contrary in this RFQ, no Team Member may join or participate, directly or indirectly, as a Team Member in more than one Respondent for this Project. Each person or legal entity who participates as a Team Member is responsible for ensuring that no other person or legal entity which is “Related” to it joins or participates, directly or indirectly, as a Team Member in any other Respondent. Unless otherwise provided herein, any violation of this provision shall disqualify the Respondent and its Team Members.
- A person or company is “Related” to another person or legal entity if:
  - one may exercise Control over the other; or
  - each is under the direct or indirect Control of the same ultimate person or legal entity.For purposes of this RFQ, a person or legal entity exercises “Control” of another if it is the owner of any legal, beneficial or equitable interest in 50% or more of the voting securities of a corporation, partnership, joint venture or other person or entity, or if it has the capacity to control the composition of the majority of the board of directors of any such person or entity, or to control the decisions made by or on behalf of any such person or entity, or otherwise has the ability to direct or cause the direction of the management, actions or policies of any such person or entity (whether formally or informally); and the terms “Controlling” and “Controlled” have corresponding meanings.
- If for any reason, after the Submission Deadline and prior to the selection of a Preferred Proponent, a Respondent wishes or requires to: (i) change any Team Members listed in the Respondent’s SOQ (either by adding new members, removing listed members or substituting new members for listed members), or (ii) materially change the ownership or Control of a Respondent or a Team Member, then, in each case, the Respondent must submit a written application (with such information as the Committee may require) to the Committee seeking its consent to the proposed change, which consent may be withheld or delayed in the



absolute discretion of the Committee. Without limiting the foregoing, the Committee may refuse to consent to a change to a Respondent or its Team Members and/or may disqualify the Respondent from further participation in the procurement process if:

- the change would, in the sole discretion of the Committee, result in a weaker Respondent than that which is listed in the Respondent's SOQ or result in the Respondent being materially different from the Respondent that was originally shortlisted;
- the evaluation of the new Respondent team, using the evaluation criteria described in Section 6 of this RFQ, would rank the Respondent, taking into account the proposed change or changes, lower than a Respondent that has not been shortlisted.

For the avoidance of doubt, the Committee's discretion to consent to changes to a Respondent's team membership includes discretion to approve changes to the legal relationship between the Respondent and/or its Team Members, such as the creation of a new joint venture, partnership or legal entity that will take the place of the Respondent.

The Committee's consent may include such terms and conditions as the Committee may consider appropriate.

## 1.8 RESTRICTED PARTIES

Restricted Parties (as defined below), their respective directors, officers, partners, employees and persons or legal entities Related to them (as defined in Section 1.7 above) are not eligible to participate as Team Members, or advise any Team Member, directly or indirectly, or participate in any way as an employee, advisor, or consultant or otherwise in connection with any Respondents in matters related to the Project. Each Respondent will ensure that each Team Member does not use, consult, include or seek advice from any Restricted Party in matters related to the Project. However, Restricted Parties are allowed to advise any Respondent on matters unrelated to the Project. The following Restricted Parties have been identified:

- KPMG LLP;
- Steer Davie Gleave;
- Pietrantoni Méndez and Alvarez LLC;
- Hunton & Williams LLP;
- KPFF Consulting Engineers;
- CPM PR, LLC; and
- any subsidiary or affiliate of the above-mentioned persons or entities.

Moreover, Respondents must comply at all times during the procurement process with the Authority's *Guidelines for the Evaluation of Conflicts of Interest and Unfair Advantages in the Procurement of Public-Private Partnership Contracts* (the "Ethics Guidelines"). Prospective Respondents should review the Ethics Guidelines, which are available for download on the Authority's website: <http://www.p3.pr.gov>.

Finally, Respondents should be aware that the list of Restricted Parties is not exhaustive and that a person that is not included as a Restricted Party may still be prohibited from participating in the Project pursuant to the provisions of the Ethics Guidelines. However, the fact that a person provides or has provided services to the Authority, MTA, or PRITA may not automatically prohibit such person from participating in the Project. Each Respondent is responsible for ensuring that all persons engaged to provide any type of assistance in connection with the Project are in compliance with the provisions of the Ethics Guidelines and, to the extent any question exists as to compliance with the Ethics Guidelines, the Respondent should consult with the Authority.



## Communications Protocol

The Authority, MTA, and PRITA are committed to a fair, open and transparent selection process. Respondents, their Team Members and their respective directors, officers, employees, consultants, agents, advisors and representatives, will not, except as expressly contemplated by this RFQ or as expressly directed or permitted by the Authority, attempt to communicate directly or indirectly with any representative of the Authority, the Committee, FAFAA or the Government in relation to the Project during the Qualification Evaluation processes. The Authority reserves the right to disqualify any Respondent that violates this provision.

## No Collusion

Respondents will not discuss or communicate, directly or indirectly, with any other Respondent(s) or any director, officer, employee, consultant, advisor, agent, representative or Team Member of any other Respondent regarding the preparation, content or representation of their SOQs. SOQs will be submitted without any connection (i.e., arising through an equity interest - other than an equity interest that does not represent a Controlling interest in an entity, as determined by the Authority from time to time in or of a Respondent or Respondent Team Member), knowledge, comparison of information, or arrangement, with any other Prospective Respondent or any director, officer, employee, consultant, advisor, agent, representative or Team Member of any other Prospective Respondent.

By submitting a response to this RFQ, a Respondent, on its own behalf and as authorized agent of each firm, corporation or individual Team Member of the Respondent, represents and confirms to the Authority, with the knowledge and intention that the Authority may rely on such representation and confirmation, that its response has been prepared without collusion or fraud, and in fair competition with responses from other Respondents.

## 1.9 DEADLINE AND CLARIFICATIONS

Those interested in becoming Respondents must submit their responses to this RFQ no later than the Submission Deadline. RFQ submissions must be received by the Authority no later than the Submission Deadline at the address and in the manner set out in Section 5 and Appendix 2.

Respondents may make inquiries only by submitting questions and RFCs to the Committee Representative referred to in Section 5.1 of this RFQ (the "Committee Representative") by e-mail, no later than the relevant dates outlined in Table 1-1. Questions submitted to anyone other than the Committee Representative or by any means other than e-mail will not be answered and may be grounds for disqualification according to the Communications Protocol provisions of this RFQ.

- Any respondent that has questions as to the meaning of any part of this RFQ, or the Project, or who believes that the RFQ contains any error, inconsistency or omission, must submit its concern, in writing, to the Committee Representative in accordance with Section 1.9. The Authority will provide all submitted questions or RFCs, along with the Authority's answers thereto, to all Respondents. The Authority will not respond to Respondents' questions or RFCs that are not submitted in accordance with Section 1.9.
- Any oral or written response provided by the Authority in connection with this RFQ will not be binding on the Authority nor will it change, modify, amend or waive the requirements of this RFQ in any way. Respondents shall not rely on any response provided other than an Addendum issued in accordance with this RFQ.

## Confirmation of Intention

Respondents that anticipate responding to this RFQ shall so indicate as soon as possible by providing contact information to the Committee via e-mail at [RFQ-FerrySystem@p3.pr.gov](mailto:RFQ-FerrySystem@p3.pr.gov). Also, all questions and/or RFCs regarding this RFQ should be directed to the Committee Representative via e-mail: [RFQ-FerrySystem@p3.pr.gov](mailto:RFQ-FerrySystem@p3.pr.gov).



KPMG is serving as Financial and Procurement Advisor (the “Advisor”) to the Authority for this Project and will provide assistance in the RFQ and procurement process in accordance with Section 4.17 of the Regulation. Please do not contact any officials or related parties of the Authority, PRITA, MTA, and/or DTOP (other than the Committee Representative) via telephone or otherwise. Such contact may serve as grounds for disqualification.





# SECTION 2 – MARITIME TRANSPORTATION PROJECT OBJECTIVES





# SECTION 2 – MARITIME TRANSPORTATION PROJECT OBJECTIVES

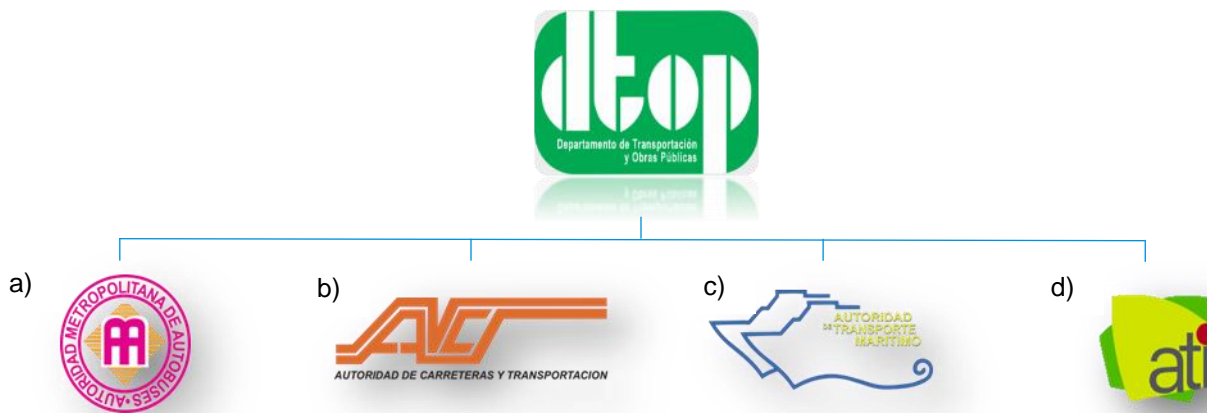


## 2.1 PROJECT AUTHORITY

The Government, its public corporations and municipalities are responsible for providing essential services at the lowest possible cost for the welfare of Puerto Rico’s citizens. These services include public health and safety, education and transportation. Due to the financial constraints of the Government and its municipalities, innovative partnerships with the private sector have often been adopted to help deliver infrastructure projects or provide essential services to its people.

The Project is an essential component of the Government’s long-term transportation initiatives, which are overseen by DTOP and implemented, in this case, by PRITA and MTA. Below is an organizational chart showing the distribution of roles and responsibilities per entity under DTOP.

**Figure 2-1: DTOP Organizational Chart**



DTOP has responsibility for the following transportation agencies:

- a) Metropolitan Bus Authority;
- b) Puerto Rico Highways and Transportation Authority (“PRHTA”);
- c) Puerto Rico and Island Municipalities Maritime Transportation Authority; and
- d) Puerto Rico Integrated Transit Authority.



## 2.2 PROPOSED PROJECT STRUCTURE

To achieve the Project objectives and goals, MTA will enter into a PPP Agreement with a Private Partner, under which the Private Partner will provide for the management, operation, maintenance, improvement and financing of the Project. It is anticipated that the PPP Agreement would have a term of up to twenty (20) years (“Project Term”) and is expected that the Project will be initially supported by steady subsidy payments made by MTA to the Private Partner. However, the Authority expects the size of the subsidy to decrease over time as the Private Partner reduces expenses through the introduction of efficiencies and increases to revenues. To achieve progressive subsidy reduction over the Project Term, the Authority is willing to consider various commercial structures and innovative schemes suggested by prospective Proponents that meet this objective.

It is anticipated that the Private Partner shall take responsibility for the collection of all farebox and ancillary revenues. The amount of subsidy payment to the Private Partner set out in its business plan and agreed in the PPP Agreement shall take into account these sources of income. The Authority therefore anticipates that MTA will make subsidy payments net of the farebox and ancillary income to the Private Partner.

Net subsidy payments will compensate the Private Partner for delivery of the Project in accordance with certain performance standards, which will be ultimately agreed upon in the PPP Agreement. Table 2-2 summarizes the responsibilities and risks to be transferred to the Private Partner during the Project Term. The Government, through the MTA and/or PRITA, will retain ownership of the Projects’ existing assets. However, under the PPP Agreement the Private Partner will have the right to commercially maximize the assets throughout the Project Term. At the end of the Project Term all management responsibility of the Project will revert to the MTA.

## 2.3 PAYMENT MECHANISM AND BUDGETARY PROCESS

The Authority intends to fund the net subsidy payments through direct appropriations commitments that could take the form of the following options:

Requirements Items	Public Sector	Private Sector	Shared
<b>Labor</b>			
Crew Management		X	
Crew Members		X	
<b>Performance Reporting</b>			
Monitor and Audit	X		
FTA Required Reporting		X	
Performance Reporting		X	
Database Management		X	
<b>Routes and Schedules</b>			
Ferry Route			X
Ferry Schedule			X
New Route Development	X		
<b>Consumables</b>			
Fuel (volume)		X	
Fuel (price)	X		
Spare Parts/Other Parts		X	
<b>Fare box and Ticketing</b>			
Fare Setting	X		
Integrated Ticketing System (including ticket collection)		X	
<b>Routine Maintenance/Repair</b>			
Manufacturer Recommendations		X	
Repairs		X	
Mandatory/Regulatory Inspections		X	
Federal Compliance		X	
<b>Major Maintenance</b>			
Capital Improvement Projects		X	
Service Life Extension		X	
<b>Other</b>			
Strategic Oversight	X		
Security and Surveillance		X	
Insurance		X	
Force Majeure			X
Federal Approvals			X



- **Viability gap payments:** ongoing periodic subsidy payments to cover ongoing operational gaps.
- **Availability payments:** regular payment over the life of the Project, conditional on the Project meeting quality standards.
- **Capital ‘viability gap’ payments:** subsidy payments that are phased over the Project Term to fund capital investments such as vessel purchases and major maintenance expenses.

This Project forms an integral part of the Government’s Fiscal Plan, which among its many objectives, seeks to advance PPPs as a way to revitalize infrastructure and spur economic development. The Authority intends to submit the Project for classification as a Critical Project under Title V of PROMESA. Below is a description of how the Government’s budgeting process and priority of payment works.

*Budgetary Process.* The fiscal year of the Government begins each July 1. The Governor is constitutionally required to submit to the Legislative Assembly an annual balanced budget of total resources, capital improvements, and operating expenditures of the central government for the ensuing fiscal year. The annual budget is prepared by Office of Management and Budget (“OMB”), in coordination with the Planning Board, the Treasury Department, and other government offices and agencies including FAFAA, which, pursuant to Puerto Rico law, has to validate the Government’s revenue projections prior to such revenue projections being submitted to the Legislative Assembly as part of the Government’s budget. Section 7 of Article VI of the Constitution provides that “The appropriations made for any fiscal year shall not exceed the total resources estimated for said fiscal year unless the imposition of taxes sufficient to cover said appropriations is provided by law.”

The annual budget, which is developed utilizing elements of program budgeting, includes an estimate of revenues and other resources for the ensuing fiscal year under (i) laws existing at the time the budget is submitted and (ii) legislative measures proposed by the Governor and submitted with the proposed budget, as well as the Governor’s recommendations as to appropriations that in his judgment are necessary, convenient, and in conformity with the four-year investment plan prepared by the Planning Board. As required by Puerto Rico law, FAFAA, or an independent consultant selected by FAFAA, has to validate the revenue projections of the Government prior to such revenue projections being submitted to the Legislative Assembly as part of the budget.

The Legislative Assembly may amend the budget submitted by the Governor but may not increase any items so as to cause a deficit without imposing taxes or identifying additional resources to cover such deficit. Upon passage by the Legislative Assembly, the budget is referred to the Governor, who may decrease or eliminate any item but may not increase or insert any new item in the budget. The Governor may also veto the budget in its entirety and return it to the Legislative Assembly with the Governor’s objections. The Legislative Assembly, by a two-thirds majority in each house, may override the Governor’s veto. If a budget is not adopted prior to the commencement of a fiscal year, the budget for such fiscal year shall be the annual budget for the preceding fiscal year as originally approved by the Legislative Assembly and the Governor until a new budget is approved. This permits the Government to continue making payments of its operating and other expenditures until a new budget is approved.

*Financial Control and Adjustment Procedures.* Revenue estimates for budgetary purposes have historically been prepared by the Treasury Department, except for estimates of federal grants, which have been prepared by OMB based on information received from the various departments and other recipients of such grants. Revenue and federal grant estimates are under continuous review and, if necessary, are revised during the fiscal year. Prior to PROMESA, fiscal control over expenditures was exercised exclusively by the Governor, through the Director of OMB, and the Secretary of the Treasury.

During any fiscal year in which the resources available to the Government are insufficient to cover the appropriations approved for such year, the Governor may take administrative measures to reduce expenses and submit to both houses of the Legislative Assembly a detailed report of any adjustment necessary to





balance the budget, or make recommendations to the Legislative Assembly for new taxes or authorize borrowings under provisions of existing legislation or take any other necessary action to meet the estimated deficiency. Any such proposed adjustments shall give effect to the “priority norms” established by law for the disbursement of public funds in the following order of priority: first, the payment of the interest on and amortization requirements for public debt (Government general obligations and guaranteed debt for which the Government’s guarantee has been exercised); second, the fulfilment of obligations arising out of legally binding contracts, court decisions on eminent domain, and other unavoidable obligations to protect the name, credit and good faith of the Government; third, current expenditures in the areas of health, protection of persons and property, education, welfare, and retirement systems; and fourth, all other purposes. Notwithstanding the foregoing, under section 203(d) of Act No. 5-2017, the Governor may reprioritize services and expenses described in the “third” category of the prior sentence to a higher payment priority.

*Impact of PROMESA on the Budgetary Process.* The enactment of PROMESA has significantly altered the budgetary approval process for the Government and its instrumentalities, which were designated covered territorial instrumentalities by the Oversight Board on September 30, 2016. As a result, all Government budgets and covered territorial instrumentality budgets must be developed in accordance with the applicable fiscal plan developed pursuant to PROMESA, and no such budget will be effective until it is certified by the Oversight Board as compliant with such fiscal plan. PROMESA has also imposed additional fiscal controls on the Government and grants the Oversight Board broad powers to monitor and control expenses and make subsequent adjustments to budgets that were previously certified as compliant by the Oversight Board.

PROMESA requires the Oversight Board to submit to the Governor and the Legislative Assembly a notice delineating a schedule for the development, submission, approval and certification of proposed budgets. Such budget schedule will be applicable for a period of fiscal years as determined by the Oversight Board in its sole discretion but in any case for a period of not less than one fiscal year following the fiscal year in which the notice is delivered. The Oversight Board is required to consult with the Governor and the Legislative Assembly in establishing a budget schedule. However, the Oversight Board retains sole discretion to set or, by delivery of a subsequent notice to the Governor and the Legislative Assembly, change the dates of the budget schedule as it deems appropriate and reasonably feasible. PROMESA further requires the Oversight Board to submit to the Governor and the Legislative Assembly a revenue forecast for the periods covered by the proposed budgets for use by the Governor in developing such budgets.

PROMESA provides the following process for the development and approval of the Government budget. A similar process applies to the budgets of covered instrumentalities, except that the Legislative Assembly is not involved in the process unless under Puerto Rico law such instrumentality’s budget is subject to legislative approval.

- **Government Budgets Developed by the Governor.** If the Oversight Board determines in its sole discretion that a proposed Government budget developed by the Governor is compliant with the applicable fiscal plan, then the Oversight Board may submit such budget to the Legislative Assembly for approval. If the proposed Government budget is found to be non-compliant, PROMESA requires the Oversight Board to provide to the Governor (i) a “notice of violation” that includes recommendations to correct any deficiencies and (ii) an opportunity to correct any deficiencies, provided such opportunity is allowed pursuant to the budget schedule approved by the Oversight Board. Should the Governor fail to submit a compliant Government budget within the time specified by the budget schedule, PROMESA authorizes the Oversight Board to develop and submit to the Governor and the Legislative Assembly a compliant budget.
- **Government Budgets Adopted by Legislative Assembly.** PROMESA directs the Legislative Assembly to submit to the Oversight Board the Government budget it approves. If the Legislative Assembly’s approved budget is found to be non-compliant, PROMESA requires the Oversight Board to provide to the Legislative Assembly (i) a “notice of violation” that includes recommendations to correct any deficiencies and (ii) an opportunity to correct any deficiencies, provided such opportunity is allowed pursuant to the budget schedule approved by the Oversight Board. The Legislative Assembly may submit as many revised



budgets as the budget schedule allows. Should the Legislative Assembly fail to submit a compliant budget, PROMESA authorizes the Oversight Board to develop and submit to the Governor and the Legislative Assembly a revised compliant budget.

- **Certification of Budgets as Compliant.** If the Governor and the Legislative Assembly approve a Government budget that is compliant with the applicable fiscal plan, then the Oversight Board shall issue a compliance certification. If the Governor and the Legislative Assembly fail to develop and approve a compliant budget, PROMESA authorizes the Oversight Board to develop and submit a compliant budget and such budget would be deemed approved by the Governor and the Legislative Assembly and will be in full force and effect on the first day of the applicable fiscal year.
- **Joint Development of Budgets.** PROMESA authorizes the Oversight Board, the Governor and the Legislative Assembly to work collaboratively to develop a Government budget that meets the requirements of PROMESA.

Section 203 of PROMESA describes the Oversight Board's ongoing oversight responsibilities with respect to, and the consequences of a finding of non-compliance with, the certified Government budget:

- **Quarterly Reports.** The Governor must submit a report to the Oversight Board no later than 15 days after the last day of each fiscal quarter (beginning in the fiscal year determined by the Oversight Board), in such form as the Oversight Board may require, (i) describing the actual cash revenues, cash expenditures and cash flows of the Government and covered territorial instrumentalities for the preceding fiscal quarter as compared to the projected revenues, expenditures and cash flows as contained in the certified budget for such preceding fiscal quarter, and (ii) any other information requested by the Oversight Board.
- **Inconsistencies Between Actual and Projected Revenues, Expenditures and Cash Flows.** The Oversight Board may require the Government and any covered territorial instrumentality to provide additional information to explain inconsistencies between actual and projected revenues, expenses and cash flows based on the Governor's quarterly reports. If such explanations are deemed inadequate by the Oversight Board, the Oversight Board will advise the Government to correct such inconsistency by implementing remedial corrective actions.
- **Budget Reductions.** If the Oversight Board finds that the Governor and the Legislative Assembly failed to provide an explanation for an inconsistency between actual and projected revenues and expenses, or to correct such inconsistency by the deadline established by the Oversight Board, the Oversight Board is authorized to make appropriate reductions in non-debt expenditures and, in the case of the covered territorial instrumentalities, institute hiring freezes and prohibit entry into new contracts or financial transactions not previously approved by the Oversight Board. The Oversight Board shall cancel these reductions upon a finding that the Government or covered territorial instrumentality has initiated the appropriate measures to ensure compliance with the certified budget.

*Payments for PPP Agreement.* The funds to be provided by the Government to make the payments required under a PPP contract are subject to and conditioned upon the appropriation of such funds by the Legislative Assembly in the annual budget of the Government. The payments the department or agencies of the Government would be required to make under a PPP contract do not constitute public debt of the Government for purposes of the constitutional provision described above. If all annual budgetary appropriations required by a PPP contract are made in full, presumably such amounts will be sufficient to make the payments due under such PPP contract.

The Legislative Assembly is not legally bound to appropriate sufficient amounts to allow the Government to make payments under a PPP contract. Moreover, the private entity under a PPP contract has no legal recourse to require the Legislative Assembly to appropriate the funds necessary to make any payment due



under such PPP contract. The failure to make annual budgetary appropriations in the amounts required would cause a shortfall in the moneys available to the Government for the payments of amounts due under a PPP contract. In the event any PPP contract is terminated and the Government or the corresponding governmental entity is required to make a substantial termination payment to the private party, it is likely that such amounts will not be available in the currently approved budget, as amounts appropriated therein would have only taken into account ongoing payments under the corresponding PPP contract. As a result, the private entity would have to wait at least until the approval of the next budget in order to determine whether sufficient amounts to satisfy the Government's payment obligation will be appropriated.

Finally, if a budget is not adopted prior to the end of the fiscal year, the annual budget for the preceding fiscal year as originally approved by the Legislative Assembly and the Governor is automatically renewed for the ensuing fiscal year until a new budget is approved. Once a new budget is approved, any possible future shortfall situations may not have been addressed.

## 2.4 PROJECT DESCRIPTION AND SERVICE NEEDS

MTA aims to maintain a reliable and efficient ferry system that: (i) connects the islands of Vieques and Culebra (the "Island Municipalities") to the main island of Puerto Rico, and (ii) services the San Juan Metropolitan Region. The Government is interested in assessing the possibility of establishing a new ferry route between the former Naval Station Roosevelt Roads ("NSRR") located in the Municipality of Ceiba and the Island Municipalities (the "New Route").<sup>2</sup>

The current ferry service can be characterized as:

- A service which requires a public subsidy;
- An essential strategic transportation link; and
- A catalyst for tourism and economic development.

### **Metro Service**

The Metropolitan Region of San Juan (comprised by the municipalities of Bayamón, Cataño, Guaynabo, San Juan, and Carolina) has seen vast changes in the demands of its riders for mass transit since the establishment of the Tren Urbano, a rapid transit train inaugurated in the mid 2000's. Tren Urbano has changed the dynamics of mass transportation in the Metropolitan Region. One of PRITA's main goals is to effectively integrate all forms of mass transit in the Metropolitan Region with Tren Urbano as the anchor. The Project contemplates including the Metro Service as part of this integration by synchronizing its routes with the Tren Urbano and AMA bus services. The objective is to increase the Metro Service reliability, quality, and increase rider mobility.

### **Island Service**

The residents in the Island Municipalities have no other mass transit options provided by the Government to reach the main island. Income levels of residents of the Island Municipalities are consistent with those of the Puerto Rican population as a whole, where 17% of households have income levels over US\$50,000.

In order to effectively develop both islands to their social and economic potential, a reliable ferry service must be established to link residents, businesses, and tourists to the offshore islands, and most importantly connect island residents to the essential services (i.e., health, education, and commercial services) that are provided in the main island as well as to safely transport island residents in the event of a storm or emergency event.

<sup>2</sup> In light of recent developments in the Caribbean as a result of Hurricane Irma, the Authority would also like to receive comments regarding the feasibility of using MTA's facilities and/or assets in Puerto Rico to provide maritime services (which may include any combination of transportation, docking, engineering, etc.) to the Caribbean islands that are in closer proximity to Puerto Rico.



The potential additional route would consist of a route from NSRR to Vieques and Culebra, if possible. This additional route can deliver significant transportation time savings to Vieques. The Government believes that assessing and, if viable, agreeing to a development plan can favor the overall economic development of the region.

## 2.5 PROJECT GOALS AND OBJECTIVES

- Maintain customer and crew safety;
- Improve the quality of customer service;
- Reduction in public subsidy over the Project Term;
- Increase ridership of the Metro and Island Services;
- Identify and introduce efficiencies in MTA's operations by leveraging the private sector's ferry operations expertise;
- Increase resources for vessel maintenance to provide the potential for improving service levels and reliability for users;
- Increase revenues through improved ancillary services (i.e., food and beverages) to reduce net public subsidies; and
- Assess and potentially plan for the development of new routes that expands Island Services alternative to users.

## 2.6 PROJECT EXPECTED BENEFITS

The expected benefits resulting from the implementation of the Project include:

- Modernized farebox user interface
- Improved, user-friendly experience for residents, tourists, and visitors, including on-line reservation system, reduced wait-times and additional services and amenities;
- Improved on time performance and reliability;
- Increased productivity due to increased availability of larger vessels;
- Reduced and/or optimized Government funding;
- Increased economic activity in adjacent areas;
- Increased tourist visits to the offshore islands;
- Increased business for local firms involved in the Project's operations and maintenance;
- Increased operational and maintenance cost certainty;
- Increased socioeconomic benefits for Puerto Rico; and
- Collaborative plan for the development of additional routes for the Island Services.





# SECTION 3 – METRO AND ISLAND SERVICE DESCRIPTION





# SECTION 3 – METRO AND ISLAND SERVICE DESCRIPTION



## 3.1 METRO AND ISLAND SERVICE ROUTES

The MTA operates three scheduled ferry services with eleven vessels in five terminals, running seven days per week. The services are split into two main categories: Metro Services and Island Services. Figures 3-1 and 3-2 show the current Metro and Island routes, respectively. The Metro Service operates between Old San Juan and Cataño in the San Juan Bay. The Island Service connects the islands of Vieques and Culebra to Fajardo on the main island. In addition to passenger services, the MTA also provides cargo and fuel transportation to the islands of Vieques and Culebra, as well as transportation for special events. As part of the Project, the Authority would allow the Selected Proponent to propose changes to the Metro Service and Island Service schedules and frequency of trips (provided in Section 3.2) as part of its business plan and subject to minimum requirements (the “Minimum Service Requirements”). The Authority will provide Proponents Minimum Service Requirements further in the Procurement.

Figure 3-1: Metro Service Routes



Figure 3-2: Island Service Routes



### 3.2 METRO AND ISLAND SERVICE TIMETABLES

#### Island Service

The Fajardo-Vieques and Fajardo-Culebra Service has the following scheduled trips:

Seven days of operation each week, 365 days per year. Holiday schedule includes Puerto Rican Holidays.

**Table 3-3: Island Service Route Schedule**

Route	Departure Times	
	Weekdays	Weekends and Holidays
Fajardo to Culebra	4:00 AM *	9:00 AM
	9:00 AM	3:00 PM
	1:30 PM* <small>only Wednesday and Friday</small>	7:00 PM
	3:00 PM	
	5:00 PM *	
	7:00 PM	
Fajardo to Vieques	4:00 AM *	9:00 AM *
	9:00 AM *	1:00 PM *
	1:00 PM *	4:45 PM *
	4:45 PM *	8:15 PM *
	8:15 PM *	
Culebra to Fajardo	6:00 AM	6:30 AM *
	6:30 AM *	1:00 PM
	1:00 PM	5:00 PM
	1:30 PM * <small>only Wednesday and Friday</small>	
	5:00 PM	
	7:30 PM *	
Vieques to Fajardo	6:00 AM *	6:30 AM *
	6:30 AM *	11:00 AM *
	11:00 AM *	3:00 PM *
	3:00 PM *	6:30 PM *
	6:30 PM *	

\* indicates trips for passengers and cargo

In addition to passenger and cargo trips, Island Service includes fuel trips where there is flexibility in timing within the given day of the week. The timing of fuel trips outlined in Figure 3-4 are for guidance and dependent on demand and availability of fuel storage space ashore.

**Figure 3-4: Island Service Estimated Fuel Schedule**



<b>Fuel Trips</b>	
Fajardo to Vieques	Monday and Thursday - 10:00 AM (return trip at 1:00 PM)
Fajardo to Culebra	Wednesday and Friday - 9:30 AM (return trip at 1:30 PM)

**Metro Service**

The Cataño-San Juan Service has the following hours of operation:

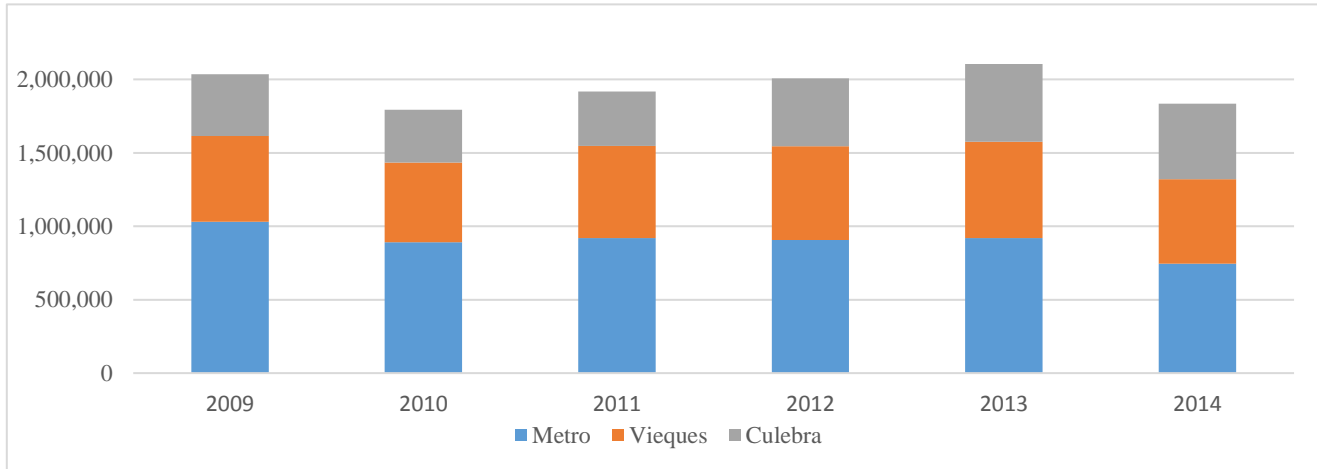
- Continuous operation Monday through Friday from 6:00 AM to 6:30 PM, with service headways of 30 minutes.
- Continuous operation Saturday, Sunday, and Holidays from 8:00 AM to 7:30 PM, with service headways of 30 minutes.

The Hato Rey-San Juan Service is currently not operating. Service was discontinued in 2014.

**3.3 METRO AND ISLAND SERVICE RIDERSHIP**

In 2015, annual ridership for the services was 513,403 (Fajardo to Culebra), 576,235 (Fajardo to Vieques) and 744,219 (Metro Service). From 2009 to 2015, the services have shown fairly robust ridership, particularly the Island Service. All services experienced ridership decreases in 2010 tied to a slowdown in the Puerto Rican economy. The Metro Service also experienced a ridership decrease in 2014 directly tied to a reduction of service in early 2014.

**Figure 3-5: MTA Annual Historical Ridership<sup>3</sup>**



All services have distinct advantages relative to competing services. The Metro Service provides considerable time savings over the existing bus service for trips across the San Juan Bay Harbor. For the Island Service, the competitive advantage is more pronounced still. The residents in the Island Municipalities of Vieques and Culebra have no other mass transit option provided by the Government to reach the main island.

The Metro Service is primarily used by commuters to Old San Juan and by visitors to Old San Juan for leisure purposes. The Island Service serves two distinct markets: the first is island residents, for whom the ferries

<sup>3</sup> Please note that in 2014 service frequency in the peak periods was reduced, with headways increasing from 15 minutes to 30 minutes. Also, service from Old San Juan to Hato Rey (San Juan’s financial district) was terminated, which has reduced ridership for the Metro Service.



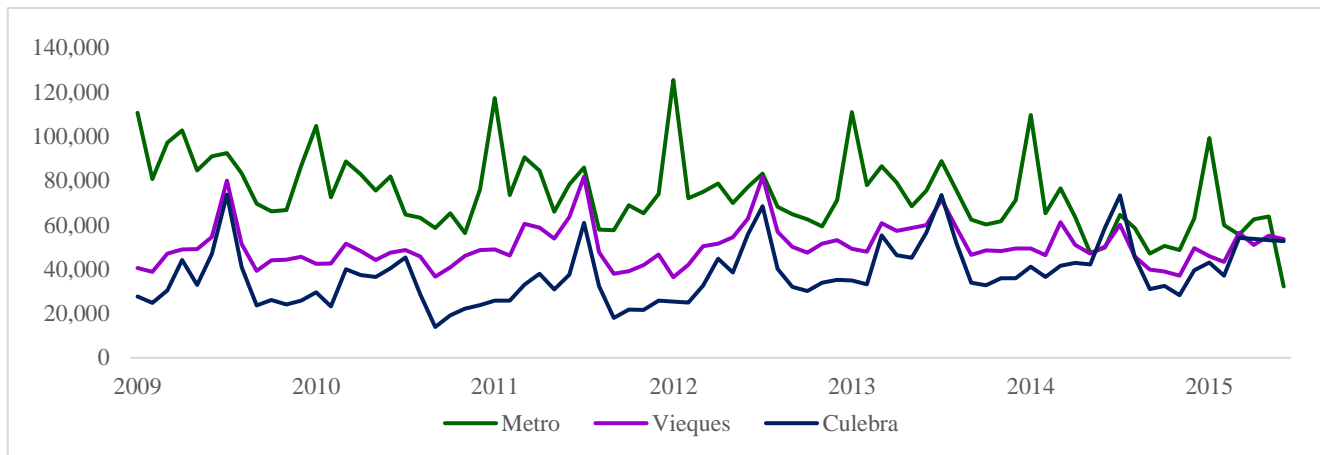


provide the only affordable travel option to the Puerto Rican mainland. The other market served is visitors, primarily but not exclusively, from the Puerto Rican mainland.

Ridership analysis developed for this Project reveals that each service displays differences in the type of market served (urban versus island/leisure) as well as differential growth trends. All services are tied closely to the Puerto Rican economy.

There is significant evidence that ridership on the Culebra and Vieques services have been constrained by available vessel capacity, especially during the summer months. This is particularly pronounced in the case of the Culebra service, where any increase in available seats is associated with a close to proportional increase in ridership.

**Figure 3-6: MTA Historical Ridership**



Monthly ridership on the Island Service and Metro Service displays a strong seasonal pattern. For Fajardo-Vieques-Culebra Service, ridership peaks in July, when many Puerto Rican residents and Puerto Ricans living in the US take vacations. Metro Service ridership is at its highest in January, reflecting another peak in tourism from outside Puerto Rico.

### 3.4 OPPORTUNITY TO OPTIMIZE OPERATIONS

The central goals and opportunities for the Project include improving customer service, implementing operational efficiencies, increasing revenue and ultimately reducing public subsidy of maritime transportation. Escrow account(s) will be established to properly audit and account for all revenues. Additions to revenue and cost savings can be achieved under the PPP model through, but not limited to, the measures listed below:

- Additional revenues from ridership
- Additional revenues from advertising
- Additional revenues from concessions
- Cost savings from fringe benefits
- Cost savings from the elimination of unscheduled trips
- Cost savings from natural attrition



# SECTION 4 – SCOPE OF SERVICES REQUESTED





# SECTION 4 – SCOPE OF SERVICES REQUESTED



## 4.1 VESSEL REQUIREMENTS

### Vessel Services Key Responsibilities

The Private Partner shall ensure vessels and crews are ready for service for every departure on the schedule. The vessels will be clean and well maintained, the crew will be adequately trained and carry the requisite US Coast Guard (“USCG”) credentials and qualifications. Operations will be conducted in accordance with all applicable USCG and other agency rules and regulations. Specific responsibilities include the following:

- **Vessel Operations:** The Private Partner shall ensure that a clean vessel of the appropriate type and capacity with a qualified crew and in good operating condition, makes each sailing on the contract-specified schedule. The Private Partner is responsible for maintaining a fully compliant vessel, meeting all local, Government, USCG, FTA, US federal safety, health, security, and environmental regulations.
- **Crew Training:** The Private Partner shall provide all crew training related to vessel operations, including but not limited to watch standing, passenger management, life safety, firefighting, environmental protection, and security. The Private Partner is responsible for ensuring that the vessel crew on each sailing has the credentials specified on each vessel’s USCG-issued Certificate of Inspection (COI) and meets all other USCG regulations. The Private Partner shall provide all crew training necessary to comply with USCG regulations. The Private Partner shall compensate crew members for the cost of obtaining and maintaining merchant mariner credentials and Transportation Worker Identification Credentials (“TWIC”).
- **Vessel Cleaning:** The Private Partner shall be responsible for maintaining a clean and uncluttered vessel, including cleaning the interior and exterior of all vessels both during and after daily operations and removal of all trash and waste products. The Private Partner will be required to maintain cleaning records and make them available for auditing by MTA on a monthly and spot-check (24 hour notice) basis.
- **Vessel Maintenance:** The Private Partner shall perform all preventative and scheduled maintenance for all vessel systems in accordance with the equipment manufacturer’s recommendations. This includes, but is not limited to propulsion, electrical, communications, navigation, piping, and ventilation systems as well as interior and exterior furnishings, hardware and finishes. The Private Partner shall be responsible for cylinder rebuilds and engine overhauls per the manufacturers recommendations as well as the periodic replacement of filters, seals, gaskets, impellers, and other system components subject to normal wear. The Private Partner shall be responsible for periodic dry docking activities such as, but not limited to, application of bottom coatings, shaft and bearing maintenance, and propeller maintenance. The Private Partner will be required to maintain vessel maintenance records and make them available for auditing by MTA on a monthly and spot-check (24-hour notice) basis. The Private Partner shall be responsible for the replacement of major machinery such as main engines or generators, major vessel overhauls or service life extensions.
- **Vessel Repairs:** The Private Partner shall be responsible for ensuring all necessary hull and vessel system repairs are made in a timely manner, using sound marine practices and including any requisite notifications of and/or inspections by regulatory agencies. If repairs are expected to keep a vessel out of service for more than one day, the Private Partner will be required to notify MTA and provide a repair plan and schedule for returning the vessel to service.
- **Vessel Inspections and Regulatory Compliance:** The Private Partner shall be responsible for all inspections required by regulation, including USCG required vessel dry dockings. The Private Partner will be required to make vessels available for all required USCG inspections, drills, and training. The Private Partner will be required to maintain vessel inspection, drill, and training records and make them available for auditing by MTA on a monthly and spot-check (24 hour notice) basis.

The Private Partner shall resolve all CG-835 reports issued by the USCG within the time limit stated in the report. The Private Partner shall notify the MTA whenever a CG-835 is issued and provide a plan for resolving any CG-835 reports that require a vessel to be out of service for more than one day.



## 4.2 TERMINAL REQUIREMENTS

### Terminal Services Key Responsibilities

The Private Partner shall ensure all shore side facilities are staffed and maintained as required to support vessel operations per the specified schedule. Specific responsibilities include the following:

- **Terminal Operations:** the Private Partner shall ensure terminal operations are conducted as required to provide safe and efficient loading and unloading of passengers, vehicles, and cargo. Terminal operations include, but are not limited to, vessel fueling, ticket sales, security, and passenger, vehicle, and cargo loading.
- **Terminal Staff Training:** All terminal staff shall receive the training necessary to perform their assigned duties and comply with all applicable federal, Government, and local regulations. The Private Partner shall compensate employees requiring TWIC or other licenses or credentials for the cost of obtaining and maintaining their licenses and credentials.
- **Facility Cleaning:** The Private Partner is required to maintain all of the existing terminal facilities in a state of good repair. The Private Partner shall be required to maintain terminal cleaning and maintenance records and make them available for audit by MTA on a monthly and spot-check (24 hour notice) basis.
- **Facility Maintenance & Repair:** The Private Partner is responsible for the maintenance and repair of all fenders, dolphins, ramps, gangways, and other terminal components that are used during passenger and cargo loading and unloading. All terminal systems, furnishings, and finishes shall be maintained in good condition and in accordance with the equipment manufacturers or vendor's recommended maintenance schedules and warranty requirements. *MTA will be responsible for inspection and maintenance, of the terminal piers, wharves, and bulkheads.*
- **Utilities:** The Private Partner shall pay for all utility services at all terminal locations including, but not limited to, trash and recycling collection, electrical power, water, sewage, telephonic connections, and internet connections (if applicable).

## 4.3 SYSTEM SUPPORT SERVICES

### Transition Requirements

The Private Partner is responsible for the transfer of all operations from MTA. This may include transfer of personnel to the Private Partner's staff, documenting existing conditions of all vessel and terminal equipment, and negotiating any outstanding contracts with vendors. As part of the transition process, the Private Partner shall survey all vessels and identify any deferred maintenance to be performed upon receipt of notice to proceed. A detailed transition plan which identifies the current state of the system, including the anticipated timing of proposed changes, shall be submitted after the selection of the Preferred Proponent and prior to the execution of the PPP Agreement.

### Health & Safety, Security, Emergency Response, and Environmental Protection Requirements

The Private Partner is required to operate the system (terminals, vessels, and maintenance facilities) in compliance with all applicable local, Government, and federal laws and regulations. This includes but is not limited to the following:

- Health & Safety: OSHA & USCG regulations
- Security: Maritime Transportation and Security Act of 2002 ("MTSA") & USCG regulations
- Environmental Protection: EPA & USCG regulations

Private Partners are to avoid to the extent possible accidents/incidents and/or breaches of security pursuant to Maritime Transportation Security Act of 2002 (MTSA). Any accidents/incidents or breaches in security shall be reported immediately.





**Fares and Ticketing Requirements**

*Fare Policy*

Metro and Island service fares and fare policy are set by MTA and are subject to change at the discretion of MTA with approval by the FTA. The Private Partner may be consulted regarding fares taking into account the Private Partner’s ticketing systems to accommodate any proposed change.

**Table 4-1: Island Service Fares**

Vieques	\$2.00
Culebra	\$2.25
Under 11 years	\$1.00
Seniors 60 to 74 years	\$1.00
Seniors 75 and older	free of charge
<b>Prices by loose articles</b>	
Cooler	\$2.00
Bicycle	\$2.00
Backpacks	\$1.00
Tent	\$2.00
Umbrellas	\$1.00
Chairs	\$1.00
Surf board	\$6.00
Morey Boogey	\$3.00
Boxes	\$1.00
Hand Truck (big)	\$5.00
Hand Truck (small)	\$3.00
Caged animals	\$2.00
Kayak	\$10.00
Cow/Horse	\$4.00
Tires	\$1.00
<b>Freight</b>	
Motorbike/four track	\$7.00
Auto	\$15.00 to \$19.00
SUVs, Pickup, Van-	\$32.00 to \$39.50
Trailers- Linear ft.	\$1.50 to \$2.50 Linear ft.
<b>Trucks by measure</b>	
Up to 30 ft.	\$19.50 to \$47.00
Over 30 ft.	\$1.50 to \$5.00 Linear ft.
<b>Trucks by weight</b>	
Up to 30 tons	\$34.50 to \$84.50
Over 30 tons	\$84.51 to \$259.50

**Table 4-2: Metro Service Fares**

Regular Tariff	\$0.50
Seniors 60 to 74 years	\$0.25
Seniors 75 and older	free of charge
Seniors (65 to 75 years)	\$0.25
Disabled	\$0.25
Children (under 3 years)	free of charge



### *Fare Revenue*

All fare revenue from the Island and Metro Service will be assigned to the Private Partner.

- **Island Service Fare Revenue:** Fare revenue for the Island Service will be assigned to the Private Partner. The current fare schedule presented in Table 4-1 as it is collected.
- **Metro Service Fare Revenue:** Fare revenue for the Island Service will be assigned to the Private Partner. The current fare schedule presented in Table 4-2 as it is collected.

### *Ticketing*

The Private Partner shall be responsible for the publication and enforcement of ticketing for the Metro and Island Service. In addition, the Private Partner shall provide the following ticketing systems which will be able to provide refunds and determine ticket expiration.

- **Island Service Ticketing:** The Private Partner may choose to retain and maintain MTA's current ticketing system, but must provide online ticketing. To the extent the Private Partner chooses to use their own ticketing system, they shall be responsible for the development, installation, operation and maintenance of an electronic ticketing and reservation system which will be compatible with the fare structure outlined in Table 4-1. The system is to include online ticket sales, attendant ticket sales, and consider opportunities for ticket vending machines and mobile applications. The system must accept coins, notes, debit and credit cards, and consider alternative payment mediums. The fare ticketing system must provide proof of payment, a retained receipt, and an ability to validate fares for all forms of payment.
- **Metro Service Ticketing:** The Private Partner will be responsible for the operation and maintenance of MTA's current Metro Service ticketing system. The Private Partner shall coordinate with PRHTA, PRITA, AMA, and MTA to support any integrated ticketing system initiative. The Private Partner will also be responsible for monitoring the performance of the ticketing equipment, reporting faults, and issues of the new integrated ticketing system.

The Private Partner will be responsible for the financial reconciliation of all forms of payment once the new integrated system is installed. Coordination with PRHTA, PRITA, AMA, and MTA will be required to set up a third party reconciliation of the ticketing machines.

### **New Route**

The Government is interested in assessing the possibility of establishing a new ferry route between the former Naval Station Roosevelt Roads ("NSRR") located in the Municipality of Ceiba and the Island Municipalities (the "New Route"). The Authority believes that the development and establishment of the New Route together with existing Island Services will represent a significant expansion of ferry transportation alternatives and will likely improve the competitiveness of the tourism industry for the Island Municipalities. The Authority contemplates incorporating a right of first refusal for the Preferred Proponent to assess, plan and develop the New Route (the "New Route Option").

During the RFP phase, Interested Proponents will be required to confirm their interest and/or intention of exercising the New Route Option. The New Route Option will only be available for a twelve-month (12) period or the first year of the Project Term. The RFP will contain basic project development parameters and guidance that Interested Proponents will be required to respond to in case they confirm interest and/or intent to exercise the New Route Option. During the RFP Phase, the Authority, MTA and PRITA will use their reasonable best efforts to provide Interested Proponents with all necessary data and information to assist them in reaching an initial decision to determine whether they are interested in confirming intention to exercise the New Route Option with their final bid package or at a later date within the first year of the Project Term.

### *New Route Background*

In 2003, the U.S. Congress made the decision to close the facilities of the NSRR with the closure occurring in 2004. Located in the Municipality of Ceiba, northeast of Puerto Rico and neighboring the Municipality of



Fajardo, NSRR spans 3,409 acres of land with waterfront access initially developed by the U.S. Navy. NSRR contains, among other things, a fuel mooring pier, 3 cargo/passenger piers, a small boats marina, bulkhead facilities for ships docking, boat landing ramps and adjacent port operation buildings. The main piers have varying depths from 32-to 44 feet depth and 15 feet depth on the bulkheads. Currently, the Homeland Security Department, USCG and U.S. Army maintain marine facilities in NSRR.

The Roosevelt Roads Local Redevelopment Authority (“LRA”), a public agency of the Government, is the local sponsor mandated to redeveloping the NSRR. Since its establishment, the LRA has developed a Reuse Plan and Infrastructure Master Plan for the NSRR that contemplates the establishment of Ferry operations in the existing Pier 2.

**Figure 4-1: Naval Station Roosevelt Roads Piers and Potential Facility Layout**



The Government sees in NSRR a unique opportunity to develop a region and to enhance Puerto Rico as a premier tourism, entertainment, commercial, services and recreational destination in the Caribbean. The Development of the New Route seeks to improve the operability, passenger travel options and service reliability of the ferry System.

**Figure 4-2: Map below shows comparison between the existing and the New Route and their corresponding distances in nautical miles (nm).**





The existing route from and to Fajardo connects with the Dewey terminal in Culebra and the Isabel Segunda terminal in Vieques. The New Route is shorter than the existing Fajardo route to Vieques and the distance to Culebra is similar to the existing route. For instance, the Fajardo-Vieques maritime route has a distance of 16.8 nm and the trip takes one and a half hours. Comparatively, the New Route offers two potential trips to Vieques: (i) one that connects to the Isabel Segunda terminal, which has a distance of 11.6 nm and is estimated to take approximately one hour, and (ii) another trip to connect with the Mosquito Pier, which is only 8.4 nm and takes about 45 minutes. Both trips represent significant savings in time to and from Vieques. The New Route allows for shorter distances and considerable savings in travel times except in the case of the NSRR-Culebra trip, where there are no savings in time.

### Marketing/Customer Service

The Private Partner shall develop and execute marketing for the Metro and Island Service. The Private Partner shall create a website and targeted advertising, which may include print advertising, collateral materials, and digital campaigns. The website must provide at a minimum, information about schedules, fares, online ticketing, directions to terminals, user guides, and details of MTA's policies. All Metro and Island service marketing is to maintain a consistent brand to be developed by the Private Partner and subject to MTA's approval. The consistent brand is to be applied on all marketing materials including websites, signage, and other mediums.

The Private Partner shall also be responsible for providing a call center which may be integrated with Puerto Rico's "311" service to receive customer issues and shall provide and maintain a log of customer service issues.

## 4.4 BUSINESS ARRANGEMENTS

### Management and Shore Based Service Requirements

#### Management Plan

The Private Partner shall develop an organizational structure which efficiently identifies key positions, their duties and responsibilities and how the proposed structure will deliver the required quality of service. The plan must provide details of the proposed staff and their qualifications for the position.

#### Fuel



Fuel will be provided to the Private Partner by the Government. The Private Partner should provide all operating cost assumptions net of fuel costs. The Private Partner shall propose a plan to reduce fuel usage without compromising the operating schedule.

#### *Unscheduled Trips*

At times, the Island Service is required to perform a series of unscheduled trips outside the regular operating schedule, whether to meet particularly high demand or to accommodate transportation for special events. These unscheduled trips have averaged around 35 round trips per month. The Private Partner shall factor in their analysis a specific number unscheduled round-trips a month into their Operating Cost Plan for the service to Vieques and Culebra.

In addition, the Private Partner should include the cost for additional unscheduled trips on a round-trip basis per vessel type (cargo vs passenger only). The proposed cost should detail the underlying assumptions for each cost component consistent with the Operating Cost Plan.





# SECTION 5 – SOQ AND REQUIREMENTS FOR ALL RESPONDENTS





# SECTION 5 – SOQ REQUIREMENTS FOR ALL RESPONDENTS



## 5.1 RFQ REQUIREMENTS

### General

The Authority expects SOQs submitted in response to this RFQ to provide enough information about the requested items so as to allow the Authority to evaluate, competitively rank and shortlist the Respondents based on the criteria set forth herein. SOQs shall be submitted exclusively in the English language inclusive of English units of measure, and cost terms in United States of America (U.S.) dollar denominations. Standard corporate brochures, awards, licenses and marketing or promotional material shall not be included in the SOQ.

### Format

#### *Number and Types of Copies*

Each Respondent shall submit the following in sealed packages:

- 1) One digital copy in read-only format on a write-protected flash drive, clearly marked with the Respondent's name on the package or the drive itself. The Authority encourages Respondents to use searchable, bookmarked PDFs and hyperlinked tables of contents.
- 2) One (1) original and five (5) copies—for a total of six (6) hardcopies—of its SOQ in four loose-leaf, three-ring binders, one SOQ part per binder. The SOQ containing original signatures shall be marked as "Original". The original must be clearly marked "Original" on its face and spine. Each copy must be numbered 1 through 5 on its spine. The Respondent's name and part number must also be clearly marked on the spine.

#### *Paper and Printing Requirements*

SOQs must be prepared on 8-1/2" x 11" sized white paper. For purposes of all page limits set forth in this RFQ, each printed side shall be considered one page and will be included in any applicable page limitations. The use of 11" x 17" pages is acceptable (and each printed side will be considered one page) for Forms 1 through 4 in Appendix 2 or schedules but not for narrative text. Printed lines may be single-spaced. Insofar as is practical or economical, all paper stock used shall be composed of recycled materials.

#### *Page and Font Limitations*

There is no aggregate page limit for SOQ Part A, Part B and Part C, but page limits for individual components of may apply as specified in Appendix 1. Part A, Part B and Part C shall have all pages sequentially numbered. Part A and Part B shall not exceed 40 pages, excluding all Forms and all applicable license and registration information provided in response to Appendix 2.

The font size used in the SOQ shall be no smaller than 12 point, except for tables, which may be prepared using 10 point font.

### Overview of Submission Requirements

The SOQ shall be delivered no later than the Submission Deadline. Respondents that anticipate responding to this RFQ shall so indicate as soon as possible by providing contact information via e-mail to the Committee Representative's e-mail address listed below. The SOQ should comply with the format provided in Section 5.1 and Appendix 1. Additional information not specifically related to the Project or this RFQ should not be included. All questions, RFCs, or requests for information regarding this RFQ should be directed to the Committee Representative via e-mail. Please do not contact any officials or related parties of the Authority in any other manner. Such contact may serve as grounds for disqualification.



Address questions, comments, and RFCs to:

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Maritime Transportation Authority Committee Representative  
Request for Qualifications – Maritime Transportation Authority Project  
E-mail: [RFQ-FerrySystem@p3.pr.gov](mailto:RFQ-FerrySystem@p3.pr.gov)

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### Authorization for Further Investigation

Committee and their officers, employees and consultants are authorized to make any inquiry or investigation to verify the statements, documents, and information submitted in connection with this RFQ, and to seek clarification from the Respondent's officers, employees, advisors, accountants and clients regarding the same. Committee and their officers, employees and consultants to make any inquiry or investigation to verify the statements, documents, and information submitted in connection with this RFQ, and to seek clarification from the Respondent's officers, employees, advisors, accountants and clients regarding the same.

## 5.2 REPORTING OF MATERIAL ADVERSE CHANGE

At any time prior to the shortlisting of a Respondent, it shall submit immediately to the Authority information pursuant to the submission requirements set out in Section 5 of this RFQ either (i) upon the occurrence of a material adverse change to the information previously submitted by the Respondent in response to such submission requirements, or (ii) from time to time upon the Authority' request. The Authority will evaluate the information submitted by the Respondent in accordance with the evaluation criteria set out in Section 6, and may revise the Respondent's score and ranking to reflect the results of the evaluation. If a Shortlisted Respondent's revised score results in a change in its ranking, the Committee may, in its discretion, invite other Respondents based on their ranking in this RFQ process (provided such Respondents have achieved the minimum score required by Section 5) to be added to the list of Shortlisted Respondents and replace the Respondent whose score was re-evaluated under Section 6, even if those replacement Respondents were not Shortlisted Respondents in the first instance.

## 5.3 RFQ SUBMISSION INSTRUCTIONS AND NEXT STEPS

The Authority will not accept RFQ submissions sent by facsimile, electronic mail, telex or other telegraphic means. The determination of whether an RFQ submission is submitted before the Submission Deadline will be based on the time and date stamp each Respondent must ensure it receives from the Authority/Committee at the Submission Address. It is the sole responsibility of each Respondent to ensure that its RFQ submission is delivered to the Submission Address no later than the Submission Deadline. RFQ submissions received after the Submission Deadline will be rejected and returned to Respondents unopened. Respondents should not submit promotional materials as part of their RFQ submissions and are strongly encouraged not to submit information that is not required by this RFQ. Respondents are strongly encouraged to be succinct in their prequalification submissions. The Respondent shall limit its prequalification submission, or each component of the RFQ submission, to the maximum number of pages indicated in Section 5.1. Respondents are cautioned that, if there are page limits set out in Appendix 1 for specific sections, the Authority will not review or score pages submitted in excess of the maximum number of pages indicated for such item. For the avoidance of doubt, any page limits set out in the RFQ shall apply to all materials submitted by the Respondent in response to the item that is the subject of a page limit, whether submitted in the text of the prequalification submission or included as an appendix, schedule or other attachment to the RFQ submission.

The SOQ submission shall be labelled as follows:



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Puerto Rico Public-Private Partnerships Authority  
Ferry System Committee Representative  
Maritime Transportation Services SOQ  
Submitted by (Respondent's name and Address)

The SOQ shall be delivered to:

Puerto Rico Public-Private Partnerships Authority  
cc: Omar J. Marrero, Esq. – Executive Director PPP Authority  
Government Development Bank for Puerto Rico  
Roberto Sánchez Vilella (Minillas) Government Center – Third Floor  
De Diego Ave. Stop 22  
San Juan, PR 00907

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## 5.4 RFQ MISCELLANEOUS INSTRUCTIONS

### Addenda to RFQ

The Authority reserves the right to amend this RFQ at any time. Any amendments to this RFQ will be described in written Addenda. Copies of each Addendum will be available at the Authority's website: <http://www.p3.pr.gov> and Respondents will be notified. Respondents are encouraged to review the Authority's web page regularly. All Addenda will become part of this RFQ. In the event of any conflict in the wording or any issue of interpretation, Addenda, when issued, will take priority over the original wording in the RFQ and any wording in prior Addenda. Each Respondent shall, in its SOQ, acknowledge receipt of each Addendum. Each Respondent is solely responsible to ensure that it has received all communications issued by the Authority. A failure to obtain any such communication is at the sole and absolute risk of the Respondent and the Authority accepts no responsibility for any Respondent that does not receive or obtain all RFQ information (including Addenda). Each response to this RFQ is deemed to be made on the basis of the complete RFQ issued prior to the Submission Deadline.

### Withdrawal of SOQs

A Respondent may withdraw an SOQ by delivering to the Authority a written request for withdrawal, prior to the date of the selection of the Preferred Proponent, at the address for delivery of SOQs set forth in Section 5.3. Any such withdrawal does not prejudice the right of a Respondent to submit another SOQ by the Submission Deadline.

## 5.5 DISCLAIMER

The information provided in this RFQ, or any other written or oral information provided by the Authority, MTA, PRITA, the Committee, the Government or their respective officers, employees, advisors or consultants in connection with the Project or the selection process is provided for the convenience of the Respondents only. Respondents shall make their own conclusions as to such information. Oral explanations or instructions from officials, employees, advisors or consultants of the Authority, MTA, PRITA, the Committee, or the Government or any Puerto Rico public agency will not be considered binding on the Authority, MTA, PRITA, the Committee, the Government. The Authority, MTA, PRITA, the Committee, the Government and their respective officers, employees, advisors and consultants make no representation as to such information, the accuracy and completeness of such information is not warranted by any of them and none of them will have any liability in connection with such information or the selection process, all of which liability is expressly waived by the Respondents. This RFQ is not an offer to enter into any contract of any kind whatsoever.





## 5.6 FEDERAL REQUIREMENTS

Concurrently with the procurement of the Project, the Authority intends to apply to the Federal Transit Administration FTA for (a) approval to privatize (via long-term lease or otherwise) those federally-assisted portions of the Ferry System that comprise the Project and/or (b) a waiver of certain FTA requirements otherwise applicable to the Operator, its subcontractors and the Project, in each case pursuant to *Executive Order 12,803—Infrastructure Privatization* set forth at 57 F.R. 19,063 (May 4, 1992) and/or certain “Private Investment Project Procedures” proposed by FTA as a new rule set forth at 49 C.F.R. Part 650 (82 F.R. 35,501 (July 31, 2017)). Subject to such privatization or waiver, if any, the Operator and its contractors shall comply with the applicable provisions of the following FTA requirements (in addition to other federal requirements to be set forth in the RFP):

- (a) 49 U.S.C. chapter 53 and other procurement requirements of Federal laws;
- (b) 2 C.F.R. pt. 200;
- (c) all other applicable Federal regulations pertaining to federally-aided contracts; and
- (d) Federal Transit Administration Circular 4220.1F, “Third Party Contracting Guidance”, March 18, 2013, and any later revision thereto, except to the extent FTA determines otherwise in writing.

## 5.7 CONFLICT OF INTEREST

Each Respondent Representative, on behalf of the Team Members identified as meeting the experience requirements of Section 4 of this RFQ, must declare and continue to be under an obligation to declare all Conflicts of Interest or any situation that may be reasonably perceived as a Conflict of Interest that exists now or may exist in the future. In this Section 5.6, “Conflict of Interest” includes any situation or circumstance where in relation to the Project, the Respondent and the Team Members identified as meeting the experience requirements contemplated in Section 4 of this RFQ have other commitments, relationships or financial interests that:

- could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of the both the Authority and Committee’s independent judgment; or
- could or could be seen to compromise, impair or be incompatible with the effective performance of its obligations under the PPP Agreement.

In connection with its SOQ, each Respondent shall:

- avoid any Conflict of Interest in relation to the Project;
- disclose to the Authority without delay any actual or potential Conflict of Interest that arises during the RFQ process;
- comply with any requirements prescribed by the Authority to resolve any Conflict of Interest.

In addition to all contractual or other rights available at law or in equity or legislation, the Committee may immediately exclude a Respondent from further consideration or remove the Respondent from the RFQ process if:

- the Respondent fails to disclose an actual or potential Conflict of Interest;
- the Respondent or a Team Member identified as meeting the experience requirements of Section 4 of this RFQ fails to comply with any requirements prescribed by the Authority to resolve a Conflict of Interest; or



- the Respondent's Conflict of Interest issue cannot be resolved.

## 5.8 RESERVATION OF RIGHTS

In connection with the proposed Project, the Authority, MTA, and PRITA reserve all rights (which rights will be exercisable by the Authority, MTA, and PRITA in their absolute discretion) available to them under applicable laws and regulations, including, without limitation, with or without cause and with or without notice, the right to:

- Modify the procurement process to address applicable law and/or the best interests of the Authority, MTA, PRITA, FAFAA and the Government.
- Develop the Project in any manner that they deem necessary and change the limits, scope and details of the Project.
- If the Committee, MTA, and PRITA are unable to negotiate a PPP contract to their satisfaction with a Respondent, they may negotiate with the next highest ranked Respondent, terminate the process and pursue other alternatives relating to the Project or exercise such other rights as they deem appropriate.
- Cancel the procurement process, as applicable, in whole or in part, at any time prior to the execution by PRITA or MTA of an agreement, without incurring any cost, obligations or liabilities whatsoever.
- Issue a new RFQ after withdrawal of this RFQ.
- Reject or disqualify any and all RFQ submissions and responses received at any time for any reason without any obligation, compensation or reimbursement to any Respondent or Prospective Respondent or Team Member.
- Modify all dates, deadlines, process, schedule and other requirements set out, described or projected in this RFQ.
- Terminate evaluations of responses received at any time.
- Exclude any Respondent from submitting any response to the RFQ, as the case may be, based on failure to comply with any requirements.
- Issue addenda, supplements and modifications to this RFQ.
- Require confirmation of information furnished by a Respondent, require additional information from a Respondent concerning its response and require additional evidence of qualifications to perform the work described in this RFQ.
- Consider, in the evaluation of any RFQ submission, any instances of poor performance by a Respondent, Team Member or key individual that any of the Authority, MTA, PRITA, FAFAA or the Government may have experienced.
- Seek or obtain data from any source that has the potential to improve the understanding and evaluation of the responses to this RFQ.
- Add or delete Respondent responsibilities from the information contained in this RFQ or any subsequent process instruments.
- Negotiate with any party without being bound by any provision in its response.
- Waive any deficiency, defect, irregularity, informality, non-conformity or non-compliance in a response to the RFQ or permit clarifications or supplements to a response to the RFQ, and accept such response even if such deficiency, defect, irregularity, non-conformity or non-compliance would otherwise render the response null and void or inadmissible.
- Add or eliminate facility expansion to or from the Project.
- Incorporate the RFQ or any Respondent's response to the RFQ as part of any formal agreement with a Shortlisted Respondent.



- Not issue a notice to proceed after execution of any contract.
- Postpone the date on which responses to this RFQ are due.
- Exercise any other right reserved or afforded to the Authority, the Committee, MTA and PRITA under the Act, the Regulation, this RFQ or applicable law.

This RFQ does not commit PRITA or the MTA to enter into a contract or proceed with the Project as described herein. The Authority, MTA, PRITA, FAFAA, and the Government assume no obligations, responsibilities, or liabilities, fiscal or otherwise, to reimburse all or part of the costs incurred or alleged to have been incurred by parties considering a response to and/or responding to this RFQ, or in considering or making any submission. All of such costs shall be borne solely by each Respondent.

**In no event will the Authority, MTA or PRITA be bound by, or liable for, any obligations with respect to the PPP Agreement until such time (if at all) as a contract, in form and substance satisfactory to the Authority, MTA, and PRITA, has been executed and authorized by MTA or PRITA and, then, only to the extent set forth therein.**

## 5.9 LIMITATION OF DAMAGES

Each Respondent, by submitting a response to this RFQ, agrees that in no event will the Authority, PRITA, MTA, FAFAA, the Committee, the Government, or any of their respective employees, advisors or representatives, be liable, under any circumstances, for any Claim, or to reimburse or compensate the Respondent in any manner whatsoever, including but not limited to costs of preparation of the response, loss of anticipated profits, loss of opportunity, or for any other matter. Without in any way limiting the above, each Respondent specifically agrees that it will have absolutely no Claim against the Authority, PRITA, MTA, FAFAA, the Committee or the Government or any of their respective employees, advisors or representatives if any such party for any reason whatsoever:

- Does not select a shortlist of prequalified Respondents;
- Suspends, cancels, or in any way modifies the Project or the solicitation process (including modification of the scope of the Project or modification of the RFQ or both);
- Accepts any compliant or non-compliant response or selects a shortlist of one or more prequalified Respondent(s);
- Under the terms of the RFQ permits or does not permit a Restricted Party to advise, assist, or participate as part of a Respondent team,
- Or for any breach or fundamental breach of contract or legal duty of the Authority, PRITA, MTA, FAFAA, the Committee or the Government, whether express or implied, and each Respondent waives any and all Claims whatsoever, including Claims for loss of profits or loss of opportunity, if the Respondent is not shortlisted in the solicitation process for any other reason whatsoever.

For purposes of this Section 5.8 “Claim” means any claim, demand, liability, damage, loss, suit, action, or cause of action, whether arising in contract, tort or otherwise, and all costs and expenses relating thereto.

The Authority and their advisors are not responsible for costs incurred by Respondents, Team Members, subcontractors, or other interested parties in connection with the solicitation or procurement process, including but not limited to costs associated with preparing responses, qualifications, and of participating in any conferences, oral presentations or negotiations, whether in connection with this RFQ or otherwise. A Shortlisted Respondent will not be entitled to indemnity (including, but not limited to, reimbursement for costs and expenses) from the Authority if the Authority decides, in its discretion, to terminate the procurement process for this Project.





# SECTION 6 – Evaluation Criteria





# SECTION 6 – EVALUATION CRITERIA



## 6.1 PROPONENT QUALIFICATION AND PROPOSAL REQUIREMENTS

This RFQ is available for prospective Proponents who desire to participate in the Project. All RFQ qualification submissions will be reviewed based on the requirements set forth in Section 6 and Appendix 1 of this RFQ.

The process for evaluating the SOQ is outlined in this Section 6. The Regulation states that: the Committee reserves the right to qualify a limited number of prospective Proponents in order to arrive at a shortlist for a particular Project; provided, that such right is contemplated in the applicable RFQ. The Authority's goal is to create a fair basis for the evaluation of the SOQs in compliance with all applicable laws governing this procurement.

The SOQ evaluation process will include: (1) a review of each SOQ for responsiveness and pass/fail criteria in accordance with Section 6.2.1 and (2) a qualitative evaluation of the SOQ in accordance with the evaluation criteria set forth in Section 6.3, resulting in a qualitative score.

## 6.2 STATEMENT OF QUALIFICATIONS EVALUATION CRITERIA

SOQs shall be prepared and submitted in the format set out in Section 5, and shall completely and clearly address the scope of work outlined in Section 4 of this RFQ.

The Act requires the Committee to take into account certain factors in evaluating the submitted SOQs. The evaluation criteria for this SOQ submissions will consist of two (2) Pass / Fail criteria.

### 6.2.1 PASS/FAIL AND RESPONSIVENESS REVIEW

Each SOQ will be reviewed for: (a) conformance to the RFQ instructions regarding organization and format, and responsiveness to the requirements set forth in this RFQ and (b) based on the pass/fail criteria set forth in Section 6.2.1. Responsiveness will be assessed on the basis of overall responsiveness

Any SOQ determined by the Authority that does not address the requirements set forth in this RFQ or that does not pass the pass/fail criteria herein will be excluded from further consideration and will not be eligible for qualitative evaluation and shortlisting. The Authority may also exclude from consideration any Respondent whose SOQ contains a material misrepresentation of information. Should a SOQ be excluded from further evaluation, the Authority will inform the Respondent.

The Authority may request written clarifications, confirmations or corrections from a Respondent regarding minor nonconformities, irregularities, and apparent clerical mistakes as provided in Section 5.7. The Authority reserves the right, in its discretion, to disregard or waive minor informalities, irregularities, omissions, nonconformities, discrepancies, and apparent clerical mistakes.

**Pass/Fail Criteria:** The Authority will evaluate each SOQ based upon the following pass/fail criteria:

#### Criterion 1 – Compliance with RFQ

To pass Criterion 1, the SOQ must comply with all requirements contained within this RFQ including but not limited to format requirements, terms, conditions of this RFQ and the completion of required Forms in Appendix 2.

#### Criterion 2- Compliance with Requirements of the Act

Each SOQ submitted pursuant to this RFQ will be reviewed to determine whether it satisfies the Act's requirements. To pass this Criterion 2, Respondents are to provide a statement which addresses the following:

- The Respondent shall demonstrate that, at the time of the execution of the PPP Agreement, it will be a Person authorized to do business in Puerto Rico;



- The Respondent shall have available such corporate or equity capital or securities or other financial resources that, in the judgment of the Authority and the Committee, are necessary for the operation and maintenance of the Project;
- The Respondent shall have a good reputation and demonstrated managerial, organizational, professional and technical capacities, as well as directly relevant experience, to develop and administer the Project; and
- Each Team Member and each Respondent, if the Respondent has been formed as of the date of a submission of a response to this RFQ, shall certify that neither it nor any of its directors, officers, shareholders, or subsidiaries, nor its parent company, nor in the case of a partnership, any of its partners, nor any person or entity that may be considered an alter ego or the passive economic agent of the Respondent (each a “Covered Party”), has been convicted, has entered a guilty plea or has been indicted, nor has been found probable cause for their arrest, in any criminal proceeding in the courts of the Government, the Federal courts of the United States, or the courts of any jurisdiction of the United States or a foreign country, of criminal charges related to acts of corruption or to any of the following crimes: a crime against public integrity, as defined in the Government of Puerto Rico Penal Code, embezzlement of public funds, a crime against the public treasury, public trust, public function or involving the wrongful use of public funds or property, any of the crimes enumerated in Act No. 458 of December 29, 2000, as amended (“Act 458”), or under the Foreign Corrupt Practices Act; nor is any Covered Party under investigation in any legislative, judicial or administrative proceedings in the Government of Puerto Rico, the United States or any other country. The Respondent is in compliance and will continue to comply at all times with all federal, state, local and foreign laws applicable to the Respondent that prohibit corruption or regulate crimes against public functions or public funds, including the Foreign Corrupt Practices Act (this requirement may be satisfied by completing the Form of Sworn Statement and Form of Respondent Certification included in Appendix 2 to this RFQ).
- Proponents who apply or bid for an award of US\$100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient (This requirement may be satisfied by completing the Certification Regarding Lobbying included in Appendix 2 to this RFQ).

## 6.3 QUALITATIVE EVALUATION CRITERIA AND WEIGHTING

Each Respondent SOQ passing all of the “pass/fail” criteria set forth above in Section 6.2 will be qualitatively evaluated and scored by the Committee in the following categories:

- Technical Qualifications and Capability (42.5% Weighting)
- Project Financial Qualifications and Capability (42.5% Weighting)
- Conceptual Technical Approach Statement (5.0% Weighting)
- Conceptual Project Finance Discussion (5.0% Weighting)
- Local Participation (5.0% Weighting)

The evaluation criteria for each category are set forth below.

### 6.3.1 TECHNICAL QUALIFICATIONS AND CAPABILITY (42.5% WEIGHTING)

The Respondent’s technical experience and capability will be evaluated based on the following factors, and such evaluation will only consider:





### a) Firm Experience

The extent and depth of the experience of the Respondent's Team Members with projects of similar scope and complexity and with similar responsibilities as are anticipated to be within the scope of work, and specific experience with concessions, P3 contracting, Operations and Maintenance contracting, or any variation thereof.

The Authority will consider the individual and collective project experience of the Team Member firms in accordance with the criteria listed below, as reflected in the SOQ. The extent and depth of the technical capability of the Respondent and its Team Members with respect to:

1. The management, operations and maintenance of maritime transit operations or government-sponsored or owned infrastructure;
2. Vessel Safety record including list of accidents/incidents they have been involved in and USCG CG-835 reports received;
3. Evidence of operation of vessels including history of past "on time" service performance;
4. Evidence of maintenance of vessels including fleet sizes and type/size of vessels maintained, including history of missed trips;
5. Evidence of customer service and ticketing system development and maintenance;
6. Evidence of meeting local, Government, federal, and international labor standards and fair wage;
7. Evidence of community relations; and
8. Environmental responsibility and regulatory compliance.

Reference letters for current and/or past government entities regarding performance on operating ferry systems are encouraged.

### b) Technical Key Personnel Experience

The extent and depth of the experience of technical Key Personnel with projects of similar scope and complexity and with similar personnel roles and responsibilities as are anticipated for this Project, and specific experience with concessions, P3 contracting, Operations and Maintenance contracting, or any variation thereof.

## 6.3.2 PROJECT FINANCE QUALIFICATIONS AND CAPABILITY (42.5% WEIGHTING)

The Respondent's financial experience and capability will be evaluated based on the following factors, and such evaluation will only consider:

- a) Demonstrated experience in financing of manage, operate, maintain and improve maritime transportation projects and capability to finance the Project, as described below:
  1. Respondent's experience in successfully structuring and achieving financial close on a diverse range financing structures for comparable projects; and



2. Adequacy and availability of the Respondent's current resources to develop and execute a financial plan on a timely basis for the Project, including readiness, flexibility, and availability to close debt financing and invest equity in the Project.
- b) Depth of experience of the Respondent's Financial Key Personnel (consisting of one or more Project Finance Leads) as described below:
1. Length and depth of experience in financing of maritime transportation projects;
  2. Demonstrated ability to develop finance plans and secure debt and equity financing for projects with credit characteristics similar to the Project; and
  3. Experience in closing transactions utilizing a wide range of financing and funding tools and instruments, such as bank debt, federal grants, and other instruments.

### 6.3.3 CONCEPTUAL TECHNICAL APPROACH STATEMENT (5.0% WEIGHTING)

The Respondent's Conceptual Technical Approach Statement will be evaluated based on the following factors, and such evaluation will only consider:

- Demonstrates a full understanding of the Project's scope and complexity;
- Demonstrates an understanding of Project risks and potential solutions (regardless of which party has responsibility for such risks) that may arise during all Project phases, including management, operation, maintenance, improvement and route development;
- Articulates the Respondent's approach to PPP contracting and successfully delivering the Project using PPP contracting;
- Articulates the Respondent's approach to establishing the ticketing system and business opportunities to optimize the revenue that can be generated from this MTA assets;
- Articulates the Respondent's approach to project quality (QA/QC) during both construction and operations;
- Articulates the Respondent's approach to safety management during both construction and operations; and
- Articulates the Respondent's approach to providing good customer service through the operations of the Project.

### 6.3.4 CONCEPTUAL PROJECT FINANCE DISCUSSION (5.0% WEIGHTING)

The Respondent's Conceptual Project Finance Discussion will be evaluated based on the following factors, and such evaluation will only consider:

- Demonstrates knowledge and understanding of the current project financing markets, with specific reference to the availability of project financing for a maritime transportation projects and assets of the proposed scope and complexity of the Project.
- Demonstrates in-depth understanding of the tools, requirements and critical considerations involved in developing and implementing a financing plan for the Project.

### 6.3.5 LOCAL PARTICIPATION PLAN (5.0% WEIGHTING)

The Authority is interested in encouraging Respondents to engage Local Parties as part of their teams. The Government strongly believes that the adequate integration of Local Parties can be favorable for the Project and provide significant returns to Proponents in the form effective local presence and community outreach, optimization of Project costs, on-the-ground responsiveness, effective ridership and market targeting, among other benefits.



The Respondent's Local Participation Plan will be evaluated based on the following factors, and such evaluation will only consider:

- Evidence that Local Parties are integrated, to the extent possible, as Team Members and Key Individuals;
- Respondents may provide relevant and credible information to support their response, including, signed copies of the relationship documentation and/or legal agreements(s) (e.g., letters of support, memoranda of understanding, partnership or joint venture agreements, etc.) supporting their response; and
- Provide general description of community outreach programs previously implemented and how these qualifications can be applicable to the Project.





# APPENDICES





## Appendix 1 SOQ FORMAT

Responses must be prepared and submitted in the format set out in Section 5.1 of this RFQ and must comprehensively and completely address its requirements.

Respondents shall assemble their SOQ as presented below.

SOQ Component	Form if any
<b>Part A – General Information</b>	
Form of Sworn Statement	Form 1
Form of Respondent Certification	Form 2
Certification Regarding Lobbying	Form 3
Certification indicating that Respondent is not currently disqualified, removed, debarred or suspended from performing or bidding on work for federal government or any state government.	Form 4
Disclosure of Conflicts: list any dealings with the Government of Puerto Rico, the Authority, MTA or PRITA (including the employees and elected representatives of each), as well as any suppliers of goods or services to MTA or PRITA.	
Cover Page (to include identification of all Team Members, 1 page maximum)	
Cover Letter (2 pages maximum)	
Table of Contents	
<p><b>Executive Summary (2 pages maximum)</b></p> <p>The Executive Summary shall be written in a non-technical style and shall contain sufficient information for reviewers with both technical and non-technical backgrounds to become familiar with the Respondent’s SOQ and its ability to satisfy the financial and technical requirements of the Project. The executive summary shall identify each Team Member and briefly describe the role, headquarter office location, and the qualifications of each Team Member, and their experience in performing comparable projects. The executive summary shall address why the Respondent wants to become the Preferred Proponent.</p>	
<p><b>Respondent Information (1 page maximum)</b></p> <p>Respondent Representative: provide a single contact person (“Respondent Representative”) for all future communication between the Authority and the Respondent. Please identify the Respondent Representative’s name, title, organization, work address, email address, and work, cell and fax numbers.</p>	
<p><b>Local Participation (1 page maximum)</b></p> <p>Respondents should address all areas referred to in the Evaluation Criteria set out in Section 6.3.5 of this RFQ, under the heading “Local Participation” by providing information about integration of Local Parties and examples of previous community outreach programs that can be implemented as part of the Project.</p>	



<b>Part B – Technical Information</b>	
<p><b>Firm Experience (9 pages maximum)</b></p> <p>Respondents should provide details for a maximum of four projects and best meeting the evaluation criteria set out in Section 6.3.1 of this RFQ. Respondents shall submit copies of the following reports for the last three (3) years:</p> <ul style="list-style-type: none"> <li>(i) Occupational Safety and Health Administration (OSHA) 300 forms. If not applicable, a Respondent shall present a document explaining the reasons for not submitting the form.</li> <li>(ii) USCG CG-835 and CG-2692 forms for current operations. If not applicable, a Respondent shall present a document explaining the reasons for not submitting the form.</li> </ul> <p>In addition, Respondents should provide a response which demonstrates:</p> <ul style="list-style-type: none"> <li>(i) Their ability to address and resolve safety issues,</li> <li>(ii) Knowledge of ferry safety strategies and methodologies.</li> </ul>	
<p><b>Technical Key Personnel Experience (4 pages maximum)</b></p> <p>Each Respondent must identify at least one individual as Technical Key Personnel and provide separate resumes for all other Technical Key Personnel whose qualification and experience will be evaluated as part Section 6.3.2 of this RFQ. Resumes shall be limited to no more than one page per person, exclusive of licenses or license applications. Provide a minimum of three individual project descriptions and contacts in each resume. For each project, the following information shall be included in the resume:</p> <ul style="list-style-type: none"> <li>(i) Name of the project, the public owner’s contact information (project manager name, telephone number, email address), and dates of work performed on the project.</li> <li>(ii) Description of the individual’s exact role and the work or services provided on the project. If more than one role was played, identify the dates and duration of each role.</li> <li>(iii) Description of how the individual’s experience on the project is relevant to the evaluation criteria set forth in Section 6.3.1 of this RFQ.</li> <li>(iv) Relevant licensing and registration. (Copies of licenses and/or applications for licenses, if applicable, must be attached.)</li> </ul>	
<p><b>Conceptual Technical Approach Statement (4 pages maximum)</b></p> <p>Provide a narrative statement of the Respondent’s conceptual technical approach to the Project responsive to the evaluation criteria set out in Section 6.3.3 of this RFQ.</p>	
<b>Part C – Financial Information</b>	
<p><b>Project Financing Experience (4 pages maximum)</b></p> <p>Respondents should provide details for a maximum of five projects and best meeting the evaluation criteria set out in Section 6.3.2 of this RFQ. Respondents must demonstrate the experience of the Proposer, its Team Members, and/or Financial Key Personnel (including Project Finance Lead(s) that best meets the evaluation criteria set out in Section 6.3.2 of this RFQ). Only list maritime transportation projects that are comparable to the Project.</p>	
<p><b>Project Descriptions and Case Studies (4 pages maximum)</b></p> <p>Respondents should provide a narrative of project descriptions and case studies describing the financial and commercial experience of the Proposer and its Team Members and Financial Key Personnel for a maximum of three projects and best meeting the evaluation criteria set out in Section 6.3.2 of this RFQ Each case study should highlight any unique financial challenges encountered and the approach to overcoming these challenges.</p>	
<p><b>Financial Key Personnel (4 pages maximum)</b></p>	





<p>Each Respondent must identify at least one individual as Financial Key Personnel and provide separate resumes for all other Financial Key Personnel whose qualification and experience will be evaluated based on the evaluation criteria described in Section 6.3.2 of this RFQ. Resumes shall be limited to no more than one page per person, exclusive of licenses or license applications. Provide a minimum of three individual project descriptions and contacts in each resume. For each project, the following information shall be included in the resume:</p> <ul style="list-style-type: none"> <li>(i) Name of the project, the public owner’s contact information (project manager name, telephone number, email address), and dates of work performed on the project.</li> <li>(ii) Description of the individual’s exact role and the work or services provided on the project. If more than one role was played, identify the dates and duration of each role.</li> <li>(iii) Description of how the individual’s experience on the project is relevant to the evaluation criteria set forth in Section 6.3.2 of this RFQ.</li> </ul> <p>Relevant licensing and registration. (Copies of licenses and/or applications for licenses, if applicable, must be attached.)</p>	
<p><b>Conceptual Project Finance Discussion (4 pages maximum)</b></p> <p>The Conceptual Project Financing Discussion is intended to provide Respondents an opportunity to demonstrate their knowledge and understanding of the tools, requirements and critical considerations involved in developing and implementing a plan of finance for the Project. Provide a summary of the major factors that will be considered in the development of a finance plan for the Project. The Conceptual Project Financing Discussion will be evaluated based on the evaluation criteria described in Section 6.3.4 of this RFQ.</p>	
<p><b>Financial Statements and Credit Ratings (this section is exempt from page limit)</b></p> <p>Each Respondent must provide the following information for each Team Member. Team Member information should be packaged separately and include a cover sheet identifying the name of the organization and its role as the Proposer (if formed), the Equity Members, any Guarantors, and the Proposer’s subcontractors. Financial statement information must include:</p> <ul style="list-style-type: none"> <li>• Opinion Letter (Auditor’s Report);</li> <li>• Balance Sheet;</li> <li>• Income Statement;</li> <li>• Statement of Changes in Cash Flow; and</li> <li>• Footnotes</li> </ul> <p>Respondents may include a parent company or other affiliate company as a guarantor with respect to the Proposer’s financial capabilities (a “Guarantor”). If the Respondent has identified a Guarantor in its SOQ, the Respondent must provide the information required of each Equity Member in addition to providing information about the Guarantor as described below. In addition, the Authority may, in its discretion based upon the review of the information provided, specify that an acceptable Guarantor or an additional Equity Member is required as a condition of shortlisting, in which case the information required of such Guarantor or additional Equity Member shall be submitted upon the request of the Authority.</p>	



## Appendix 2 REQUIRED FORMS

List of Forms	
SOQ Compliant Forms	
<i>Form Name</i>	<i>Description</i>
Form 1	Form of Sworn Statement
Form 2	Form of Respondent Certification
Form 3	Certification Regarding Lobbying
Form 4	Certification indicating that Respondent is not currently disqualified, removed, debarred or suspended from performing or bidding on work for federal government or any state government.



**FORM 1: FORM OF SWORN STATEMENT**

*[Letterhead of each Respondent and Respondent Team Member]*

UNITED STATES OF AMERICA            )  
  
STATE OF                                )       SS  
  
CITY OF                                 )

[Name of Representative], of legal age, married (or single), and a resident of \_\_\_\_\_, \_\_\_\_\_, in his (her) capacity as \_\_\_\_\_ of [Name of Respondent] (the “Respondent”), Employer Identification Number \_\_\_\_\_, being duly sworn, deposes and certifies that, as of the date of this Sworn Statement<sup>4</sup>:

1. The principal office of the Respondent is located at \_\_\_\_\_.
2. The Respondent [has filed all] [has not had to file any] income tax returns with the Department of the Treasury of the Government of Puerto Rico during the past five years.
3. The Respondent does not have any Tax Debts with the Government of Puerto Rico, nor any of its instrumentalities or political subdivisions. The term “Tax Debt” means any debt for (i) income taxes, (ii) sales and use taxes, (iii) excise taxes, (iv) real or personal property taxes, (v) municipal license taxes (“patente”), (vi) special taxes levied, (vii) license rights, (viii) tax withholdings for payment of salaries, professional service fees, interests, dividends, rents or profits, (ix) unemployment or disability insurance premiums, (x) workers compensation payments, or (xi) premiums for social security for chauffeurs.
4. Neither the Respondent nor any of its directors, officers, shareholders, members, or subsidiaries, nor its parent company, nor in the case of a partnership, any of its partners, nor any person or entity that may be considered an alter ego of the Respondent (each a “**Covered Party**”), has been convicted, has entered a guilty plea or has been indicted, nor has probable cause been found for their arrest, in any criminal proceeding in the courts of the Government of Puerto Rico, the Federal courts of the United States, or the courts of any jurisdiction of the United States or a foreign country, of criminal charges related to acts of corruption or to any of the following crimes: a crime against public integrity, as defined in the Government of Puerto Rico Penal Code, embezzlement of public funds, a crime against the public treasury, public trust, public function or involving the wrongful use of public funds or property, any of the crimes enumerated in Act No. 458 of December 29, 2000, as amended (“**Act 458**”), or under the Foreign Corrupt Practices Act; nor is any Covered Party under investigation in any legislative, judicial or administrative proceedings, in the Government of Puerto Rico, the United States or any other country.<sup>5</sup>
5. The Respondent understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of Act 458, will also result in the immediate cancellation of any contracts in force at the time of

<sup>4</sup> All capitalized terms in this Sworn Statement that are not defined herein are used as defined in the Request for Qualification issued to on September 2017 in relation to the operation and maintenance of the public maritime transportation services within the San Juan Bay and the Municipalities of Vieques and Culebra and the operation of the maintenance base located in Isla Grande, San Juan.

<sup>5</sup> As required by Article 9 of the Public Private Partnership Act and the provisions of Act No. 237 of August 31, 2004, as amended, Act 84 and Act 458, and the Guidelines adopted by the Secretary of Justice of Puerto Rico in Circular Letter 2009-01.





- conviction, between the undersigned, the corporation, or any special partnership that I may represent, and any government entity, public corporation or municipality.
6. The Respondent is in compliance with the provisions of the Authority's Guidelines for the Evaluation of Conflicts of Interest and Unfair Advantages in the Procurement of Public-Private Partnership Contracts, a copy of which is available at the Authority's website: <http://www.p3.pr.gov>
  7. The Respondent makes this sworn statement so that any government entity, public corporation or municipality may have knowledge of what is herewith declared and for any other administrative and/or legal purpose that may be required.
  8. That neither the undersigned, nor the institution have been convicted, nor have pleaded guilty at a state or federal court in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Article 3 of Act 458 of December 29, 2000, as amended, which prohibits the grant of bids or government contracts to those convicted of fraud, misapplication or misappropriation of public funds for the past 20 years. That I recognize that crimes in above mentioned law are: aggravated illegal appropriation, in all its forms; extortion; construction fraud; construction fraud in carrying out work; fraud in the delivery of goods; unlawful and unwarranted intervention in bid contracting processes or in the operations of the Government; bribery in all its forms; aggravated bribery; offering bribes; undue or unlawful influence; offences against public funds; preparation of false documents; submitting false documents; falsifying documents; possession and transfer of forged document.
  9. The Respondent subscribes this sworn statement in conformity with what is established in Article 6 and 7 of Act 458 of December 29, 2000 (the "Act"), as amended.
  10. Should the Respondent have been convicted of any of the crimes described in the eight paragraph, The Respondent must disclose the crime of which I was convicted, or to the extent applicable, the crime for which the corporation, partnership, or cooperative the Respondent represent was convicted. In addition, information as to the jurisdiction were the crime(s) was committed, as well as the year and the number of the case should be provided.
  11. The Respondent understands and accept that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned, the corporation, or any partnership that I may represent, and any government entity, public corporation or municipality. (If the information was affirmative, the crimes which the person was been found or pleaded guilty must be specified)
  12. That neither the signer, nor the institution that the Respondent may represent has been convicted, nor has pleaded guilty of crimes in the federal jurisdiction, or in the jurisdiction of any state or territory of the United States of America or any other country, for crimes whose elements are equivalent to those enumerated in Article 3 of the aforementioned Law.
  13. The undersigned, or the institution that the Respondent may represent, \_\_\_\_\_ is or \_\_\_\_\_ is not (mark one of the previous) under investigation in any legislative process, judicial or administrative proceeding, whether in Puerto Rico, the United States of America or any other country, to participate in the award or grant of any auction or contract, respectively.
  14. That the undersigned, or the institution that the Respondent represents, are familiar with the provisions of Act 84 of June 18, 2002, as amended, and commit to comply with the provisions of Act 84 of June 18, 2002, as amended, also known as the "Code of Ethics for contractors Suppliers of goods and services and applicants for economics incentives of the executive agencies of the Government of Puerto Rico". A copy of Act 84 of June 18, 2002, as amended, is available at the Authority's website: <http://www.p3.pr.gov>



15. That the Respondent makes this sworn statement solely so that any government entity, public corporation or municipality may have knowledge of what is herewith as may be required by the Act or applicable law as of this date.

In \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[RESPONDENT]

By: \_\_\_\_\_

Sworn and subscribed to before me by \_\_\_\_\_, of the above stated personal circumstances, in his (her) capacity as \_\_\_\_\_ of \_\_\_\_\_, who is personally known to me.

In \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
**NOTARY PUBLIC**



## FORM 2: FORM OF RESPONDENT CERTIFICATION

*[Letterhead of each Respondent and Respondent Team Member]*

Puerto Rico and the Islands Municipalities Maritime Transport Authority  
Request for Qualifications –  
Manage, Operate, Maintain, Improve and Finance of Certain Public Maritime Transportation Services  
("Project")

Dear Mr. [XXXX],

We have carefully reviewed, fully understand and have no reservation to the Request for Qualifications for the Project, dated [ ], 2017 ("RFQ") issued by the Puerto Rico Public-Private Partnerships Authority (the "Authority") and the Puerto Rico and the Islands Municipalities Maritime Transport Authority ("MTA") and any other documents accompanying or made a part of the RFQ. Capitalized terms used in this certificate have the meanings given to them in the RFQ.

We acknowledge and agree to comply with all terms and conditions of the RFQ, the attached Statement of Qualifications, and all enclosures thereto. Without limitation, we specifically acknowledge [REFERENCE TO SPECIFIC SECTIONS OF THE RFQ] of the RFQ.

We certify that the information contained in the attached Statement of Qualifications is truthful and that all accompanying documents are true copies of their respective originals. We further certify that the individual who has signed and delivered this certification is duly authorized to submit the attached Statement of Qualifications on behalf of the Respondent.

We further certify that no officer or employee of the Authority, MTA or any other public agency of the Government of Puerto Rico who participates in the selection process described in, or negotiations in connection with, the RFQ (nor any member of their families) has an economic interest in or is connected with the Respondent, and no officer or employees of the Authority, MTA or any other public agency of the Government of Puerto Rico (nor any member of their families) has directly or indirectly participated with the Respondent in the preparation of its RFQ submission.

We further certify that this submittal is made without prior understanding, agreement, connection, discussion or collusion with any other person, firm or corporation submitting a separate Statement of Qualifications or any officer, employee or agent of the Authority, or MTA and that the undersigned executed this Respondent's Certification with full knowledge and understanding of the matters herein contained and was duly authorized to do so.

The attached Statement of Qualifications shall be governed by and construed in all respects according to the laws of the Government of Puerto Rico and the terms of the RFQ.

Yours faithfully,

*[Insert appropriate signature block for signature by a person  
duly authorized to bind the Respondent or Team Member]*





**FORM 3: FORM OF CERTIFICATION REGARDING LOBBYING**

*[RESERVED]*



**FORM 4: CERTIFICATION**

**Respondent Team:** \_\_\_\_\_

**Name of Team  
Member:** \_\_\_\_\_

1. Has the Respondent or the Team Member, as applicable, or any affiliate\* or any current officer, director or employee thereof, been indicted or convicted of fraud, bribery, collusion, conspiracy, antitrust, or other fraud or contract-related crimes or violations or any other felony or serious misdemeanor, or had its professional license suspended or revoked, or been subjected to disciplinary proceedings, within the past ten years?

Yes                       No

If yes, please explain:

2. Has the Respondent or the Team Member, as applicable, or any affiliate ever sought protection under any provision of any bankruptcy act within the past ten years?

Yes                       No

If yes, please explain:

3. Has the Respondent or the Team Member, as applicable, or any affiliate ever been disqualified, removed, debarred or suspended from performing work for the federal government, any state or local government, or any foreign governmental entity within the past ten years, or is the Respondent or the Team Member, as applicable, or any affiliate currently under investigation, review or examination for such disqualification, removal, debarment or suspension or currently under disqualification, removal, debarment or suspension?

Yes                       No

If yes, please explain:

4. Has the Respondent or the Team Member, as applicable, or any affiliate ever been found liable in a civil suit or found guilty in a criminal action for making any false claim or other material misrepresentation to a public entity within the past ten years?

Yes                       No

If yes, as to each such inquiry, state the name of the public agency, the date of the inquiry, the grounds on which the public agency based the inquiry, and the result of the inquiry.

5. Has the Respondent or the Team Member, as applicable, or any affiliate ever been found in default of any federal, state or local government agency contract within the past ten years, or is the Respondent or



the Team Member, as applicable, or any affiliate currently under any notice of default or intent to default on any such contract?

Yes  No

If yes, please explain:

6. To the knowledge of the undersigned, has the Respondent, the Team Member, or any affiliate thereof, as applicable, been involved in repeated or multiple failures to comply with safety rules, regulations or requirements with respect to any construction project performed or managed by the Respondent, the Team Member, or any affiliate thereof, within the past ten years?

Yes  No

If yes, please identify the team members and the projects, provide an explanation of the circumstances, and provide owner contact information including telephone numbers.

7. Has the Respondent or the Team Member, as applicable, or any affiliate been found, adjudicated or determined by any federal or state court or agency (including, but not limited to, the Equal Employment Opportunity Commission, the Office of Federal Contract Compliance Programs, any applicable Puerto Rico governmental agency or any similar governmental agency in another state, province or country) to have violated any laws or Executive Orders relating to employment discrimination or affirmative action within the past ten years, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. Sections 2000 *et seq.*); the Equal Pay Act (29 U.S.C. Section 206(d)); and any applicable or similar law of Puerto Rico or another state, province or country?

Yes  No

If yes, please explain:

8. Has the Respondent or the Team Member, as applicable, or any affiliate been found, adjudicated, or determined by any state court, state administrative agency, including, but not limited to, the Puerto Rico Department of Labor, federal court or federal agency, to have violated or failed to comply with any law or regulation of the United States or any state within the past ten years governing prevailing wages (including, but not limited to, payment for health and welfare, pension, vacation, travel time, subsistence, apprenticeship or other training, or other fringe benefits) or overtime compensation?

Yes  No

If yes, please explain:

9. Has the Respondent or the Team Member, as applicable, or any affiliate, or any officer, director or employee thereof, been convicted or found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, within the last four years, or is the Respondent or the Team Member, as applicable, or any affiliate, or any officer, director or employee thereof, currently under investigation by any governmental agency for





any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract?

Yes  No

If yes, please explain:

10. Does the Respondent or the Team Member, as applicable, or any affiliate have any outstanding, delinquent obligations to the Government of Puerto Rico or the MTA, including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Respondent or the Team Member, as applicable, or affiliate that is owed to the Government of Puerto Rico or the MTA?

Yes  No

If yes, please explain:

11. Has the Respondent or the Team Member, as applicable, or any affiliate, under separate contract with the MTA, PRPA, DTOP and/or PRITA, made any recommendations to the MTA, PRPA, DTOP and/or PRITA concerning the need for the services described in the SOQ or the specifications for the services described in the SOQ (excluding recommendations given at any industry forum(s) or one-on-one meetings hosted by the Authority or the Government prior to the issuance of the RFQ)?

Yes  No

If yes, please explain:

12. With respect to each of Questions 1-9 above, if not previously answered or included in a prior response on this form, is any proceeding, claim, matter, suit, indictment, etc. currently pending against the Respondent or the Team Member, as applicable, that could result in the Respondent or the Team Member, as applicable, being found liable, guilty or in violation of the matters referenced in Questions 1-9 above and/or subject to debarment, suspension, removal or disqualification by the federal government, any state or local government, or any foreign governmental entity?

Yes  No

If yes, please explain and provide the information requested as to such similar items set forth in Questions 1-9 above.

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\* The term "affiliate" includes parent companies at any tier, subsidiary companies at any tier, entities under common ownership, joint ventures and partnerships involving such entities (but only as to activities of joint ventures and partnerships involving the Respondent or the Team Member, as applicable, as a joint venture or partner and not to activities of other joint venturers or partners not involving the Respondent or the Team Member, as applicable), and other financially liable or responsible parties for the entity, that (i) within the past five years have engaged in business or investment in North America or (ii) have been involved, directly or indirectly, in the debt or equity



financing, credit assistance, design, construction, management or maintenance of any project listed by a Respondent in response to the requirements of Appendix 1, Part C of the RFQ.

Under penalty of perjury, I certify that (i) the foregoing is true and correct, (ii) to the best of my knowledge, the information given in response to the RFQ is full, complete and truthful and (iii) I am the official representative. I acknowledge, agree and authorize (and certify that the Respondent or the Team Member, as applicable, acknowledges, agrees and authorizes) that the Authority may, by means it deems appropriate, determine the accuracy and truth of the information provided by the Respondent or the Team Member, as applicable, and contact any individual or entity named in the SOQ for the purpose of verifying the information supplied therein. I acknowledge and agree that all of the information contained in the SOQ is submitted for the express purpose of inducing the Authority to short-list proposers and to award a contract.

*A material false statement or omission made in conjunction with this response is sufficient cause for suspension or debarment from further contracts, or denial of rescission of any contract entered into based upon this response thereby precluding the Respondent or the Team Member, as applicable, from doing business with, or performing work for, the Government or MTA. In addition, such false statement or omission may subject the person and entity making the proposal to criminal prosecution under the laws of the United States, including but not limited to 18 Pa. C.S. § 4904 (relating to an unsworn falsification to authorities) and 18 U.S.C. §§ 1001 or 1341.*

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Sworn and subscribed before me

this \_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_

NOTARY PUBLIC

\_\_\_\_\_

NOTARY SEAL

My Commission Expires: \_\_\_\_\_

