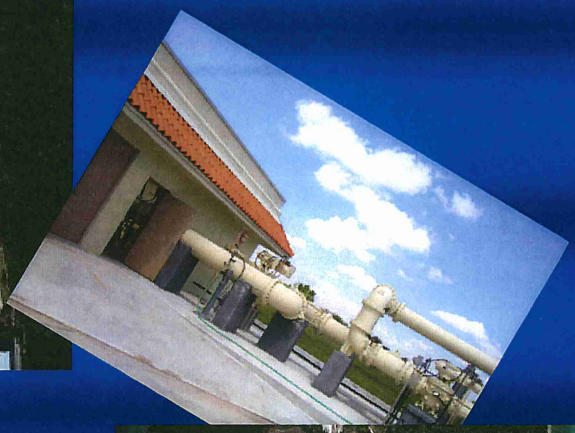
Expression of Interest (EOI)

Public-Private Partnerships (P3s) for Water and Sewer Capital Projects



Miami Dade County

MIAMI-DADE COUNTY

Water and Sewer Department (WASD)

November 2013

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Miami-Dade County, Florida

Request for Expression of Interest (EOI)

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A CIP Project Schedule

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1. Introduction

1.1 Overview

The Miami Dade Water and Sewer Department (WASD) is currently in the process of implementing a comprehensive Capital Improvement Plan (CIP) for numerous water and wastewater infrastructure projects. Such projects are required to meet the service needs of system customers, accommodate future growth and also to comply with Federal and State regulations.

The State of Florida recently passed House Bill 85 regarding Public-Private Partnerships (P3s). The Bill amends Sections §255.60 and §348.754 of the Florida Statutes and creates new Sections §287.05712 and §336.71 of the Florida Statues. In short, the Bill expands the use of P3 to a "facility or project that serves a public purpose." While WASD has developed a comprehensive plan to implement its CIP, there may be an opportunity to execute certain projects in the context of the recently passed P3 legislation.

1.2 Purpose of Information Request

Through the issuance of this Request for Expression Of Interest (EOI), WASD seeks information from the private sector regarding the feasibility of using P3 arrangements that could benefit all stakeholders and also assist WASD in implementing certain CIP projects in a more cost-effective and efficient manner considering the life cycle cost of the asset. The information received in response to this EOI will be used by WASD in deciding how to best maximize the opportunities available to implement certain projects via a P3 arrangement and to later issue formal RFQs or RFPs for formal public bidding of the work.

The definition of what constitutes a P3 varies worldwide, depending on enabling legislation; taxation and financing nuances; the availability of taxable and tax-exempt financing; the legal and institutional structures; the risk allocation and mitigation issues; and all other related matters. In the United States, because of the availability of low-cost tax-exempt financing for municipal projects, P3 arrangements are often defined as projects where there is an Integrated Project Delivery (IPD) that includes at least: design, construction, and a private operation/maintenance component. It may or may not include private financing. In Canada, where P3s are prevalent, they define them as a project that includes at least one long-term private operations or maintenance component.

This EOI is issued by the County solely for the purpose of gathering information regarding interested parties' perspectives on P3s opportunities and related matters for the implementation of WASD's CIP Program. The issuance of this EOI shall not be deemed or construed to bind the County or WASD to undertake a P3 project. It should be recognized that the purpose of this EOI is to simply solicit information for the County's information and use.

This is **not** a solicitation, **no award will be issued** as a result of this EOI and it does not constitute a commitment implied or otherwise, that Miami-Dade County will initiate a procurement action in this matter. No priced offers or unsolicited proposals are sought or will be entertained during this process.

In addition, the county will not be responsible for any costs incurred by the responders in furnishing any and all information requested herein or subsequent to the issuance of this EOI. Respondents are hereby notified that all information submitted as part or in support of this EOI will be available for public inspection in compliance with Chapter §119, Florida Statutes, popularly known as the "Public Records Laws". Accordingly, do not submit any information in response to this EOI for which the Respondent considers to be a trade secret, proprietary or confidential, or which violates any intellectual rights of a third party, unless the Respondent clearly specifies the individual documents (or specific portions of the documents) that they are exempt from disclosure as trade secrets or proprietary information pursuant to Florida law. Respondents acknowledge that the County shall have no liability to the Respondent in the event that any such documents are subsequently provided to any third party pursuant to any valid public records request made of the County; however, the County shall take reasonable efforts to inform the Respondent of such request prior to the release of such documents.

A response to the EOI is not mandatory for future participation in any solicitation process. Failure to participate or submit a response to this document will not disqualify anyone from submitting a response to any formal P3 procurement process that may be forthcoming in the future.

Note that WASD is also undertaking other related studies in connection with P3 opportunities. The information received in connection with this EOI will be one of several sources of reference material for the County and WASD to evaluate if P3 arrangements are advantageous for implementing portions of the CIP.

Respondents shall also acknowledge that the intent of this process is to develop information which may guide future County procurement decisions. Accordingly, the County shall be entitled to make use of any materials, information, data, or concepts disclosed by any respondent, without limitation. Respondent, by submitting a response pursuant to this EOI, specifically disclaims and waives any claim it may have on the use of such materials, information, data, or concepts by the County in whatever form the County deems appropriate.

1.3 P3 Construction Delivery Methods

Below is a list of possible P3 delivery methods for WASD's to consider in its CIP implementation, includes but is not limited to:

1. Design-Build-Maintain

2. Design-Build-Operate

3. Design-Build-Maintain-Operate

4. Design-Build-Finance-Operate-Maintain

5. Design-Build-Finance-Own-Operate-Maintain

6. Concession Agreements

7. Other advanced contracting and financing structures meeting the intent of a P3 arrangement.

The above does not intend to limit any other possible P3 delivery methods that could be proposed in the EOI. Also not for profit organizations are welcome and encouraged to participate.

2. General Information

2.1 Expense of the EOI Response

The cost associated with preparing a response to this EOI, internal meetings or other participation in the EOI process is at the sole cost and expense of the respondent. There shall be no claims whatsoever against the County, its staff or any other involved party for reimbursement of its costs and expenses incurred as a result of this EOI.

2.2 Responses/Interpretations / Clarifications

Respondents may request verbal or written clarifications and/or interpretations from WASD; however WASD will not be responsible for any additional explanation or interpretation of the EOI, unless such explanation or interpretation of this EOI is necessary to enable the receipt of comprehensive responses. Requests for information or clarification of this EOI, as well as the Final Response (which must be in writing), shall be submitted to:

Juan Carlos Arteaga, AIA, NCARB, CGC, CBO, LEED AP
WASD Capital Improvements Program
3701 SW 38 Avenue, Miami, FL 33146
Telephone: 786-552-8571
Facsimile: 786-552-8639
Email: jcarteaga@miamidade.gov

3. Submission Requirements

3.1 Response Submission Schedule

The response to this EOI must include a letter of transmittal that identifies address, telephone number, and fax number of the respondent's key contact person and must also include the EOI Form attached herein. Responses to this EOI must be submitted to the person and address identified on section 2.2 of this EOI. Respondents must deliver to the address 10 copies of the information outlined in this EOI.

Responses to the EOI shall be submitted no later than **4:00 p.m. on February 14, 2014.**

3.2 EOI Response Format

Respondents shall provide information to assist WASD in determining the applicability of P3 for certain projects. The respondent's submittal should focus primarily on input relative to the P3 arrangements. The responses shall not be prepared as a statement of qualifications or a proposal for a particular project. Sales pitches and marketing materials shall not be included on the EOI.

3.2.1 Respondent Information

Respondents shall provide information about themselves, including their experience and interest with P3 arrangements. Respondents may submit information individually or jointly with other interested parties or firms. Such joint submission will not be considered by the County to constitute any formal teaming arrangement. Should there be a subsequent and formal procurement process the respondents to this EOI are not obligated to continue any teaming arrangement formed as part of the EOI process.

3.2.2 Input on Best 3P Opportunities and Approaches

The County is particularly interested in which specific projects are best suited for a P3 arrangement and why would a P3 be more cost effective and efficient than a traditional construction delivery method (e.g. Design-Bid-Build, Design-Build, CMAR, etc.). Exhibit A to this EOI outlines the schedule of currently contemplated Wastewater and Water Projects within the CIP; and Exhibit B is the preliminary list of possible projects that could fit the P3 concept. This list is being provided for informational purposes only. Actual projects selected for possible P3 implementation and the timing thereof will be based on policy decisions by the County, available funding, prioritization based on service needs and regulatory compliance; and related matters.

In developing responses to this EOI, respondents are encouraged to select projects from Exhibits A and B that can be typically implemented using a P3 arrangement. Specific references to similar projects developed elsewhere using a P3 arrangement should be included, where known. Specificity regarding project size, value, financing approaches (and rates), risk allocation, performance requirements, payment structures or user fees, and contact information will be most helpful.

This EOI is not intended for respondents to request or seek additional information from WASD or for them to try to inquire as to the specific scope of any of the projects listed on the exhibits; specific information will not be provided by WASD as the Department is trying to find out the experience and interest of the private sector as to which projects are best suited for a P3 delivery approach and more specifically what is the respondent's experience and expertise on P3 projects and provide case studies for similar projects; and should also address the issues from a key drivers perspective (time constraints, transfer of risk, financial benefits, etc.).

3.2.3 Institutional and Legal Considerations

The County also wishes to receive input on institutional and legal considerations for the development of certain CIP projects. Such input may range from the influence of Florida statutes to local Miami-Dade ordinances and regulations on a P3 arrangement.

In addition, input with respect to eventual procurement processes, suggested contractual provisions, organizational structure of involved parties, risk allocations, and related items are welcome. Such information can be incorporated within the discussion on the P3 arrangement or addressed in a separate section. Input as to how risk (or responsibility) should be shared and allocated between the County and the party implementing a P3 arrangement would be useful on matters such as: design, construction, operation, regulatory compliance, permitting, uncontrollable circumstances, financing, and other related activities.

The County also wishes to retain its tax-exempt financing status and continue to have access to low interest loans and grants that may be available from the Federal Government. Responses to this EOI shall address how P3 arrangements can be developed in the context of such interest. In addition, if the respondent wishes to propose infrastructure Purchase Agreement; it shall be duly noted that the County must comply with Presidential Executive Order 12803. Respondents should describe whether their suggested P3 arrangement will require approval under such order.

3.2.4 Economic and Financial Considerations

The County wishes to receive input on economic and financial considerations. Economic considerations include how the cost of the project may differ among the contemplated P3 arrangements and the reasons thereof. Such information shall be supported by specific case studies and references.

Financial considerations shall focus primarily on possible financing approaches, which may include public and private financing, or a combination thereof. The advantages and disadvantages of the alternatives suggested should be provided. Special emphasis should be placed on:

- Taxable and Tax-exempt Financing;
- Short Term and long term financing concepts;
- Financing Guarantees;
- Equity Contribution;
- Debt Financing; and
- Other information on sources of funds, such as maturity schedules, redemption provisions, prepayment penalties, coverage ratios, debt service reserve requirements, contemplated credit enhancement, collateral, guarantors, and issuers.

Tax-exempt financing available to the County is typically more cost-effective than private taxable financing. The County wishes to receive ideas regarding how the use of private financing in a P3 arrangement provides efficiencies to help offset higher costs associated with private taxable financing. Typical private financing rates that might be available to WASD should be provided. In addition respondents should explain ways the County can take advantage of bond cap capacity within the State of Florida so that tax-exempt Private Activity Bonds can be issued.

3.3 Expression of Interest (EOI) Form

The attached EOI Form shall be fully completed by all of the interested respondents and all fields need to be properly addressed. Respondents may also include a cover letter (2 pages maximum) and may also include a white paper limited to 20 pages (for each project they propose), where they can describe any and all other suggested approaches for the selected project, case studies, pertinent company information, and any other

legal, financial or P3 relevant or particular information deemed to be useful in the County's decision-making process.

Request for Expressions Of Interest (EOI) Form - WASD

General Information

Item	**Respondent's Information**
Respondent's Legal Registered Name	
Country of Constitution	
Year of Constitution	
Registered address in the Country of Constitution	
Authorized representative: (name, address, telephone numbers, fax numbers, e-mail address)	
List other Firms (if a Joint Submittal)	

Financial Information

In US Dollars	Financial Information for the previous (3) three years		
Year	**2010**	**2011**	**2012**
Information from the Company's Balance Sheet			
Total Assets			
Total Liabilities			
Net Worth			
Liquid Resources			
Current Liabilities			
Information from the Company's Income Statement			
Total Revenue			
Profit Before Taxes			

Average Annual Total Project Turnover

Calendar or (Fiscal Year)	**Annual Turnover Data (All Projects)**
2008 (2008-2009)	
2009 (2009-2010)	
2010 (2010-2011)	
2011 (2011-2012)	
2012 (2012-2013)	
2013 (2013-Present)	

Request for Expressions Of Interest (EOI) Form - WASD

Average Annual P3 Specific Project Turnover

Calendar or (Fiscal Year)	Annual Turnover Data (P3 Projects only) in USD
2008 (2008-2009)	
2009 (2009-2010)	
2010 (2010-2011)	
2011 (2011-2012)	
2012 (2012-2013)	
2013 (2013-Present)	

Statement of Experience on Similar Water & Sewer P3 Projects

Item	Project Name	Location	Total Contract Value (USD)	P3 Contract Type structure	Contract Duration	Current Status
1						
2						
3						
4						
5						
6						

Litigation History (P3 projects only)

Year	Name of Client	Claimant & Cause for the dispute	Disputed Amount (current value)

Request for Expressions Of Interest (EOI) Form - WASD

Respondent's Evaluations of selected WASD Projects that they would be interested in contracting and executing through a P3 type Delivery Method.

Item	Project Name	P3 Structure* Type Proposed	Benefits of the P3 type proposed	Shortfalls of the P3 type proposed	Available ROM of funding to be committed
1					
2					
3					
4					
5					
6					
7					
8					
9					

*Design Build Operate (DBO); Design Build Maintain (DBM); Design Build Operate and Maintain (DBOM); Design Build Finance Operate and Maintain (DBFOM); Design Build Finance Own Operate and Maintain (DBFOOM); System Sale (SS); System Transfer (ST); Concession (C); etc.

Exhibit A

CIP Project Schedule

MIAMI-DADE COUNTY

EXHIBIT B

List of CIP Possible Projects with a P3 Delivery Method

Wastewater Projects

- Consent Decree Projects at Three Existing Wastewater Treatment Plants
- Ocean Outfall Legislation Compliance Projects:
  - New West District Wastewater Treatment Plant (including Biosolids Class AA Processing)
  - North and Central District Wastewater Treatment Plants Additions
    - High Level Disinfection (Effluent Filters)
    - Boulder Zone Effluent Pump Stations and Injection Wells, including Centrate Disposal Pump Station at the Central District
    - Boulder Zone Effluent Pump Stations
    - Floridan Aquifer Wells and Pump Stations for Reuse
- South District Wastewater Treatment Plant Expansion to 131 mgd:
  - High Level Disinfection (Effluent Filters)
  - Boulder Zone Effluent Pump Station Expansion and Injection well
  - Oxygenation Train
  - Two Final Settling Tanks
- County-Wide Major Transmission Mains, 24- through 84-in.
- Four New Major Wastewater Pump Stations and Upgrades
- Biosolids Class AA Processing Plant for Central & South Districts Wastewater Treatment Plant

Water Projects

- New Water Treatment Plants:
  - South Miami Heights
  - Northwest Wellfield (Safe Drinking Water Act Modification, GWUDI)

- Two 10 million gallon ground storage tank/pump station facilities
- Automated Meter Reading (AMR) System
- County-Wide Major Transmission Mains, 36- through 54-in.
- Water Telemetering System Enhancements

Common Projects

- New Maintenance Facilities in North, South and West Miami-Dade County