

**PENNSYLVANIA DEPARTMENT OF TRANSPORTATION**

**REQUEST FOR QUALIFICATIONS**

**IN RELATION TO**

**THE PENNSYLVANIA RAPID BRIDGE REPLACEMENT  
PROJECT**

**THROUGH A**

**PUBLIC-PRIVATE TRANSPORTATION PARTNERSHIP AGREEMENT**

**ISSUED: December 12, 2013**

**STATEMENT OF QUALIFICATION DUE DATE: February 7, 2014**

## **EXECUTIVE SUMMARY**

### ***Introduction***

The Pennsylvania Department of Transportation (“PennDOT”), on behalf of the Commonwealth of Pennsylvania (the “Commonwealth”), is pleased to invite interested teams to submit their statements of qualifications (“SOQs”) to design, build, finance and maintain a portfolio of replacement bridges across the Commonwealth (“the Project”) through an availability payment concession pursuant to a public-private transportation partnership agreement (“PPA”).

With 25,000 state owned bridges, the Commonwealth has the third-largest number of bridges in the United States, and has the largest number of bridges classified as “structurally deficient.” Approximately, 4,500 or 18 percent of the Commonwealth’s bridges are structurally deficient while the national average is 7.3 percent. The average age of bridges in the Commonwealth is over 50 years old.

PennDOT has been very aggressive in addressing its structurally deficient bridge problem in recent years and has reduced the number of structurally deficient bridges from over 6,000 to roughly 4,500.

In 2012, the Pennsylvania General Assembly passed Act 88 of 2012 (HB 3) which provided PennDOT with a new tool to address the Commonwealth’s transportation challenges: public private partnerships. The Project is PennDOT’s first public-private partnership involving significant construction.

PennDOT’s objectives and goals for the Project include to:

- (a) Expedite delivery of new bridges in the Commonwealth;
- (b) Achieve optimal value for the capital and maintenance costs over the term of the design, build, finance and maintenance period (the “Term”);
- (c) Replace at least 500 single and double span bridges in less than 5 years;
- (d) Design, construct and maintain the bridges in an environmentally sound manner that ensures the safety of the travelling public; and
- (e) Undertake all work on a whole life management basis to ensure that the bridge infrastructure is handed back to PennDOT in a suitable condition at the end of the Term.

### ***The Project***

The Project contemplates accelerating the replacement of at least 500 geographically dispersed, structurally deficient, bridges across the Commonwealth in less than 5 years (the “Replacement Bridges”). The majority of the Replacement Bridges are single and multi-span bridges that will be replaced in-kind. The Development Entity will be reimbursed through an availability payment structure over an anticipated term of between 25 and 35 years. This structure will require the Development Entity to be responsible for the design, build, finance and maintenance of the Project.

The Project is expected to create efficiencies through economies of scale, innovation and optimal risk allocation that will allow PennDOT to deliver more bridges at a lower whole life cost than a

traditional design, bid, build procurement. The Project will also help improve the connectivity of the Commonwealth's transportation network, while minimizing the impacts on the traveling public. The improved connectivity, including removal of weight restrictions on new bridges, will increase the efficiency of freight and commercial movements which benefit the economy of the Commonwealth. PennDOT will seek innovative solutions from the Development Entity who is challenged with delivering quality bridges on a large scale as quickly as possible while providing good value and minimal inconvenience to the public.

### ***The Procurement Process***

PennDOT will use a two-step process to select the successful proposer. This Request for Qualifications ("RFQ") represents the first step in the process. PennDOT will evaluate the SOQs received in response to this RFQ and intends, but is not bound, to short-list up to four proposers (each a "Short-listed Proposer") in accordance with the procedures and evaluation criteria described in Part A, Section 6 of this RFQ.

PennDOT intends to invite the Short-listed Proposers to submit proposals ("Proposals") in response to a Request for Proposals ("RFP") and select one of the Short-listed Proposers in accordance with the criteria and procedures set forth in the RFP. PennDOT expects to shortlist proposers in March 2014 with proposals due in September 2014 and commercial close before the end of 2014.

PennDOT will offer each unsuccessful Short-listed Proposer that submits a responsible and responsive proposal to the RFP a stipend in exchange for ownership of the proposal work product and the ideas identified therein. The stipend amount will be \$1,000,000, with additional details about the stipend to be set forth in the RFP.

It is anticipated that the selected Short-listed Proposer will enter into a PPA with PennDOT to develop, design, build, finance and maintain the Project in exchange for periodic availability payments. Interim payments during construction are also under consideration, although relative to the overall private capital requirement for the Project, PennDOT does not expect the total amount of any such payments to be substantial.

**This RFQ does not commit or bind PennDOT to enter into a contract or proceed with the procurement described herein. Except as expressly set forth in Part A, Section 4.3, PennDOT assumes no obligations, responsibilities, and 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 or responding to this RFQ, or any subsequent RFP. All such costs shall be borne solely by each Proposer.**

## **PART A**

### **BACKGROUND AND INSTRUCTIONS**

#### **1. KEY DEFINITIONS**

Certain capitalized terms used in this RFQ are defined below. Other capitalized terms used in this RFQ are defined within this RFQ. To the extent there are capitalized terms used in this RFQ that are not defined, such terms shall have the standard industry or commercial meaning given to them.

**“Development Entity”** means the Short-listed Proposer which is selected by PennDOT following the RFP process to become PennDOT’s private partner for the Project under the terms of a PPA.

**“Equity Member”** means each member of the Proposer team that will contribute equity as part of the financing of the Project.

**“Lead Contractor”** means the entity primarily responsible for the design, construction and engineering elements of the Project that will act as prime subcontractor to the Development Entity, provided that if the Lead Contractor is a consortium, partnership or other form of joint venture, each member of the Lead Contractor that is performing construction activities shall be a prequalified contractor that is capable of performing at least 50% of the original contract price of the participant’s portion of the joint venture, as required by 67 Pa. Code § 457.15 (c). If a member of such consortium, partnership or other form of joint venture is performing non-construction activities such as design or engineering, there is no prequalification requirement.

**“Lead Engineer”** means the entity primarily responsible for the creation of the design & engineering solution for the Project (e.g. the Lead Contractor’s design and engineering consultants), provided that if the relevant entity is a consortium, partnership or any other form of a joint venture, each member of the relevant consortium, partnership or other form of joint venture shall be a Lead Engineer.

**“Lead Maintenance Contractor”** means the entity primarily responsible for undertaking the management of the maintenance of the Project, provided that if the relevant entity is a consortium, partnership or any other form of a joint venture, each member of the relevant consortium, partnership or other form of joint venture shall be a Lead Maintenance Contractor.

**“Major Non-Equity Member”** means the following team members, but only if the same team member is not also an Equity Member or Proposed Guarantor in respect of an Equity Member:

- (a) each Lead Contractor;
- (b) each Lead Engineer; and
- (d) each Lead Maintenance Contractor.

**“Proposed Guarantor”** means each entity providing a guarantee in support of an Equity Member’s or Major Non-Equity Member’s participation in the delivery of the Project.

## **2. DESCRIPTION OF THE PROJECT**

### **2.1. Overview**

PennDOT is pleased to present this RFQ to prospective entities or groups of entities (the “Proposers”) interested in submitting SOQs to design, build, finance and maintain the Project through an availability payment concession pursuant to a PPA.

The Project is a large-scale system improvement that will replace at least 500 bridges in less than 5 years under one PPA. In order to keep costs under control, PennDOT expects and encourages innovative methods while keeping public inconvenience to a minimum. The Development Entity is challenged with delivering quality bridges on a large scale in a short time and for good value.

The Development Entity shall replace bridges in poor condition located throughout the Commonwealth. PennDOT believes that innovative fabrication, construction and maintenance methods and approaches identified by the private sector will reduce overall costs per bridge and life-cycle costs for the Project. PennDOT will supply the Short-listed Proposers with performance specifications at the RFP stage that will describe the structural requirements along with final bridge deck curb to curb widths, traffic control requirements, drainage requirements, long term maintenance requirements and handback requirements.

Upon completion of each Replacement Bridge, the Development Entity shall be responsible for certain maintenance elements and/or capital replacement during the Term (see this [Part A, Section 2.4](#)). At the end of the Term, the Development Entity will be responsible for handing back the Replacement Bridges to PennDOT in accordance with specified handback condition requirements.

The RFP will provide further details concerning the Development Entity’s design, build, finance and maintenance obligations.

#### **2.1.1. Project Characteristics**

The Project will include at least 500 bridges throughout the Commonwealth that will be replaced and maintained by the Development Entity during the Term. A list of bridges that are eligible for inclusion in the Project is available on the Project Website and is a subset of roughly 4,500 structurally deficient bridges owned by PennDOT. The distribution of the eligible bridges across the Commonwealth is represented in the map set forth in Part A of Exhibit 1. Each of the eligible bridges are in need of total replacement, are not already under design contract, and do not have significant constructability concerns that may jeopardize the Project schedule. These bridges generally consist of single and double span bridges with span lengths typically between 40 and 75 feet. It is intended that all Replacement Bridges will be replaced in kind. The majority of the bridges are on the state highway system, but some local bridges with similar characteristics to the eligible bridges may be included in the Project. The eligible bridges are listed in order of PennDOT’s current priorities, although the priorities are subject to change and should under no circumstances infer relative priority in terms of construction schedule.

PennDOT is in the process of identifying a subset of approximately 50-100 of the eligible bridges that the Development Entity will be required to replace in 2015 (the “Early Completion Bridges”). PennDOT anticipates that the Early Completion Bridges will be drawn from a list of approximately 200 of the eligible bridges that is also available on the Project Website. The distribution of the bridges that are eligible for consideration as Early Completion Bridges is represented in the map set forth in Part B of

Exhibit 1 The Early Completion Bridges are currently being readied from an environmental and permitting perspective by PennDOT for design and construction shortly after financial close.

All bridges included in the Project that are not Early Completion Bridges will need to be replaced within five (5) years of financial close, but the Development Entity will not be required to commence replacement of such bridges by specified dates. Notwithstanding the foregoing, PennDOT may identify specific annual completion targets, which will (if required) be set forth in the RFP. PennDOT is currently collecting data on the eligible bridges to facilitate the cost estimating process including geotechnical, right of way, surveys and utilities information. This information will be provided to the Short-listed Proposers.

## **2.2. Project Status**

### **2.2.1. Environmental Permitting**

A limited number of the Replacement Bridges have made progress towards receiving environmental and permitting approvals. The status of the required environmental and permitting approvals is expected to influence the specific bridges designated as Early Completion Bridges.

PennDOT will take responsibility for any environmental documentation (including clearances) required for the Project in accordance with the National Environmental Policy Act (“NEPA”).

To facilitate the replacement of the Early Completion Bridges in 2015, PennDOT will take responsibility for sufficiently advancing permits required by the Department of Environmental Protection in respect of the Early Completion Bridges up until financial close, whereupon the Development Entity will take over responsibility for continuing to advance and obtain all relevant regulatory, environment and building permits to design, build, finance and maintain the Project with the Development Entity’s scope of work.

The Development Entity’s responsibilities will include compliance with all NEPA commitments for mitigation and monitoring, as set forth in any NEPA documents. Except as otherwise required by law, it is anticipated that PennDOT will be the permittee and will support the Development Entity in coordination with environmental regulatory and permitting agencies.

In the interests of creating efficiencies for the Project, all environmental and permitting activities will be coordinated by PennDOT’s central office. PennDOT will provide a list and status of all required environmental clearances and permits to the Short-listed Proposers.

Further details relating to PennDOT’s and the Development Entity’s responsibilities in respect of environmental permitting will be included in the RFP.

### **2.2.2. Right of Way (“ROW”) Acquisition**

PennDOT will initiate the ROW acquisition process on the Early Completion Bridges. Until a final determination is made in relation to allocation of responsibility for ROW acquisition, PennDOT requests that Proposers consider the potential for ROW acquisition to be a responsibility of the Development Entity under the PPA. Short-listed Proposers may be asked to enter into a dialogue on this topic as part of the draft RFP.

### **2.2.3. Geotechnical Investigation**

PennDOT is in the process of developing geotechnical information for the Replacement Bridges based on a “two borings per bridge” plan. This information will be made available to the Short-listed Proposers.

#### **2.2.4. Utility Investigation**

PennDOT has consolidated certain historical utility information regarding the Project and will make such information available to Short-listed Proposers. The Development Entity will be responsible for performing or causing necessary utility relocations/adjustments to be performed in accordance with applicable standards and laws, and such costs are expected to be borne by the Development Entity, except to the extent the utilities are legally responsible for such costs. Additional information will be made available to the Short-listed Proposers.

#### **2.2.5. Hazardous Materials Information**

PennDOT has consolidated certain hazardous materials information regarding the Project and will make such information available to Short-listed Proposers. At this time, no significant hazardous material issues have been identified in relation to the Project. The Development Entity will be responsible for performing or causing the conduct any additional hazardous materials investigations that may be required. The RFP will provide further details on the Development Entity’s responsibilities with respect to hazardous materials (including cleanup costs).

#### **2.2.6. Coordination with Governmental Agencies and Other Key Stakeholders**

The Project will necessitate coordination with governmental agencies and other key stakeholders within and outside the Commonwealth that may include, but not be limited to:

- Department of Conservation & Natural Resources (“DCNR”);
- Department of Environmental Protection (“DEP”);
- PA Historic and Museum Commission (“PHMC”);
- PA Fish & Boat Commission (“PFBC”);
- PA Game Commission (“PGC”);
- The Federal Highways Administration (“FHWA”);
- US Army Corps of Engineers (“USACOE”);
- Environmental Protection Agency (“EPA”);
- US Fish & Wildlife Service (“USFWS”); and
- PA Association of Conservation Districts.

Except to the extent described otherwise in this RFQ, it is anticipated that the Development Entity will play an active role in coordinating and/or leading the work with all relevant government agencies and stakeholders, with PennDOT providing assistance and cooperation in such efforts. The RFP will set forth the parties’ respective obligations for interactions with other governmental agencies and stakeholders.

#### **2.2.7. Railroad Coordination**

While occurring on a very limited basis, if railroad coordination is needed, the Development Entity will be responsible for all coordination with railroads, including design reviews. The PPA is expected to require the Development Entity to be responsible for causing the necessary railroad work or protection to be performed in accordance with applicable standards and laws and for the costs associated with the railroad work or protection, except to the extent the railroad is legally responsible for such costs. Responsibilities for railroad coordination will be further defined in the RFP

### 2.2.8. Other Due Diligence Activities

PennDOT is assessing what, if any, additional site and due diligence information beyond that which is specified in this Part A, Section 2.2 will be provided. The Short-listed Proposers may, during the draft RFP process, be asked to provide input on this topic.

### 2.3. Design and Construction Standards

The PPA will require the Development Entity to assume all design and construction obligations relating to the Project and cause the Project to be designed and constructed to standards and performance specifications designated in the PPA.

PennDOT anticipates including in the RFP a set of PennDOT standards and project-specific performance specifications. The RFP may permit Short-listed Proposers to propose, for PennDOT's consideration, alternative technical concepts that would allow exceptions and deviations from certain standards and requirements. Any alternative technical concept process, including any constraints or parameters on potential submissions, will be set forth in the RFP.

### 2.4. Maintenance

The Development Entity will be responsible for performing maintenance, including capital/lifecycle maintenance, for the Project.

PennDOT currently anticipates that the Development Entity's responsibilities for maintaining the Replacement Bridges under the Project will include, but are not necessarily limited to, the following:

- Clean and flush;
- Decks and deck joints;
- Railings;
- Deck drains;
- Bearings;
- Steel;
- Concrete;
- Painting;
- Abutment – wing – piers;
- Scour controls;
- Culverts (if present);
- Protective coating;
- Bridge lighting (attached to bridge structure);
- Bridge inspections (2 year cycle); and
- Channel maintenance +200' upstream and -200' downstream.

If the Development Entity must reconstruct beyond the limits of a bridge's approach slab, the Development Entity's responsibility for maintaining the approach roadway may include, but are not necessarily limited to, the following:

- Pavement (patch/raise);



- Pavement relief joint (repair/replace);
- Shoulders (repair/reconstruct);
- Drainage off bridge (improve);
- Guide rails connecting to bridge rail(s);
- Approach slabs;
- Environmental mitigation constructed by the Development Entity per any permits or environmental documentation; and
- Best management practice facilities constructed by the Development Entity per any permits, H&H analysis or environmental documentation and requirements.

Additional details regarding the Development Entity's maintenance responsibilities shall be set forth in the RFP.

It is currently anticipated that PennDOT will retain the following routine maintenance responsibilities with respect to the Project:

- Pavement markings;
- Reflectors and roadside delineators;
- Roadside signage;
- Litter pick-up of a routine nature;
- Dead animals;
- Snow removal on bridge travel lanes, shoulders, offsets and sidewalks not included in existing local agreements;
- Mowing grass, removing weeds and tree trimming;
- Roadway lighting approaching and departing the bridge structure (not attached to the structure);
- Tree removal, landscaping and trimming to facilitate safe roadway passage;
- Clearance signs; and
- Cut brush to clear signs.

Additional details regarding PennDOT's maintenance responsibilities shall be set forth in the RFP.

### **3. FUNDING, FINANCING AND CERTAIN FEDERAL MATTERS**

#### **3.1. Funding**

The principal sources of funding that will be available to the Development Entity will be payments made by PennDOT pursuant to the terms of the PPA. Such payments are expected to take the following form, with all such payments to be subject to the Commonwealth's standard legislative appropriations process:

- (a) PennDOT may determine to pay the Development Entity one or more progress payments upon the Development Entity's achievement of specific events pertaining to construction of the Project. The relative benefits of progress payments, their amounts, timing and manner of payment, and their relationship with the Development Entity's financing is currently under consideration by PennDOT, and to the extent that it elects to make such payments to the Development Entity, further details will be set forth in the RFP.
- (b) PennDOT will pay the Development Entity availability payments according to an agreed schedule for a period expected to be between 25 and 35 years after substantial completion of defined portions (as well as the whole) of the Project. Each scheduled availability payment will be subject to the Project's availability and deductions in the event of poor performance by the Development Entity of its obligations under the PPA (including maintenance obligations), with any such poor performance being measured against objective criteria and deductions made in accordance with pre-determined formulae. PennDOT currently anticipates commencing portions of the availability payment as groups of bridges are replaced, with further details to be provided in the RFP.
- (c) Unscheduled payments by PennDOT in respect of contractual claims, but only to the extent permitted under the terms of the PPA.

Over the term of the Project, PennDOT anticipates utilizing state and federal program funds for the purposes of fulfilling its payment obligations under the PPA.

#### **3.2. Financing**

The Development Entity will be responsible for financing the Project.

PennDOT is aware that private activity bonds issued pursuant to Section 11143 of Title XI of SAFETEA-LU, which amended Section 142(a) of the Internal Revenue Code ("PABs"), and The Transportation Infrastructure Finance and Innovation ("TIFIA") Program, are potential sources of financing for the Development Entity and are subject to federal requirements and availability. PennDOT does not currently anticipate making any TIFIA applications in respect of the Project, but reserves the right to make such applications on behalf of the bid teams. Any such plans will be identified to the Short-listed Proposers.

PennDOT currently intends to apply for a PABs allocation for potential use by Proposers in their finance plans, and is currently going through the process of determining the extent to which each potential Replacement Bridge may be eligible for PABs. PennDOT anticipates that a substantial number of the Replacement Bridges will be eligible for PABs. If successful in receiving a PABs allocation, PennDOT expects the allocation to remain until financial close. To the extent that the use of PABs becomes available for the Project, the inclusion of such sources of finance in a Proposer's plan of finance will be

optional and entirely at the Proposer's discretion. Further information regarding the availability of PABs for the Project will be included in the RFP.

### **3.3. Federalization of the Project**

#### **3.3.1. Federal-aid Funds**

Regardless of whether PennDOT or Proposers intend to utilize Federal assistance programs (including, without limitation, the U.S. Highway Trust Fund, TIFIA credit assistance and the issuance of PABs) at the outset of the procurement of the Project, PennDOT believes that it is beneficial to the Project to retain maximum flexibility to do so in the future. Accordingly, the RFP and the PPA will conform to requirements of applicable federal law and FHWA regulations, including Buy America requirements, Title VI of the Civil Rights Act of 1964, as amended, regarding Equal Employment Opportunity and Title 49 Code of Federal Regulations Part 26, as amended, regarding Disadvantaged Business Enterprises ("DBEs"). PennDOT reserves the right to modify the procurement process described herein to address any concerns, conditions or requirements of FHWA. Proposers shall be notified of any such modifications as provided in this Part A, Section 4.6.

#### **3.3.2. DBE Requirements and Equal Employment Opportunity Requirements**

Consistent with the approach outlined in this Part A, Section 3.3.1, PennDOT proposes to comply with the Disadvantaged Business Enterprise ("DBE") requirements that apply to most projects receiving federal transportation dollars. Where opportunities exist, PennDOT is required to take steps to make opportunities available to certified DBE firms. Opportunities may include consultant and construction subcontracts as well as other service providers and suppliers. PennDOT must apply the program on federal-aid projects as set forth in 49 CFR Part 26 as well as the federal contractual requirements set forth in FHWA Form 1273.

In responding to this RFQ, a Proposer does not need to include team members to satisfy DBE goals. Information regarding these requirements and any DBE goals will be included in the RFP. It is currently anticipated that each Short-listed Proposer will, as part of its Proposal, list any DBEs on its team as of the Proposal due date, as well as provide a DBE performance plan on how it intends to meet the DBE goals during the design and construction of the Project.

#### **3.3.3. NEPA**

PennDOT is currently determining the extent to which the requirements of NEPA will apply to each potential Replacement Bridge to be included in the Project. This exercise will be concluded in advance of the issuance of the RFP and may inform PennDOT's definition of the Early Completion Bridges.

PennDOT anticipates that a substantial number of the Replacement Bridges comprising the Project will qualify as categorical exclusions under 23 CFR Part 771.117. Accordingly, PennDOT expects that the scope of any work required for compliance by the Project with NEPA will not delay the successful delivery of the Project.

## **4. DESCRIPTION OF PROCUREMENT PROCESS**

### **4.1. Statutory Authority**

PennDOT is issuing this RFQ in accordance with the provisions of 74 Pa.C.S. §§9101-9124, as amended (the “Statute”) and other applicable provisions of law.

### **4.2. Overall Process**

The procurement involves a two-stage process: this RFQ followed by an RFP.

PennDOT will evaluate the SOQs it receives in response to this RFQ and will select, according to criteria generally outlined herein, the Short-listed Proposers eligible to respond to the RFP. PennDOT intends, but is not bound, to short-list up to four Short-listed Proposers.

Following the selection of Short-listed Proposers, PennDOT anticipates releasing a draft RFP, including scope of work, for review and comment by the Short-listed Proposers (“Industry Review”). PennDOT will schedule meetings to discuss issues and comments identified by the Short-listed Proposers. Specific details concerning the draft RFP process will be made available to the Short-listed Proposers following the announcement of the short-list.

The draft RFP process will include disclosure of materials and communications with PennDOT that are confidential in nature and Short-listed Proposers will be required to execute a confidentiality agreement, the form of which will be provided following short-listing. Following the Industry Review period described above, PennDOT intends to issue a final RFP. Any modifications made after issuance of the final RFP will be addressed in the form of addenda.

If PennDOT receives a PABs allocation for the Project, the RFP will detail availability and acceptable use of such allocation.

Use of any PABs allocation by a Short-listed Proposer in its Proposal or plan of finance will be optional and entirely within the discretion of the Short-listed Proposer.

Following receipt and evaluation of Proposals, PennDOT may select a Short-listed Proposer (“Preferred Proposer”), based on the evaluation criteria set forth in the RFP.

Proposals will be evaluated by a process to determine which provides the best value for, and is in the best interests of, PennDOT. The RFP shall set forth PennDOT’s rights and remedies if PennDOT is unable to finalize the terms and conditions of the PPA with the Preferred Proposer, the Preferred Proposer elects not to execute the PPA or any other condition to execution of the PPA with the Preferred Proposer is not satisfied, which may include, without limitation, that PennDOT may select the next highest rated Short-listed Proposer(s) in succession to finalize the PPA for award and execution. Alternatively, PennDOT may, at any time, terminate the procurement. PennDOT further reserves any and all rights set forth in the Statute and any other applicable statutes and procedures.

### **4.3. Payment for Work Product**

PennDOT will offer to pay a stipend for work product in the amount of \$1,000,000 to each unsuccessful responsive and responsible Short-listed Proposer.

Payment shall be provided in return for the transfer and assignment to PennDOT of rights to intellectual property, ideas, techniques, concepts and approaches included in the unsuccessful Short-listed Proposer's Proposal, and PennDOT reserves the right to use such property, ideas, techniques and approaches in connection with a PPA awarded for the Project, or in connection with any subsequent procurement, with no obligation to pay additional compensation to the unsuccessful Short-listed Proposer. The payment for work product shall be paid to eligible Short-listed Proposers within 90 days after the award and execution of the PPA or the decision not to award. Short-listed Proposers eligible for the stipend will have the option to forego the stipend and retain such intellectual property rights. Specific provisions regarding payment of the stipulated amount shall be included in the RFP.

No other payment shall be made in connection with this RFQ, and no payment will be made to Proposers that are not short-listed, fail to submit responsive Proposals by the Proposal due date or are not responsible or are otherwise disqualified from the process prior to award.

**4.4. Procurement Schedule**

PennDOT anticipates carrying out the first phase of the procurement process contemplated hereby in accordance with the following schedule:

**Table 4.1 – RFQ Schedule**

Deadline for questions regarding the RFQ	<b>January 24, 2014 1:00 p.m. eastern time</b>
Deadline for questions relating to any addendum issued after January 10, 2014	<b>Three days after the addendum is issued (but no later than the SOQ Due Date)</b>
SOQ Due Date	<b>February 7, 2014 1:00 p.m. eastern time</b>
Anticipated Announcement of Short-listed Proposers	<b>March 3, 2014</b>

The above schedule does not obligate PennDOT to provide responses to questions regarding the RFQ or any addendum to the RFQ prior to the SOQ Due Date. To best ensure a response from PennDOT prior to the SOQ Due Date, Proposers are encouraged to submit questions, particularly questions of a substantive nature, as soon as possible following issuance of this RFQ or any addendum.

This schedule is subject to modification at the sole discretion of PennDOT. Proposers will be notified of any change in the schedule by an addendum to this RFQ.

Following short-listing, PennDOT currently anticipates the following procurement activities and schedule:

Circulate draft RFP to Short-listed Proposers	March, 2014
Issue final RFP	June, 2014

Proposals Due	September, 2014
Announcement of Successful Proposer	October, 2014
Commercial Close	December, 2014

#### 4.5. Questions and Requests for Clarification; Addenda

In order to facilitate receipt, processing, and response, Proposers must submit all questions and requests for clarification by email (**with the subject line “RFQ Rapid Bridge Replacement Project Question”**) to the Issuing Officer named in this Part A, Section 5.4. No telephone or oral requests will be considered. No requests for additional information or clarification to any person other than the Issuing Officer will be considered. Questions from a Proposer should be submitted only by a single representative of that Proposer, and must include the requestor’s name, address, telephone and e-mail, and Proposer that he/she represents.

Questions and comments, including requests for clarification or interpretation, shall: (i) be sequentially numbered; (ii) specifically reference the relevant RFQ section and page number, unless such request is of general application (in which case the request for clarification shall so note); (iii) identify the relevant section number and page number or, if it is a general question, indicate so; and (iv) not identify the Proposer’s identity in the body of the question.

PennDOT will provide responses to Proposer clarification requests within a reasonable time following receipt, subject to the deadlines set forth in this Part A, Section 4.4. PennDOT will post responses to those questions of general application and requests for clarifications which PennDOT deems to be material and not adequately addressed in previously provided documents on the Project Website specified in this Part A, Section 4.6, as an addendum to this RFQ.

The questions and PennDOT’s responses will be in writing and will be made available to all Proposers on the Project Website, except that PennDOT intends to respond individually to those questions identified by a Proposer and deemed by PennDOT as containing confidential or proprietary information relating to Proposer’s SOQ. PennDOT reserves the right to disagree with Proposer’s assessment regarding confidentiality of information in the interest of maintaining a fair process or complying with applicable law. Under such circumstances, PennDOT will inform Proposers and may allow Proposer to withdraw the question, rephrase the question, or have the question answered non-confidentially or, if PennDOT determines that it is appropriate to provide a general response, PennDOT will modify the question to remove information that PennDOT determines is confidential. PennDOT may rephrase questions as it deems appropriate and may consolidate similar questions. PennDOT may also create and answer questions independent of the Proposers. PennDOT contemplates issuing multiple sets of responses at different times during the procurement process. Except for responses to questions relating to addenda, the last set of responses will be issued no later than the date specified in this Part A, Section 4.4.

PennDOT reserves the right to revise this RFQ by issuing addenda to this RFQ at any time before the SOQ Due Date and will post any addenda on the Project Website. It is the Proposer’s responsibility to periodically check the Project Website for any new information or addenda to this RFQ. In issuing an addendum shortly before the SOQ Due Date, PennDOT shall consider whether an extension of the SOQ Due Date is warranted. Any addenda will be posted on the Project Website.

Proposers should monitor the Project Website for information concerning this procurement and will be required to acknowledge in their transmittal letter (**Form A**) that they had access to all relevant materials posted thereon.

#### **4.6. Project Website**

PennDOT has assembled certain documents relating to the Project (the “Project Documents”) which are available to Proposers. The Project Documents may be accessed at the “Rapid Bridge Replacement Project” page of [www.P3forPA.pa.gov](http://www.P3forPA.pa.gov) (the “Project Website”). It is anticipated that additional Project Documents will be made available to Short-listed Proposers via a secure website. For purposes of this RFQ, no representation or warranty is made as to the accuracy, utility, completeness or relevance of any materials available to Proposers on the Project Website. Each Proposer shall be responsible to monitor the Project Website for new or revised materials relating to this RFQ. The Issuing Office specified in this Part A, Section 5.4 shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within this RFQ or formally issued as an addendum to this RFQ by the Issuing Office.

## 5. SOQ CONTENT AND SUBMITTAL REQUIREMENTS

### 5.1. General

PennDOT expects SOQs submitted in response to this RFQ to provide sufficient information to allow PennDOT to evaluate them 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 dollar denominations.

### 5.2. Format

Each responding Proposer shall submit one original and 15 copies (for a total of 16) of its SOQ. The original SOQ and each copy shall consist of two (2) volumes, each volume in a loose-leaf three ring binder, the original and each copy contained in sealed containers. The original must be clearly marked "Original" on its face and spine. Each copy shall be numbered 1 through 15 on its face and spine. The Proposer's name and volume number shall be clearly marked on its face and spine. In addition to the hard copy SOQ submittal, each responding Proposer shall submit an electronic copy of the SOQ in searchable and printable pdf format. In the event that any Proposer submits redacted copies of its SOQ in accordance with Part A, Section 7.2, such Proposer shall submit such copies in addition to the number of un-redacted hard and electronic copies of the Proposer's SOQ required by this Part A, Section 5.2.

Submittals must be prepared on 8-1/2" x 11" white paper. Volume 1 of the SOQ shall have all pages sequentially numbered and shall not exceed 80 pages. The following do not count toward the 80 pages and need not be sequentially numbered:

- (a) **Form A;**
- (b) **Form B;**
- (c) **Form C;**
- (d) Any information required pursuant to Appendix 6 required for Volume 1; and
- (e) Any teaming agreements and summaries of teaming agreement key terms required to be included in Volume 1 of the SOQ pursuant to **Form B**; and
- (f) The materials described in part (a) and part (b) of Appendix 3, Section 3.

Sequential numbering is not required in Volume 2 of the SOQ. Double-sided printing is encouraged. Each printed side shall be considered one page. The font size in Volume 1 of the SOQ shall be no smaller than twelve-point, provided the font in organizational charts, graphics and tables in Volume 1 of the SOQ (including **Form D**, **Form E** and **Form F**) may be ten-point provided that the organizational charts, graphics and tables are legible. Volume 2 of the SOQ does not have any page limitation or type font size requirements. 11" x 17" pages are allowed (and shall be included in the page count if contained in Volume 1 of the SOQ) for **Form D**, **Form E**, **Form F**, schematics, organizational charts, other drawings or schedules, but not for narrative text. Printed lines may be single-spaced. Standard corporate brochures, awards, licenses and marketing materials shall not be included in an SOQ.



### **5.3. Contents and Organization**

Proposers must organize their SOQ in the order set forth in Part B. Subject to any requirements of Part B with respect to subdivision of materials included in the SOQ, each volume may be subdivided as needed.

### **5.4. SOQ Submittal Requirements**

All packages constituting the SOQ shall be individually and clearly labeled with the name of the Proposer and additionally labeled as follows:

Response to the Request for Qualifications  
for the  
Pennsylvania Rapid Bridge Replacement Project

SOQs shall be delivered by hand or express mail courier to the following “Issuing Office” and “Issuing Officer”:

Office of Policy & Public Private Partnerships  
Pennsylvania Department of Transportation  
P.O. Box 3545  
400 North Street, 8th Floor  
*(5th floor reception if hand delivered)*  
Harrisburg, PA 17120-3545  
Attention: Bryan Kendro  
Telephone: 717-787-8765  
Email Address: RA-PDRBRRFQ@pa.gov

PennDOT will not accept facsimile or e-mail submission of SOQs.

Acknowledgment of receipt of SOQs will be evidenced by the issuance of a receipt by the Issuing Officer or designee.

SOQs must be submitted by 1:00 p.m. eastern time on the SOQ Due Date specified in this Part A, Section 4.4. Any SOQs received after that date and time will be rejected and returned unopened. SOQs will be accepted by PennDOT during normal business hours up to the SOQ Due Date and time specified.

Proposers are solely responsible for assuring that PennDOT receives their SOQs by the specified delivery date and time at the Issuing Office. PennDOT shall not be responsible for any delays in delivery beyond the control of PennDOT, including those caused by weather, difficulties experienced by couriers or delivery services, misrouting of packages by courier or delivery services, improper, incorrect or incomplete addressing of deliveries and other occurrences.

If, due to inclement weather, natural disaster, or any other cause, the Issuing Office is closed on the SOQ Due Date, the deadline for submission will be automatically extended until 1:00 p.m. eastern time the next Commonwealth business day on which the Issuing Office is open, unless the Issuing Office otherwise notifies Proposers. If proposals are hand-delivered to the Issuing Office, it is the Proposer’s responsibility to obtain a signed receipt showing the date and time of delivery. If the Issuing Officer is not available, the Proposer should obtain a signed receipt showing date and time of delivery from 5th Floor receptionist at the Issuing Office. The hour for submission of proposals shall remain the same. The Issuing Office will reject unopened, any late proposals.

\*Note: Due to increased security requirements in the Commonwealth’s mail processing operations, all incoming mail to the Keystone Building is routed, scanned and sorted at an off-site location prior to delivery. This includes overnight deliveries. Be aware when submitting bid documents via overnight delivery services, there is no guarantee that the bid documents will be received in the Issuing Office when required. SOQs which are received late will be rejected regardless of the reason for late arrival. Proposers are advised to allow extra time to ensure timely delivery.

## 6. EVALUATION PROCESS AND CRITERIA

### 6.1. Responsiveness Requirements

In order for an SOQ to be evaluated qualitatively under this Part A, Sections 6.2 and 6.3, it must:

- (a) Be received by the Issuing Office no later than 1:00 p.m. eastern time on the SOQ Due Date;
- (b) Contain an original executed transmittal letter (**Form A**) in accordance with the requirements of Part B;
- (c) Not contain any **Form C** in response to the requirements of this RFQ in relation to an entity that is currently disqualified, removed, debarred or suspended from performing or bidding on work for the federal government or any state government; and
- (d) Include the express, written commitments required in Section 4 of Appendix 1.

The four requirements set forth above are the only RFQ requirements that PennDOT will consider to be *non-waivable*. In the context of any other technical or immaterial nonconformity in an SOQ, PennDOT reserves the right, in its sole discretion, to:

- (i) Allow the Proposer to cure the nonconformity;
- (ii) Consider the nonconformity in the scoring of the SOQ; or
- (iii) Exclude the relevant SOQ from further evaluation.

PennDOT may also exclude from further evaluation any SOQ that, in PennDOT's sole determination, contains a material misrepresentation.

### 6.2. Pass/Fail Review

Each SOQ that complies with the four requirements set forth in this Part A, Section 6.1 will be evaluated by PennDOT based upon the following pass/fail criteria:

- (a) The information disclosed in **Form C** and/or in response to Appendix 6 does not, in PennDOT's sole determination, materially adversely affect the Proposer's responsibility, including its integrity and ability to carry out the Project responsibilities potentially allocated to it; and
- (b) Based on the materials provided in Volume 2 of the SOQ, the Proposer team demonstrates, in PennDOT's sole determination, that it has:
  - (i) Sufficient financial capability to carry out the Project, taking into account the following considerations both currently and over the last three (3) years, in respect of the Proposer, each Equity Member and each Proposed Guarantor of any Equity Member or Lead Contractor:
    - (A) Profitability;
    - (B) Capital structure;

- (C) Ability to service existing debt;
  - (D) Ability to invest equity; and
  - (E) Other commitments and contingencies; and
- (ii) Evidence, satisfactory to PennDOT, that each Lead Contractor is capable of obtaining performance bond(s) and/or letters of credit that comply with the requirements of Appendix 5.

A Proposer must obtain a “pass” on all pass/fail items in order for its SOQ to be evaluated qualitatively under this Part A, Section 6.3.

### **6.3. Qualifications Evaluation Criteria and Weighting**

Each responsive SOQ passing all of the “pass/fail” requirements set forth in this Part A, Section 6.2 above will be qualitatively evaluated and scored according to the criteria set forth below. The order in which the evaluation criteria appear within each category is not an indication of weighting or importance.

#### **6.3.1. Structure and Experience (65 Points Maximum)**

The structure of the Proposer team and the background and experience of the Proposer, individual team members, and key personnel with designing, constructing, financing and maintaining comparable projects, and their specific experience with availability payment concessions will be evaluated in accordance with the following criteria:

- (a) The extent and depth of the experience of the Proposer and its individual team members with comparable projects, project delivery methods, and responsibilities as are anticipated to be within the Development Entity’s scope of work;
- (b) The extent and depth of the experience of the Proposer and its individual team members with respect to financing projects of a scope and nature similar to the Project;
- (c) The stability, strength and likelihood of success of the proposed management structure and team;
- (d) The extent and depth of experience of the management team and key personnel identified in the SOQ in response to the requirements of Appendix 1, including (without limitation) with comparable projects, project delivery methods and personnel roles as are anticipated to be within the Development Entity’s scope of work; and
- (e) The extent, depth and success of the Proposer, its individual team members, its management team and key personnel in working together.

Project information and personnel references, as well as the information provided in response to the requirements of Appendix 1, Appendix 2 and Appendix 6 will be used, as deemed appropriate by PennDOT, to assist in the evaluation of Proposer structure and experience category.

**6.3.2. Understanding of the Project (5 Points Maximum)**

The Proposer's understanding of the Project (as referenced in Section 1 of Appendix 3) will be evaluated on the basis of the extent to which it demonstrates an understanding of the unique issues specific to the Project and any challenges that the Project may face in addressing them.

The above evaluation will be based solely on the information provided in response to Section 1 of Appendix 3.

**6.3.3. Approach to Project Delivery (15 Points Maximum)**

The Proposer's approach to Project delivery (as referenced in Section 2 of Appendix 3) will be evaluated on the basis of the extent to which it demonstrates:

- (a) Advanced thinking with respect to the achievement of economies of scale and best value in the context of the portfolio nature of the Project, particularly in the areas of:
  - (i) Construction delivery; and
  - (ii) Maintenance provision;
- (b) An appreciation that the risk profile associated with a multi-asset, multi-location project is different to that of a single asset based project, together with advanced thinking with respect to how the risk allocation under the PPA may differ from that typically achieved in the context of a single asset based project, particularly with respect to mitigation measures that the Development Entity may be able to take to avoid delays in the overall delivery of the Project;
- (c) Advanced thinking with respect to minimization of "all risk" builders' and "all risk" property insurance costs, particularly given the geographical diversity of the locations of the Replacement Bridges;
- (d) A focus and commitment to cost-effective supply chain management and performance delivery, particularly in the context of the large number of Replacement Bridges and the overall scope of the Project;
- (e) An understanding of, and sound approach to addressing, the challenges of ensuring the ongoing safety and protection of the Replacement Bridges, particularly in the context of their geographically diversity;
- (f) A sound approach to the maintenance and total life cycle costing of the Project; and
- (g) A focus and commitment to quality and efficient and effective oversight.

The above evaluation will be based solely on the information provided in response to Section 2 of Appendix 3.

**6.3.4. Approach to Project Financing (15 Points Maximum)**

The Proposer's approach to Project financing (as referenced in Section 3 of Appendix 3) will be evaluated on the basis of the extent to which it demonstrates:

- (a) A sound explanation of the sources of equity funds for the Equity Members and the process that will be followed to ensure adequate and timely commitment;
- (b) A sound demonstration of the financial strength of member of the Proposer team that is a Lead Contractor and any Proposed Guarantors in respect of the same;
- (c) A deep understanding of the financing tools available in the market for similar projects and how they can be combined in order deliver a robust plan of finance; and
- (d) A sufficient level of support from lenders in relation to the financing experience and capability of each Equity Member or relevant Proposed Guarantor.

The above evaluation will be based solely on the information provided in response to Section 3 of Appendix 3 and the materials provided in Volume 2 of the SOQ in respect of each member of the Proposer team that is a Lead Contractor and each Proposed Guarantor in respect of the same.

#### **6.4. SOQ Evaluation Procedure**

PennDOT anticipates forming one or more committees to review and evaluate the SOQs in accordance with the above criteria. At various times during the deliberations, PennDOT may request additional information or clarification from the Proposer or may request the Proposer to verify or certify certain aspects of its SOQ. The scope, length and topics to be addressed in any such clarification response shall be prescribed by, and subject to, the discretion of PennDOT. PennDOT may contact firm and personnel references supplied by the Proposer as well as other potential references not listed.

At the conclusion of this process, Proposers may be required to submit written confirmation of any new information and clarifications provided during an interview. If required, follow-up interviews may be scheduled at a later date. Upon receipt of requested clarifications and additional information as described above, if any, the SOQs will be re-evaluated to include the clarifications and additional information.

Evaluations of SOQs are subject to the sole discretion of PennDOT and its staff, with assistance from such professional and other advisors as PennDOT may designate. PennDOT will make the final determinations of the Short-listed Proposers, as it deems appropriate, in its sole discretion, and in the best interests of the Project and the Commonwealth.

#### **6.5. Prequalification Requirement for Lead Contractor(s)**

Subject to the following, the Project is being procured in accordance with the requirements of 67 Pa. Code CH. 457. A Proposer will only be capable of being selected as a Short-listed Proposer to the extent that each Lead Contractor in its Proposer team is, at the time Proposals are due, prequalified, pursuant to 67 Pa. Code CH. 457 (a) (i) to perform structure “S” and “T” work types or (ii) as a “General Highway Contractor” and (b) has “unlimited capacity”. To the extent that the Lead Contractor is a consortium, partnership or other form of joint venture, each member of the Lead Contractor performing construction activities shall be capable of performing at least 50% of the original contract price of the member’s portion of the Lead Contractor.

With respect to any Lead Contractor that is a consortium, partnership or other form of joint venture the limitation allowing no more than 3 participants in 67 Pa. Code § 457.15(a) shall not apply to this Project.

## **6.6. Changes in the Approach to Project Delivery**

It is PennDOT's intention to use the relevant section of a Proposer's SOQ relating to its approach to Project delivery only for purposes of evaluating the SOQs. Proposers may modify, alter and enhance their respective approaches to design, build, finance and maintenance in conjunction with their Proposals, subject to compliance with the requirements of the RFP. Proposers may not, however, change their approach to Project delivery in a way that renders the SOQ a misrepresentation of the Proposer's intentions and capabilities.

## **6.7. Changes in Proposer Organization**

Subject to the limitations herein, PennDOT shall permit Short-listed Proposers to add, delete or substitute team members and reorganize their teams during the procurement process unless the change results in actual or potential organizational conflicts of interest or renders the Proposer team, in PennDOT's sole determination, less qualified to develop the Project. Notwithstanding the foregoing, following submittal of the SOQs, the following actions may not be undertaken without PennDOT's prior written consent:

- (a) Deletion, substitution or change in composition of a Short-listed Proposer team member identified in its SOQ or a change in the role or scope of work of a team member;
- (b) Deletion or substitution of personnel identified in Volume 1 of its SOQ or a change in the role or position of such personnel;
- (c) Deletion or substitution of an Equity Member of a Short-listed Proposer, a guarantor of Short-listed Proposer or any other entity that will bear financial responsibility or liability for the performance of the Short-listed Proposer; and
- (d) Other changes, direct or indirect, in the level of equity ownership of each Equity Member of a Short-listed Proposer (excluding changes resulting from public trading of stock).

## **6.8. RFP Procedure and Evaluation**

Short-listed Proposers are advised that the evaluation criteria and weightings for the evaluation of the Proposals will differ from the criteria set forth herein to evaluate SOQs. In addition, the scores and evaluation of the SOQs shall not carry over or be used in any way in the evaluation of the Proposals.

## 7. COMMUNICATIONS, PUBLIC INFORMATION AND ORGANIZATIONAL CONFLICTS OF INTEREST

### 7.1. Improper Communications and Contacts

The following rules of contact shall apply during the procurement for the Project, effective as of the date of issuance of this RFQ through the execution of the PPA. These rules are designed to promote a fair, competitive and unbiased procurement process. Additional rules or modifications to these rules may be issued by PennDOT in connection with the draft RFP process and in the RFP. Contact includes face-to-face, telephone, facsimile, electronic-mail (e-mail), or formal written communication, either directly or indirectly by an agent, representative, promoter or advocate.

The specific rules of contact are as follows:

- (a) After submittal of SOQs, no Proposer or any of its team members may communicate with another Proposer or its team members with regard to the RFP or either team's Proposal;
- (b) PennDOT shall be the sole contact for purposes of this procurement, the RFQ and the RFP. The Proposers shall correspond with PennDOT regarding the RFQ and RFP only through designated representatives (which initially shall be the Issuing Officer identified in this Part A, Section 5.4);
- (c) Commencing with the issuance of this RFQ and continuing until the earliest of (i) award and execution of the PPA, (ii) rejection of all Proposals by PennDOT or (iii) cancellation of the procurement, no Proposer or representative thereof shall have any *ex parte* communications regarding the RFQ, RFP, the PPA, its SOQ submission or the procurement described herein with:
  - (i) Any member of PennDOT or other Commonwealth personnel; and
  - (ii) Any Commonwealth staff, advisors, contractors or consultants involved with the procurement (including those referenced in this Part A, Section 7.3),

except for communications expressly permitted by the RFQ or RFP or except as approved in writing in advance by the Issuing Officer, in his sole discretion.

The foregoing restriction shall not, however, preclude or restrict communications with regard to matters unrelated to the RFQ, RFP, the PPA or the procurement or limit participation in public meetings or any public or Proposer workshop related to this RFQ or the RFP;

- (d) The Proposers shall not contact the following identified stakeholders regarding the Project, including employees, representatives, members, consultants and advisors of the entities listed below. PennDOT shall provide any necessary coordination during the RFQ stage with such entities in order that, among other things, the procurement be implemented in a fair, competitive and transparent manner and with uniform information:
  - (i) any political subdivision of the Commonwealth or local government body or locality within the Commonwealth that, in each case, may have an interest in the Project;
  - (ii) United States Department of Transportation ("USDOT") Secretary's Office;
  - (iii) USDOT Innovative Program Office;



- (iv) FHWA;
  - (v) Environmental, regulatory and permitting agencies; and
  - (vi) Utility providers.
- (e) Any Proposer engaging in communications that PennDOT determines in its sole discretion to be either prohibited by this RFQ or improper, may be disqualified;
  - (f) Any official information regarding the Project will be disseminated from the Issuing Office on PennDOT letterhead. Any official correspondence will be in writing and signed by the Issuing Officer;
  - (g) PennDOT will not be responsible for and Proposers may not rely on any oral or written exchange or any other information or exchange that occurs outside the official process specified herein; and
  - (h) Without limiting the generality of the foregoing, Proposers shall not contact any FHWA project or program office, or any representative or consultant of FHWA regarding any matter relating to any request for a PABs allocation or TIFIA request for the Project, any SEP-15 or other applications that may be submitted to FHWA or USDOT.

## **7.2. SOQ Contents**

### **7.2.1. Confidential Information**

PennDOT is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of an SOQ submission in order to evaluate SOQs submitted in response to this RFQ. Accordingly, except as provided herein, Proposers should not label SOQ submissions as confidential or proprietary or trade secret protected. Any Proposer who determines that it must divulge such information as part of its SOQ must submit the signed written statement described in this Part A, Section 7.2.3 and must additionally provide one (1) hard copy and one (1) electronic copy of a redacted version of its SOQ submission, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

### **7.2.2. Commonwealth Use**

All material submitted with any SOQ submission shall be considered the property of the Commonwealth and may be returned only at the Issuing Office's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any SOQ submission, regardless of whether or not the relevant Proposer is short-listed or the relevant ideas become part of a PPA. Notwithstanding any Proposer copyright designations contained in an SOQ submission, the Commonwealth shall have the right to make copies and distribute each SOQ internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

### 7.2.3. **Public Disclosure**

After the award of a PPA pursuant to this procurement, all SOQ submissions may be subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If an SOQ submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the SOQ submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. All requested financial information included in Volume 2 and elsewhere in the SOQ is legally exempt from public records disclosure under 65 P.S. § 67.708(b) (26) and Section 9111 of the Public-Private Transportation Partnership Law, 74 Pa.C.S. § 9111.

Information submitted by Proposers may be made available to FHWA representatives. PennDOT intends to follow procedures established by FHWA to avoid disclosure, to the extent possible, of such information under the Freedom of Information Act.

### 7.3. **Organizational Conflicts of Interest**

Subject to the specific provision related to geotechnical survey related services addressed in the following paragraph, any person or firm under contract with the Commonwealth in connection with the Project will not be allowed to participate in any capacity on a Proposer team. Any person or firm previously under contract with the Commonwealth in connection with the Project (including, without limitation, with respect to the preparation of preliminary plans, planning reports or other project development products for the Project) may be able to participate on a Proposer team, if such firms first submit a written request for a determination of no conflict from PennDOT and receive written confirmation that they may participate, or conditionally participate on a Proposer team.

Any person or firm undertaking geotechnical survey related services for PennDOT for purposes of the Project can participate in a Proposer team after the earlier of the date upon which the Department's geotechnical work for the Project is completed and the results of the survey are made available to the Proposer teams or the date of issuance of the Final RFP, without a determination of no conflict provided that the geotechnical survey related services represent the sole Project connected work performed under contract with the Commonwealth.

Additional exceptions to this policy may be granted by PennDOT, upon written request from such person, if it is determined that the person's involvement is in the best interest of the public and does not constitute an unfair advantage. Proposer teams seeking such exception shall submit such written request as soon as possible because PennDOT shall not extend the SOQ Due Date or be responsible for any inability or failure to respond prior to the SOQ Due Date to any such request.

In addition to the foregoing, the organizational conflict of interest rules found in 23 CFR § 636, Subpart A, including 23 CFR § 636.116, also apply to this procurement. 23 CFR § 636.103 defines an "organizational conflict of interest" as follows:

"Organizational conflict of interest means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the owner, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage."

Proposer shall provide information concerning organizational conflicts of interest and disclose all relevant facts concerning any past, present or currently planned interests which may present an organizational

conflict of interest. Proposer shall state how its interests or those of any of its team members, consultants, contractors or subcontractors, including the interests of any chief executives, directors or key personnel thereof, may result in, or could be viewed as, an organizational conflict of interest.

Proposer is prohibited from teaming with, receiving any advice or discussing any aspect relating to the Project or the procurement of the Project with any person or entity with an organizational conflict of interest, including, but not limited to:

- (a) KPMG Corporate Finance LLC;
- (b) Allen & Overy LLP;
- (c) HW Lochner, Inc.;
- (d) Public Financial Management, Inc.;
- (e) CDM Smith;
- (f) Parsons Brinckerhoff;
- (g) Ames & Gough;
- (h) NTM Engineering, Inc; and
- (i) Affiliates (meaning includes parent companies, subsidiary companies, entities under common ownership, joint venture members and partners, and other financially liable parties for an entity) of any of the above.

Such persons and entities are also prohibited from participating on a Proposer team as an Equity Member, Major Non-Equity Member, Proposed Guarantor, contractor, subcontractor, consultant or subconsultant.

By submitting its SOQ, each Proposer agrees that, if an organizational conflict of interest is thereafter discovered, the Proposer must make an immediate and full written disclosure to PennDOT that includes a description of the action that the Proposer has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict of interest that the Proposer knew, or should have known about, but failed to disclose is determined to exist during the procurement process, PennDOT may, at its discretion, disqualify the Proposer. If an organizational conflict of interest that the Proposer knew, or should have known about, but failed to disclose exists and the Proposer has entered into a PPA as the Development Entity, PennDOT may, at its sole discretion, terminate the PPA. In either case, PennDOT reserves all legal rights and remedies.

Proposers are also advised that PennDOT's guidelines in this RFQ are intended to augment applicable federal and state law, including federal organizational conflict of interest laws and rules and the laws and rules relating to NEPA. Such applicable law will also apply to Proposer teams and teaming and may preclude certain firms and their entities from participating on a Proposer team.

#### **7.4. Limitations on Proposer Team Membership**

##### **7.4.1. Participation on More Than One Proposer Team**

To ensure a fair and competitive procurement process, Equity Members, Major Non-Equity Members and legal and financial advisors of Proposer teams are forbidden from participating, in any capacity, on another Proposer team during the course of the procurement. The foregoing prohibition does not apply to any non-Equity Member of a Proposer team that is not a Major Non-Equity Member. If a Proposer is not short-listed as part of the RFQ evaluation process, the members of the unsuccessful Proposer team (including Equity Members and Major Non-Equity Members) are thereafter free to participate on Short-listed Proposer teams, subject to the requirements of this Part A, Sections 6.7 and 7.3. Any Proposer that fails to comply with the prohibition contained in this Part A, Section 7.4 may be disqualified from further participation as a Proposer for Project.

#### **7.5. News Releases**

Proposers shall not issue news releases, internet postings, advertisements or any other public communications pertaining to the Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

## **8. PROTEST PROCEDURES**

Any protest arising from the content of this RFQ or any decision made by PennDOT as a result of this RFQ must be filed in writing with the Secretary of PennDOT and follow the procedures set forth in Section 1711.1 of the Commonwealth Procurement Code, 62 Pa.C.S. § 1711.1.

## **9. RESERVED RIGHTS**

PennDOT reserves to itself all rights (which rights shall be exercisable by PennDOT in its sole discretion) available to it under the Statute and applicable law, including without limitation, with or without cause and with or without notice, the right to:

- (a) Modify the procurement process to address applicable law and/or the best interests of the Commonwealth;
- (b) Modify the scope of the Project during the procurement process;
- (c) Cancel this RFQ or the subsequent RFP in whole or in part at any time prior to the execution by PennDOT of a PPA;
- (d) Issue a new request for qualifications after withdrawal of this RFQ or a subsequent RFP;
- (e) Not short-list any Proposer responding to this RFQ;
- (f) Not issue an RFP;
- (g) Reject any and all submittals, responses and SOQs received at any time;
- (h) Modify all dates set or projected in this RFQ;
- (i) Terminate evaluations of responses received at any time;
- (j) Suspend and terminate PPA negotiations at any time, elect not to commence PPA negotiations with any responding Proposer and engage in negotiations with other than the highest ranked Proposer;
- (k) Issue addenda, supplements and modifications to this RFQ;
- (l) Appoint evaluation committees to review SOQs, make recommendations and seek the assistance of outside technical, financial and legal experts and consultants in SOQ evaluation;
- (m) Require confirmation of information furnished by a Proposer, require additional information from a Proposer concerning its SOQ and require additional evidence of qualifications to perform the work described in this RFQ;
- (n) Seek or obtain data from any source that has the potential to improve the understanding and evaluation of the responses to this RFQ;
- (o) Add or delete Proposer responsibilities from the information contained in this RFQ or any subsequent RFP;
- (p) Negotiate with a Proposer without being bound by any provision in its proposal;
- (q) Waive deficiencies in an SOQ, accept and review a non-conforming SOQ or permit clarifications or supplements to an SOQ;

- (r) Disqualify any Proposer that changes its submittal without PennDOT approval;
- (s) Disqualify any Proposer under this RFQ, the RFP or during the period between the RFQ or RFP for violating any rules or requirements of the procurement set forth in this RFQ, the RFP or in any other communication from PennDOT;
- (t) Add to the short-list of Proposers any Proposer that submitted an SOQ in order to replace a previously short-listed Proposer that withdraws or is disqualified from participation in this procurement;
- (u) Not pursue a PABs allocation or pursue financing for the Project on behalf of the Proposers or otherwise;
- (v) Develop some or all of the Project itself; and
- (w) Exercise any other right reserved or afforded to PennDOT under this RFQ or applicable laws and regulations.

## **PART B**

### **STATEMENT OF QUALIFICATIONS**

Proposers are required to submit their SOQ responses in two (2) volumes, as follows:

#### **Volume 1 – Proposer Team, Experience and Approach**

Volume 1 of the SOQ shall contain the following:

- (a) **Form A**, duly executed in accordance with the instructions set out therein;
- (b) **Forms B** and **C**, each duly executed in accordance with the instructions set out therein by the Proposer, each Equity Member, each Major Non-Equity Proposer and each Proposed Guarantor;
- (c) An Executive Summary, not exceeding eight (8) pages, written in a non-technical style and containing sufficient information for reviewers with both technical and non-technical backgrounds to become familiar with the Proposer's SOQ and its ability to satisfy the financial and technical requirements of the Project. The Executive Summary shall address why the Proposer wants to become the Development Entity for the Project;
- (d) All of the information required pursuant to Appendix 1;
- (e) All of the information required pursuant to Appendix 2;
- (f) All of the information required pursuant to Appendix 3;
- (g) All of the information required pursuant to Appendix 6; and
- (h) Any teaming agreements or summaries of teaming agreements that are required to be appended to Volume 1 of the SOQ in accordance with the requirements of **Form B**.

#### **Volume 2 – Financial Capacity and Bonding Requirements**

Volume 2 of the SOQ shall contain all of the information required pursuant to Appendix 4 (Financial Capacity) and Appendix 5.



## APPENDIX 1

### PROPOSER STRUCTURE AND KEY PERSONNEL

Proposers shall provide the following information as part of Volume 1 of the SOQ:

#### 1. Management Structure

Describe the Proposer's management structure, including its teaming arrangements, allocation of roles and responsibilities within the Proposer team and how the Proposer will institutionally operate, particularly in light of the complexity and phasing of Project development and maintenance. Describe how the Proposer's management structure will facilitate completion of all work required for the Project. Describe the prior experience of the Proposer, the Equity Members, the Major Non-Equity Members and any Proposed Guarantors working together within a consortium, partnership or any other form of joint venture.

#### 2. Organizational Charts

Provide an organizational chart which sets forth the Proposer structure, teaming arrangements and reporting requirements. A separate organizational chart covering key personnel shall also be provided.

#### 3. Team Structure

Describe how the Proposer team is structured, why it has been so structured and the roles and responsibilities that each member of the Proposer team will perform. Explain how that structure will assure success for the Project and to PennDOT and result in the formation of a good long-term partner to PennDOT.

#### 4. Key Personnel

Provide an organizational chart listing the Proposer's key personnel for the Project (which must include each of the individuals that are identified as the key personnel referred to below), the relationship between each of them in their respective roles and their experience (if any) of previously working together in their relevant roles.

Describe the relevance of each individual's experience to the Project and why that experience will provide value to PennDOT should the Proposer become the Development Entity.

Provide separate resumes of not more than one (1) page for each of the following key personnel and management staff that are proposed for the Project:

- (a) Project executive (if different from the project manager);
- (b) Project manager;
- (c) Deputy project manager(s);
- (d) Project Finance Lead;
- (e) Any other key members of the Proposer's management team; and

- (f) Unless included in response to (a) through (d) above, Proposer shall include the individuals proposed for the following job positions:
- (i) Construction manager;
  - (ii) Lead engineer;
  - (iii) Maintenance manager; and
  - (iv) Quality manager.

Each resume shall state the specific role(s) that each person listed is fulfilling for the Project.

Three references for each of the project executive (of different from the project manager), project manager and the deputy project manager(s) and one reference for each other individual identified above must be supplied; provided, however, that where the project manager and deputy project manager(s) have only worked on one or two projects during the past five years, the Proposer shall (i) affirmatively state that such individual has only worked on one or two projects during the past five years; (ii) include references for each of such projects; and (iii) include references for projects worked beyond the past five years so that the number of references equals three in total.

References shall be previous owners or clients with whom the identified personnel have worked as stated in the requirements above and shall include the name, position, company or agency and current addresses, e-mail addresses and phone and fax numbers. Proposers are requested to verify that contact information is correct, and are advised that if the contact information provided is not current, PennDOT may elect to exclude the experience represented in determining the key personnel's qualifications.

An express, written statement from each entity employing such individuals committing that the individuals designated in the SOQ for the positions or roles described in (a) through (d) above shall be available to serve the role so identified in connection with the Project.

While PennDOT recognizes personnel availability and scheduling issues impact the Proposers, Proposers are urged only to identify and proffer personnel that they reasonably believe will be available for, and intend to assign to work on, the Project for the positions identified.

Procedures concerning changes of such personnel will be set forth in the RFP; however, requests to implement such changes will be reviewed very carefully by PennDOT and shall be subject to prior PennDOT approval. Failure to obtain PennDOT approval for such changes may result in disqualification of the Proposer by PennDOT.

## APPENDIX 2

### RELEVANT EXPERIENCE

Proposers shall provide the following information as part of Volume 1 of the SOQ:

#### 1. Experience

With reference to no more than 15 projects (each of which must have commenced or completed construction during the past eight years in the aggregate (providing the dates on which such construction either commenced or was completed)), demonstrate the **collective experience** of the Proposer, each Equity Member, each Major Non-Equity Member and any Proposed Guarantor, as applicable, with respect to:

- (a) Design and construction (or management of design and construction) of:
  - (i) Individual bridges;
  - (ii) Projects that involve the construction of multiple bridges;
  - (iii) Highways (including freeways); and
  - (iv) Other major transportation projects with each project taking place in two or more jurisdictions or with geographically separated worksites;
- (b) Permitting, coordination and oversight by state and U.S. federal agencies on environmentally and historically sensitive transportation projects;
- (c) Maintenance of transportation projects with each project taking place in two or more jurisdictions or with geographically separated worksites;
- (d) Public-private partnership, comprehensive development and exclusive development agreements for transportation projects to which such entity has been party;
- (e) Success as an equity owner in financing project finance and public-private partnership projects (both equity and debt) with a construction value of \$250 million or more, with specific focus on comparable transportation infrastructure projects;
- (f) Participation as an equity owner in availability payment concessions; and
- (g) Experience with raising PABs and other credit and financing tools used in the U.S.

For each project referred to, note the relevant entity that has the relevant experience and explain the relevance of that project to the Project and the reasons why that experience will provide value to PennDOT in the context of the Project.

#### 2. Project Information-Forms D and E

With respect to each project identified pursuant to Section 1 of this Appendix 2, provide in **Form D** the information required therein in respect of the relevant project.

For design firms, projects or contracts listed that were traditional design-bid-build consultant/engineering services contracts, as opposed to, for example, design-build contracts, the

information provided shall be limited only to the consultant/engineering services contract, rather than any ensuing construction or maintenance contract where such entity had limited or no involvement.

For construction firms, for projects or contracts listed using the traditional design-bid-build delivery method, the information provided shall be limited only to the construction contract, rather than any design or maintenance contract where such entity had limited or no involvement.

With respect to each concession contract and public-private partnership project identified in response to the requirements of Section 1 of this Appendix 2 by Equity Members, where such Equity Member acted in a role as a concessionaire/private partner/equity owner in connection with such project, provide in **Form E** the information required therein in respect of the relevant project. The completed **Form E** shall be in addition to the information provided regarding the projects in **Form D**.

Proposers are requested to verify that contact information is correct, and are advised that if the contact information provided is not current, PennDOT may elect to exclude the experience represented by that project in determining the Proposer's qualifications.

## **APPENDIX 3**

### **PROJECT UNDERSTANDING AND APPROACH TO PROJECT DELIVERY & FINANCING**

Proposers shall provide the following information as part of Volume 1 of the SOQ:

#### **1. Understanding of the Project**

A discussion of the unique issues specific to the Project (relative to single-asset, single-location project) and any challenges that the Proposer believes the Project may face in addressing them.

#### **2. Approach to Project Delivery**

- (a) A description of the Proposer's conceptual plan to design, build and maintain the Project, including a discussion of how the Proposer intends to achieve economies of scale and best value across the Project in the context of the portfolio nature of the Project, particularly in the areas of:
  - (i) Construction delivery; and
  - (ii) Maintenance provision;
- (b) A discussion of the extent to which the risk profile associated with a multi-asset, multi-location project is different to that of a single asset based project, together with a description of the means by which the Development Entity may be able to take to mitigate against the risk of delays to the overall delivery of the Project;
- (c) A description of the Proposer's approach to providing "all risk" builders' and "all risk" property insurance, with particular emphasis on the means by which the cost of such insurances for the Project can be minimized;
- (d) A description of the Proposer's general approach to ensuring cost-effective supply chain management and performance delivery, including a discussion of commitment of resources and the use of subcontractors and suppliers;
- (e) A description of the Proposer's general approach to safety and protection of the Replacement Bridges, particularly in the context of the broad scope of the Project (during both the construction and maintenance periods);
- (f) A description of the Proposer's general approach to the maintenance of the Replacement Bridges and total life cycle costing aspect of the Project, particularly in the context of the geographical diversity of the Replacement Bridges; and
- (g) A description of the Proposer's commitment to quality and efficient and effective oversight.

#### **3. Approach to Financing**

A description of the Proposer's conceptual plan to finance the Project, including:

- (a) A letter from the Equity Member's CFO or Chief Investment Officer (or, if neither of these positions exist for an entity, an individual who serves in an equivalent capacity and whose title shall be specified in the certification) indicating the extent to which the Equity Member has the funds to meet the development costs and equity investment needed for the Project. The letter shall also identify the origin of such funds and the internal process to be followed in order to secure their commitment. Additionally, the letter shall indicate whether any foreseeable conditions, including but not limited to other investment opportunities pursued by the Equity Member, or its affiliates, may impact its ability to make the relevant equity investment;
- (b) A description of the recent financial performance and strength of each member of the Proposer team that is a Lead Contractor and each Proposed Guarantor of the same, including backlog, profitability, capital structure, ability to service debt, and other key commitments and contingencies;
- (c) A preliminary plan of finance, identifying the potential sources of financing for the Project, as well as the benefits and potential challenges with each one of them; and
- (d) At least three, but no more than five letters from underwriters or from commercial banks, indicating that the Proposer team is capable of securing, managing and bringing to financial close the financing of a project of the size and nature comparable to the Project.

To be considered, a letter must be issued by a bank having long-term, unsecured debt ratings of not less than "A" or "A2", as applicable, issued by at least two of the three major rating agencies (Fitch Ratings, Moody's Investor Service and Standard & Poor's Ratings Group). The bank's long term, unsecured debt ratings shall be indicated in the letter. The letter shall also indicate any experience the lender has with any members of the Proposer team in connection with public-private partnership concession financing packages in the infrastructure sector that have closed within the past seven (7) years and that has raised a non-recourse finance value in excess of \$250 million at the time of closing.

## APPENDIX 4

### FINANCIAL CAPABILITY

#### 1. Financial Statements and Credit Ratings

- (a) Financial statements for the Proposer, each Equity Member, each Lead Contractor and each Proposed Guarantor (in each case, if a consortium, partnership or any other form of a joint venture, all such members) for the three most recent completed fiscal years must be provided to demonstrate financial capability of the Proposer team. If the entity has only been in existence for less than three fiscal years, the Proposer should expressly state that such entity has been in existence for less than three fiscal years and shall provide financial statements for the number of fiscal years it has been in existence.
- (b) Except for entities that are fund managers of an investment fund (which entities are addressed in (c) below), financial statement information must include:
  - (i) Opinion Letter (Auditor's Report);
  - (ii) Balance Sheet;
  - (iii) Income Statement;
  - (iv) Statement of Changes in Cash Flow; and
  - (v) Footnotes audited by a certified public accountant in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") or International Financial Reporting Standards ("IFRS").
- (c) To the extent that the Proposer, any Equity Member or any Proposed Guarantor is a fund manager of an investment fund, financial statements must be provided for the fund manager, the limited partnership(s) constituting the investment fund and the general partner(s) of the investment fund. In addition, the Proposer must provide a letter from the chief executive officer, chief financial officer or treasurer of the investment fund which certifies the following:
  - (i) The investment capacity of the fund;
  - (ii) The ownership structure of the various entities in the hierarchy of the fund;
  - (iii) The investment criteria of the fund;
  - (iv) The approval process for an equity investment; and
  - (v) The description of recent changes in the organization of the fund.
- (d) Each financial statement must meet the following requirements:
  - (i) **GAAP/IFRS:** Financial statements must be prepared in accordance with U.S. GAAP or IFRS. If financial statements are prepared in accordance with principles other than U.S. GAAP or IFRS, a letter must be provided from a certified public accountant discussing the areas of the financial statements that would be affected by a conversion

to U.S. GAAP or IFRS. A restatement of the financial information in accordance with U.S. GAAP or IFRS is not required;

- (ii) **U.S. Dollars:** Financial statements must be provided in U.S. dollars if available. If financial statements are not available in U.S. dollars, the Proposer must include summaries of the Income Statements and Balance Sheets for the applicable time periods converted to U.S. dollars by a certified public accountant;
- (iii) **Audited:** Financial statements must be audited by an independent party qualified to render audit opinions (e.g. a Certified Public Accountant). If audited financials are not available for an entity, the SOQ must include unaudited financial statements for such entity, certified as true, correct and accurate by the chief executive, chief financial officer or treasurer of the entity;
- (iv) **English:** Financial statement information must be prepared in English. If audited financial statements are prepared in a language other than English, translations of all financial statement information must be accompanied with the original financial statement information;
- (v) **Proposed Guarantors' Letters of Support:** If financial statements of a Proposed Guarantor are provided, a letter from the Proposed Guarantor must be provided confirming that it will financially support all the obligations of the Equity Member or the Lead Contractor, as applicable, with respect to the Project. Proposers shall note that PennDOT may, in its discretion based upon the review of the information provided, or the Proposer's form of organization, specify that an acceptable guarantor is required as a condition of short-listing;
- (vi) **Newly Formed Entities:** If the Proposer, an Equity Member, a Lead Contractor or a Proposed Guarantor is a newly formed entity and does not have independent financial statements, financial statements for the equity members of the relevant entity shall be provided (and the entity shall expressly state that the entity is a newly formed entity and does not have independent financial statements);
- (vii) **SEC Filings:** If any entity for which financial information is submitted hereby files reports with the Securities and Exchange Commission, then such financial statements shall be provided through a copy of their annual report on Form 10K. For all subsequent quarters, provide a copy of any report filed on Form 10Q or Form 8-K which has been filed since the latest filed 10K; and
- (viii) **Credit Ratings:** Credit ratings must be supplied for each entity to the extent such entities have credit ratings. If no credit ratings exist, include a statement specifying that no credit ratings exist for that entity.

## 2. **Material Changes in Financial Condition**

Provide information regarding any material changes in financial condition for Proposer, each Equity Member, each Lead Contractor and each Proposed Guarantor (if any of the foregoing are a consortium, partnership or any other form of a joint venture, for all members of the relevant consortium, partnership or other form of joint venture) for the past three years and anticipated for the next reporting period.

If no material change has occurred and none is pending, each of these entities shall provide a letter from their respective chief executive officer, chief financial officer or treasurer so certifying.



In instances where a material change has occurred, or is anticipated, the affected entity shall provide a statement describing each material change in detail, actual and anticipated association changes or disruptions in executive management, the likelihood that the developments will continue during the period of performance of the Project development, and the projected full extent, nature and impact, positive and negative, of the changes experienced and anticipated to be experienced in the periods ahead. Include discussion of how the change is anticipated to affect the organizational and financial capacity, ability and resolve of the Proposer, the relevant Equity Member, Lead Contractor or Proposed Guarantor, as applicable, to remain engaged in this procurement and submit a responsive proposal.

Estimates of the impact on revenues, expenses and the change in equity will be provided separately for each material change as certified by the chief financial officer or treasurer.

References to the notes in the financial statements are not sufficient to address the requirement to discuss the impact of material changes.

Where a material change will have a negative financial impact, the affected entity shall also provide a discussion of measures that would be undertaken to insulate the Project from any recent material changes, and those currently in progress or reasonably anticipated in the future.

If the financial statements indicate that expenses and losses exceed income in each of the three completed fiscal years (even if there has not been a material change), the affected entity shall provide a discussion of measures that will be undertaken to make the entity profitable in the future and an estimate of when the entity will be profitable.

Set forth below is a representative list of events intended to provide examples of what PennDOT considers a material change in financial condition. This list is intended to be indicative only. At the discretion of PennDOT, any failure to disclose a prior or pending material change may result in disqualification from further participation in the selection process.

#### List of Representative Material Changes

- (a) An event of default or bankruptcy involving the affected entity, or the parent corporation of the affected entity;
- (b) A change in tangible net worth of 10% of shareholder equity;
- (c) A sale, merger or acquisition exceeding 10% of the value of shareholder equity prior to the sale, merger or acquisition which in any way involves the affected entity or parent corporation of the affected entity;
- (d) A change in credit rating for the affected entity or parent corporation of the affected entity;
- (e) Inability to meet material conditions of loan or debt covenants by the affected entity or parent corporation of the affected entity which has required or will require a waiver or modification of agreed financial ratios, coverage factors or other loan stipulations, or additional credit support from shareholders or other third parties;
- (f) In the current and three most recent completed fiscal years, the affected entity or the parent corporation of the affected entity either: (i) incurs a net operating loss; (ii) sustains charges exceeding 5% of the then shareholder equity due to claims, changes in accounting, write-offs or business restructuring; or (iii) implements a restructuring/reduction in labor force

exceeding 200 positions or involves the disposition of assets exceeding 10% of the then shareholder equity; and

- (g) Other events known to the affected entity which represents a material change in financial condition over the past three years, or may be pending for the next reporting period.

### **3. Off-Balance Sheet Liabilities**

A letter from the chief financial officer or treasurer (or, if neither of these positions exist for an entity, an individual who serves in an equivalent capacity and whose title shall be specified in the certification) of the entity or the certified public accountant for each entity for which financial information is submitted, identifying all off balance sheet liabilities in excess of \$25,000,000 in the aggregate.

### **4. Financial Qualifications – Summary Financial Information – Form F**

A completed **Form F** summarizing the financial information for the Proposer, each Equity Member, each Lead Contractor and each Proposed Guarantor.

For entities that are fund managers of an investment fund, **Form F** must be provided for the fund manager, the limited partnership(s) constituting the investment fund and the general partner(s) of the investment fund.

**Form F** shall be certified by the chief executive officer, chief financial officer or treasurer (or, if neither of these positions exist for an entity, an individual who serves in an equivalent capacity and whose title shall be specified in the certification) of the entity providing the information.

## APPENDIX 5

### PERFORMANCE SECURITY

Evidence from either:

- (a) A surety or an insurance company indicating that the Lead Contractor is capable of obtaining a performance bond(s) in an amount of \$250 million and, in the event that the Lead Contractor is a consortium, partnership or other form of joint venture, that each member of the Proposer team that is a Lead Contractor is capable of obtaining a performance bond(s) in an amount of \$50 million; or
- (b) A bank or financial institution indicating a willingness, without conditions or qualifications, to issue a letter or letters of credit for the Lead Contractor in the aggregate amount of \$250 million at the time of the SOQ submission and, in the event that the Lead Contractor is a consortium, partnership or other form of joint venture, the same level of willingness, without conditions or qualifications, to issues a letter or letters of credit for each member of the Proposer team that is a Lead Contractor in the aggregate amount of \$50 million.

In respect of subparagraph (a) above, the evidence regarding bonding capacity shall take the form of a letter from a surety or insurance company indicating that such capacity exists. Letters indicating “unlimited” bonding capability are not acceptable. The surety or insurance company providing such letter must be rated in one of the two top categories by two nationally recognized rating agencies (Fitch Ratings, Moody’s Investor Service or Standard & Poors Ratings Group) or at least A-: VIII or better according to A.M. Best’s Financial Strength Rating and Financial Size, and must indicate the relevant rating in the letter. The letter must specifically state that the surety/insurance company has read this RFQ and any addenda and evaluated the Proposer’s backlog and work-in-progress in determining its bonding capacity.

In respect of subparagraph (b) above, the evidence regarding letter of credit capacity shall take the form of a letter from a bank or financial institution indicating a willingness to issue such letter or letters of credit. To be considered, the letter must be issued by a bank or financial institution having long-term, unsecured debt ratings of not less than “A-/A3” from one of the major national rating agencies.

In instances where the response to this Appendix 5 contains descriptions of proposed or anticipated material changes in the financial condition of the Proposer or any other entity for which financial information is submitted as required hereby for the next reporting period, a certification that the surety’s or bank’s/financial institution’s analysis specifically incorporates a review of the factors surrounding such changes and identifying any special conditions which may be imposed before issuance of surety bonds or a letter of credit for the Project.

If the Lead Contractor is a joint venture, partnership, limited liability company or other association, separate letters for one or more of the members of the Proposer team that are Lead Contractors are acceptable, as is a single letter covering all members of the Proposer team that are Lead Contractors; provided, however, that each separate letter provided must reference the specific portion of the \$250 million amount that the surety or bank/financial institution is indicating it is willing to provide. Statements such as “[the entity’s] share of the work/bond amount” or the like are not acceptable.

## APPENDIX 6

### LEGAL LIABILITIES

Provide a list and a brief description of all instances during the last five years involving transportation projects in North America and those projects listed pursuant to Section 1 of Appendix 2 in which the Proposer, any Equity Member, any Major Non-Equity Member or any affiliate of the foregoing was (i) determined, pursuant to a determination in a court of law, arbitration proceeding or other dispute resolution proceeding, to be liable for a material breach of contract, or (ii) terminated for cause. For each instance, identify an owner's representative with a current phone and fax number (and e-mail address if available).

As used herein, "affiliate" means and 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 Proposer, any Equity Member or any Major Non-Equity Member as a joint venture or partner and not to activities of other joint venturers or partners not involving the Proposer, any Equity Member or any Major Non-Equity Member), and other financially liable or responsible parties for the Proposer, that, (a) within the past five years have engaged in business or investment in North America or (b) have been involved, directly or indirectly, in the debt or equity financing, credit assistance, design, construction, management or maintenance for any project listed by an entity pursuant to Section 1 of Appendix 2.

*With respect to the information solicited in this Appendix 6, failure to fully disclose this information, conditional or qualified submissions (i.e., "to our knowledge", "to the extent of available information", "such information is not readily available", "such information is not maintained in the manner requested", etc.) to requests or questions posed, incomplete or inaccurate submissions or non-responsive submissions, or failure to provide information enabling PennDOT to contact owner representatives may, in the sole discretion of PennDOT, lead to a lower evaluation score or a "fail" rating for the team or disqualification from the procurement process.*

**FORM A**  
**TRANSMITTAL LETTER**

PROPOSER: \_\_\_\_\_

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

Office of Policy & Public Private Partnerships  
Pennsylvania Department of Transportation  
PO Box 3545  
400 North Street, 8th Floor  
*(5th floor reception if hand delivered)*  
Harrisburg, PA 17120-3545  
Attention: Bryan Kendro

The undersigned (“Proposer”) submits this statement of qualifications (this “SOQ”) in response to the Request for Qualifications dated December 12, 2013 (as amended, the “RFQ”), issued by the Pennsylvania Department of Transportation (“PennDOT”) to design, build, finance, and maintain the Project. Capitalized terms not otherwise defined herein shall have the meanings set forth in the RFQ.

Proposer acknowledges access to all materials posted on the following website with respect to the Project: <http://www.P3forPA.com> and the following addenda and sets of questions and answers to the RFQ:

*[Proposer to list all addenda to this RFQ and sets of questions and answers issued prior to executing Form A by date and number]*

Proposer represents and warrants that it has read the RFQ and agrees to abide by the contents and terms of the RFQ and the SOQ.

Proposer understands that PennDOT is not bound to short-list any Proposer and may reject each SOQ that PennDOT may receive.

Proposer further understands that all costs and expenses incurred by it in preparing this SOQ and participating in the Project procurement process will be borne solely by the Proposer, except, to the extent of any payment offered by PennDOT for work product, as described in Part A, Section 4.3 of the RFQ.

Proposer agrees that PennDOT will not be responsible for any errors, omissions, inaccuracies or incomplete statements in the RFQ.

Proposer acknowledges and agrees to the protest provisions and understands that it limits Proposer’s rights and remedies to protest or challenge the RFQ or any determination or short-listing thereunder.

This SOQ shall be governed by and construed in all respects according to the laws of the Commonwealth of Pennsylvania.

Proposer’s business address:

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(No.) (Street) (Floor or Suite)

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(City) (State or Province) (ZIP or Postal Code) (Country)

State or Country of Incorporation/Formation/Organization: \_\_\_\_\_

*[insert appropriate signature block from following pages]*

1. Sample signature block for corporation or limited liability company:

*[Insert Proposer's name]*

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

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

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

2. Sample signature block for partnership or joint venture:

*[Insert Proposer's name]*

By: *[Insert general partner's or member's name]*

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

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

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

*[Add signatures of additional general partners or members as appropriate]*

3. Sample signature block for attorney in fact:

*[Insert Proposer's name]*

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

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

Attorney in Fact

**FORM B**  
**INFORMATION REGARDING**  
**PROPOSER, EQUITY MEMBERS, MAJOR NON-EQUITY MEMBERS AND PROPOSED**  
**GUARANTORS**

Name of Proposer Team<sup>1</sup>: \_\_\_\_\_

Legal Name of Proposer/Equity Member/Major Non-Equity Member/Proposed Guarantor:<sup>2</sup> \_\_\_\_\_

Role in Proposer Team [Proposer/Equity Member/Major Non-Equity Member/Proposed Guarantor]<sup>3</sup>  
*[Each Equity Member should indicate its planned equity ownership percentage]*  
*[Each Proposed Guarantor should indicate the entity that it is proposing to guarantee and the extent to which it is proposing to guarantee the obligations of such entity in respect of the Project]*

Year Established: \_\_\_\_\_

Individual Contact Details:  
Name of contact: *[insert name]*  
Title: *[insert title]*  
Address: *[insert address]*  
Telephone: *[insert telephone number]*  
Email: *[insert email address]*

\_\_\_\_\_

<sup>1</sup> Please indicate whether or not the relevant entity' name is a trading name or the legal name of the Proposer. All trading names must be supported by legal names of all relevant underlying entities.

<sup>2</sup> If the Proposer or any Major-Non Equity Member is a consortium, partnership or any other form of a joint venture, the SOQ must include an executed teaming agreement as an Appendix to Volume 1 of the SOQ. If a teaming agreement has not yet been executed, the SOQ must include a summary of the key terms of the anticipated teaming agreement, including percentages of ownership and the roles of all relevant parties.

<sup>3</sup> Delete as relevant.



Organization's \_\_\_\_\_  
CEO/Chairman:

Federal Tax ID No. (if applicable): \_\_\_\_\_ Telephone No.: \_\_\_\_\_

North American Industry Classification \_\_\_\_\_ Fax No.: \_\_\_\_\_  
Code:

Name of Official Representative (if applicable): \_\_\_\_\_

Business Organization (check one):

Corporation (If yes, then indicate the State/Country/Province and Year of Incorporation and complete Sections A-C and the Certification form (Form C) for the entity.)

Consortium (If yes, complete Sections A-C and the Certification form (Form C) for each member.)

Partnership (If yes, complete Sections A-C and the Certification form (Form C) for each member.)

Joint Venture (If yes, complete Sections A-C and the Certification form (Form C) for each member.)

Limited Liability Company (If yes, complete Sections A-C and the Certification form (Form C) for each member.)

Other (If yes, describe and complete Sections A-C and the Certification form (Form C))

A. Business Name: \_\_\_\_\_

B. Business Address: \_\_\_\_\_

Headquarters: \_\_\_\_\_

Office Performing Work: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

C. If the entity is a Consortium, Partnership, Joint Venture or Limited Liability Company, indicate the name and role of each member firm in the space below. Complete a separate Information form (Form B) for each member firm and attach it to the SOQ. Also indicate the name and role of each other financially liable party and attach a separate form.

Name of Firm

Role

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Under penalty of perjury, I certify that the foregoing is true and correct, and that I am the firm's Official Representative:

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

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

*[Please make additional copies of this form as needed.]*

**FORM C  
CERTIFICATION**

**Proposer:** \_\_\_\_\_

**Name of Entity:** \_\_\_\_\_

1. Has the firm or any affiliate\* or any **current** officer, director or employee thereof, been indicted or convicted of bid (i.e., fraud, bribery, collusion, conspiracy, antitrust, etc.) or other contract related crimes or violations or any other felony or serious misdemeanor within the past ten years?

Yes                       No

If yes, please explain:

2. Has the firm 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 firm 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?

Yes                       No

If yes, please explain:

4. Has the firm 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 any construction project performed or managed by the firm or, to the knowledge of the undersigned, any affiliate\* involved repeated or multiple failures to comply with safety rules, regulations, or requirements 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.

6. Has the firm 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 and any applicable Pennsylvania governmental agency) 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 Pennsylvania law?

Yes  No

If yes, please explain:

7. Has the firm or any affiliate\* been found, adjudicated, or determined by any state court, state administrative agency, including, but not limited to, the Pennsylvania 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:

8. With respect to each of Questions 1-7 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 firm that could result in the firm being found liable, guilty or in violation of the matters referenced in Questions 1-7 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 1-7 above.

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\* The term "Affiliates" 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 Proposer, any Equity Member or any Major Non-Equity Member as a joint venture or partner and not to activities of other joint venturers or partners not involving the Proposer, any Equity Member or any Major Non-Equity Member), and other financially liable or responsible parties for the entity, that (a) within the past five years have engaged in business or investment in North America or (b) 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 Proposer in response to the requirements of Section 1 of Appendix 2.

Under penalty of perjury, I certify that the foregoing is true and correct, and that I am the firm's Official Representative:

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

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

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

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

**FORM D  
PROJECT INFORMATION**

<b>Project Name and Contract Number</b>	<b>Owner Information(1)</b>	<b>Project Description</b>	<b>Dates Work Performed</b>	<b>Construction Value and Financing Value(2)</b>	<b>Annual O&amp;M Value(3)</b>	<b>Project Role, Description and Amount of Work Performed(4)</b>

Notes:

- (1) For owner information, provide owner’s name, address, contact name and current email address, phone and fax numbers.
- (2) Provide financing value if the entity’s role involved financing
- (3) Provide maintenance value if the entity’s role involved maintenance
- (4) Describe the work and state the percent or dollar value of the (a) design and construction work the entity performed/was responsible for (if the entity is a design-builder); (b) the construction work performed/was responsible for (if a developer or constructor); or (c) the design work performed (if the entity is a designer). For example, a member of a JV with a 30% stake in a \$200 million project would insert 30% or \$60 million; an engineer that performed \$10 million worth of work on a \$100 million project would insert 10% or \$10 million.

**FORM E  
CONCESSION AND PPP EXPERIENCE**

**EXPERIENCE OF THE EQUITY MEMBERS IN CONCESSION CONTRACTS AND PUBLIC-PRIVATE PARTNERSHIPS**

**INSTRUCTIONS:**

- (a) List only the experience of an Equity Member that will be a future equity owner/shareholder of the Development Entity. For entities that invest equity through one or more funds or vehicles under common or similar management or ownership, the experience of all such funds and vehicles may be included.
- (b) List all applicable projects identified in response to the requirements of Section 1 of Appendix 2.

<b>Company Name</b>	<b>Project Name And Location</b>	<b>Project Size (1), (2)</b>	<b>Debt Amount Type &amp; Gearing (2), (3)</b>	<b>Date Of Financial Close</b>	<b>Start Dates</b>	<b>% Of Works Completed By December 12, 2013</b>	<b>Level Of Company's Participation (4)</b>	<b>Type Of Concession/PPP(5)</b>
Example Entry: Financiers Corp.	Luxor Tunnels Luxor, Egypt	950,000	\$750,000 (95%, senior bank debt)	01/01/2007	04/15/07	100	\$100,000 (\$100,000; 50% shareholding of project company)	Availability payment

Notes:

- (1) Project size means the total amount of the project financed under private finance / project finance scheme (i.e., without public debt, public equity or capital grants).
- (2) In thousands United States Dollars. Identify exchange rates of amounts in other currencies using the last (bid) exchange rate published in the Wall Street Journal as of two weeks prior to the due date for the submission of SOQs.
- (3) Include in brackets the percentage of gearing and type of debt (bonds unwrapped or wrapped, bank debt, etc.).

- (4) Show company's amount of equity investment in United States Dollars as a shareholder. The equity investment may take the form of either (i) shareholders' equity or (II) shareholder subordinated debt. Please indicate separately the United States Dollar amount and percentage to which the company's equity investment bears to the total of all private shareholders' equity investments for the listed project.
- (5) Specify the type of concession (toll concession, availability payment, shadow toll, or combinations of these mechanisms).



**FORM F  
FINANCIAL QUALIFICATIONS – SUMMARY FINANCIAL INFORMATION (\*)**

**SUMMARY FINANCIAL INFORMATION (\*\*) FOR EACH EQUITY MEMBER, EACH LEAD CONTRACTOR AND EACH PROPOSED GUARANTOR  
FOR FINANCIAL YEARS 2010, 2011 AND 2012 (1)**

(IF AN EQUITY MEMBER OR A LEAD CONTRACTOR IS RELYING ON A PROPOSED GUARANTOR, THEN ONLY THE PROPOSED  
GUARANTOR SHOULD COMPLETE THIS FORM)

<b>Company</b>	<b>Role / Responsibility Within The Proposer Team And Percentage Ownership If Equity Member</b>	<b>Total Revenues</b>	<b>Pre-Tax Profit</b>	<b>Relevant Revenues (2)</b>	<b>Fixed Assets</b>	<b>Current Assets</b>	<b>Inventories</b>	<b>Goodwill</b>	<b>Total Assets (3)</b>	<b>Contingent Liabilities</b>	<b>Long Term Liabilities</b>	<b>Short Term Liabilities</b>	<b>Net Worth</b>	<b>Gearing (Debt To Equity) (4)</b>
Example Entry: Financiers Corp.	Equity Member	\$5,325	\$3,509	\$3,353	\$251,700	\$62,500	\$2,000	\$3,000	\$314,200	\$0	\$270,133	\$6,050	\$38,017	7

Certified as complete, true and correct by:

\_\_\_\_\_

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

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

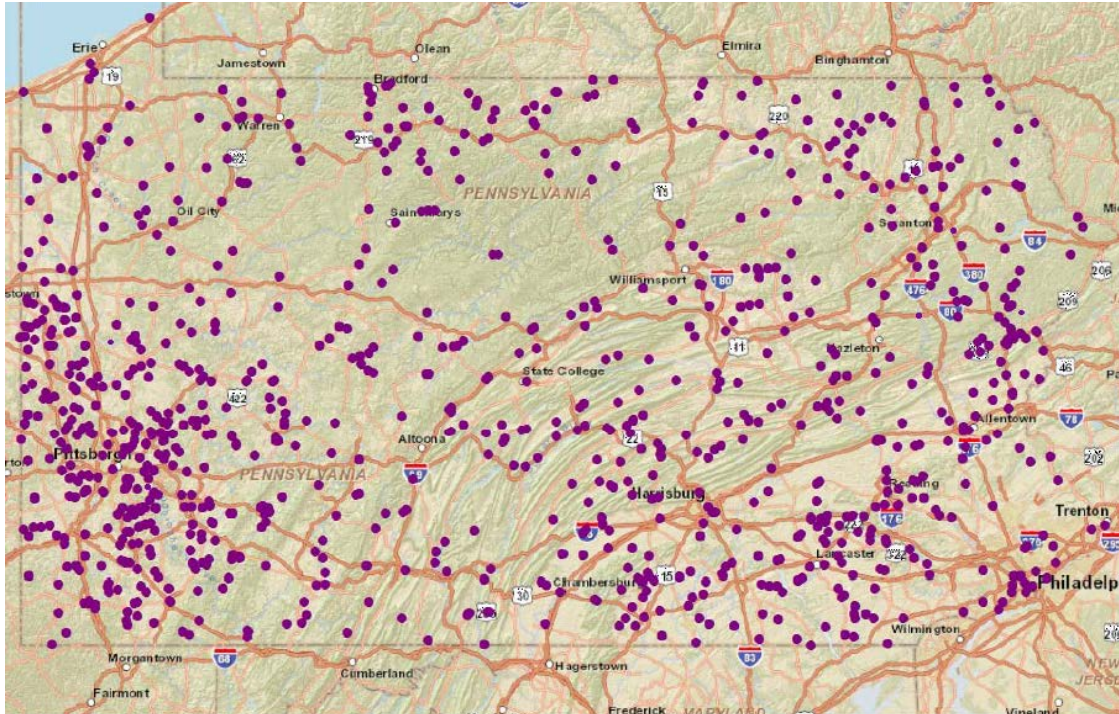
- (\*) The Chief Executive, Chief Financial Officer or Treasurer for each reporting entity must certify the information on this form as complete, true and correct. Information should be derived from audited financial statements where possible. Audited financial statements will prevail over this table.
- (\*\*) Expressed in thousands (000s) of United States Dollars. Where applicable, companies should indicate the conversion to United States Dollars, using the exchange rate prevailing on the last day of each financial year. Please identify the benchmark on which the exchange rate is based.

Notes:

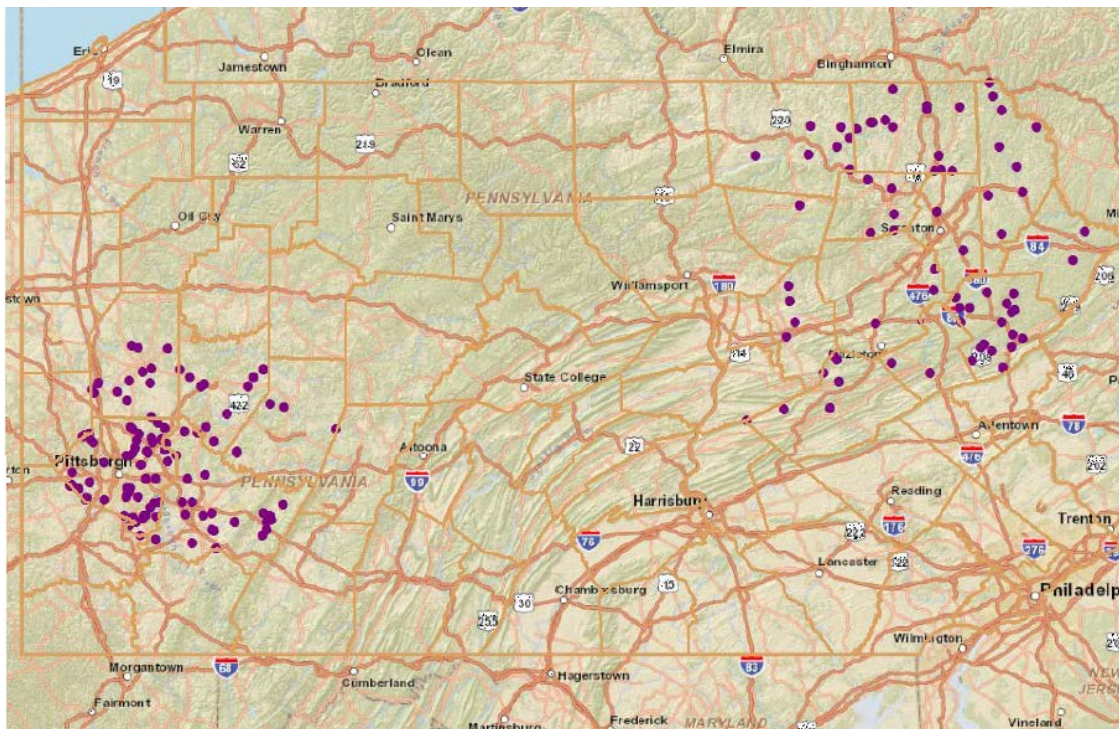
- (1) Complete separate forms for each fiscal year. If the entity has only been in existence for less than three fiscal years, the entity should expressly state that such entity has been in existence for less than three fiscal years and shall complete separate forms for the number of fiscal years it has been in existence.
- (2) Relevant revenue consists of revenue from design-build-finance-maintain contracts for transportation projects.
- (3) Excludes goodwill and intangibles.
- (4) Long Term Liabilities / Net Worth.

**EXHIBIT 1  
REPLACEMENT BRIDGES**

**Part A – Bridges Eligible for inclusion in the Project**



**Part B – Bridges Eligible for inclusion as Early Completion Bridges**



Comparison Details	
Title	<b>pdfDocs compareDocs Comparison Results</b>
Date & Time	2/3/2014 10:42:17 PM
Comparison Time	6.13 seconds
compareDocs version	v3.4.11.49

Sources	
Original Document	[#18229361] [v18] RFQ
Modified Document	[#18229361] [v19] RFQ

Comparison Statistics	
Insertions	0
Deletions	0
Changes	1
Moves	0
TOTAL CHANGES	1

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<del>Deletions</del>	
<u>Moves / Moves</u>	
Inserted cells	
Deleted cells	
Merged cells	
Formatting	Color only.
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	True
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	True
Show Track Changes Toolbar	Word	False
Show Reviewing Pane	Word	False
Update Automatic Links at Open	Word	False
Summary Report	Word	End
Include Change Detail Report	Word	Separate
Document View	Word	Print
Remove Personal Information	Word	False
Flatten Field Codes	Word	True