



REQUEST FOR PROPOSALS  
FINANCIAL AND COMMERCIAL ADVISORY SERVICES IN THE  
FORMATION OF A PUBLIC-PRIVATE PARTNERSHIP

1. Has the Port authority already engaged a technical advisor as part of the design of the proposed port development? Are there any existing conceptual designs or plans that can be shared at this time? **Port KC has Transystems engaged as a technical advisor. There are no conceptual designs, which can be shared at this time.**
2. Has any market sounding or forecasting been completed by the Port Authority to assess the viability of the potential transaction that could be shared? **One of the anticipated responsibilities of the selected Financial Advisor will be to assist the team with market sounding and forecasting.**
3. An additional question we had was around the definition of a joint proposal. Can we assume that forming a team with sub consultants is acceptable? **Yes, joint proposals with sub consultants will be accepted, provided all sub consultants are additional financial advisors (i.e., not primarily technical, environmental, etc.).**
4. Are all of the specific experiences identified in paragraph A (“Relevant P3 Experience”) under the heading “Requirements for Submission” anticipated to be part of the Financial Advisor’s scope of work? Specifically, does Port KC expect the Financial Advisor to perform underwriting services, being a lead arranger? **Please see heading “Financial Advisory Scope of Services.” Port KC does not anticipate that the Financial Advisor will serve in capacities as underwriter or lead arranger. Port KC is interested, however, in understanding bidders’ experiences, if any, with those aspects of P3 financings.**
5. Is there a target timeline for the P3 procurement process? Or are there specific milestones to bear in mind? **Currently there is no target timeline nor milestones driving MRT Project development. Port KC is focused on assembling our team and preparing for procurement.**
6. Have design, cost, environmental, and technical studies been completed? **It is anticipated the financial advisor will play a role in all final financial aspects of these yet-to-be-completed studies. Early design, environmental, technical and related studies and scoping are underway.**

7. Has the Port KC engaged advisors other than the technical advisor (Transystems) and legal advisor (Nossaman)? If so, can you please provide the name and role?  
Burns & McDonnell serve as a part of our environmental team, and Thompson Coburn and the Hardwick Law Firm continue to serve as environmental and bond counsel, respectively.
8. Could you please share or clarify the level of detail in the current cost and revenue data in order to better assess the level of effort required to assess it?  
Port KC will look to the Financial Advisor to evaluate existing data to determine what, if any, new data is required to make a thorough assessment of MRT Project scope. Please see Port KC's financial audit, available on the Port KC website for some public information.
9. The first bullet point under services, mentions the development of scopes of work for third parties and review of their work products. Please elaborate on this aspect in order for our team to assess the level of effort required for this task?  
It is anticipated the selected Financial Advisor may determine additional studies are desirable to better understand the financial position of the project under development. If so, the selected Financial Advisor will coordinate with Port KC Staff in order to determine the scope of the anticipated requests and review of subsequent submissions.
10. When do you expect to award the contract for the 'Financial Advisor' role?  
The anticipated contract award date will be by the end of May, 2019.
11. Could you please briefly explain the process that was followed and the analyses that were conducted for Port KC to arrive at the decision to pursue a P3 for the development of the inland intermodal/multi-modal port?  
Based upon advice regarding structures, relative advantages and disadvantages, and Port KC's preferences regarding development, operation and maintenance of the MRT Project, Port KC is advancing the project so as not to preclude a P3 structure. Port KC is still evaluating whether or not a P3 will be the optimal delivery method for the Project. The Financial Advisor will play an important role in determining the final project development and delivery model, in part based upon the analyses that Port KC is asking the Financial Advisor to conduct once brought on board. Based upon Port KC's preferences it is soliciting the assistance of a Financial Advisor with relevant P3.
12. Have public funding options been identified for the project?  
A number of options have been tentatively identified, and we are taking steps to secure a number of revenue sources for the Project. It is expected the Financial Advisor will assist in further funding pursuits.

13. We understand that the current port typically handles fertilizers, rebar, mill scale and scrap steel. In relation to the above, do you expect to attract other commodities and/or containers in addition to the currently handled commodities?  
In addition to the current bulk cargo, the proximity of interstate and Class I rail to the project and Kansas City's central location have expanded the potential of the MRT port site to include containerized distribution and trans-load options.
14. Do you foresee a link between the new intermodal port and the Logistics Park Kansas City?  
There is potential for interconnectivity between the MRT project and a number of existing facilities within the Metropolitan Kansas City area.
15. Have you received any unsolicited proposals?  
We have not received, nor does Port KC accept any unsolicited proposals.
16. Have there been any formal interaction or sounding with potential investors and / or operators?  
There have been preliminary and informal discussions with interested parties, but there have been no formal commitments made.
17. We understand that the site is environmentally challenged and were wondering regarding the status of the environmental cleanup and if the future concessionaire may have any responsibilities in this regard? Will environmental clearances be needed for the project?  
An environmental requirements and permitting assessment is currently underway. Further information relating to the environmental posture of the project will be made available to the selected Financial Advisor as it performs its scope of services. As it currently stands, the environmental liability is expected to be between 1-2% of the total project cost, and it is anticipated the environmental issues will be addressed during the development of the site. As this is a water-facing infrastructure project, there will be environmental clearances and permits needed for the project.
18. What are the current maximum number of barges in a tow and are there plans (from USACE or other Authorities) to widen the Missouri river to allow an incremental number of barges in a tow?  
Current maximum number of barges allowed in a tow is eight barges northbound, and six barges southbound. However, the barge/tow system is only a portion of the anticipated goods throughput and there are no current plans or need to widen the Missouri River as part of the MRT Project development.

19. Will the existing terminal at 1724 Market St. in Kansas City's West Bottoms., currently operated by Kaw Valley Cos. Inc., continue operations after expiry of their lease (understood to occur in 2022)?

We anticipate keeping the current Port site active as long as it remains commercially and publicly viable.

20. If an organization is selected as the Advisor to Port KC via this RFP are they, or an affiliated company, eligible to submit on a future RFP for or be retained as Port KC's P3 development partner?

The selected Financial Advisor will be a member of the Port KC's P3 team and therefore ineligible to participate as a respondent to the final P3 development/concession procurement.

21. Additional Submission Requirements, Processes and Deadlines, Section F – Does Port KC have an anticipated date for interviews for the firm(s) selected?

Port KC anticipates contacting selected firms by March 29<sup>th</sup>, 2019. Dates for interviews with selected firms will then be set on an availability basis.

22. Has the deadline for submitting questions in the Additional Submission Requirements Section D also been delayed by one week to March 8? Yes.

23. Given response #5 indicating that there is no anticipated timeline/milestones for the services requested, we would ask that Port KC relax the pricing submittal requirement in Requirements for Submission Section G from a not-to-exceed figure to a rate card and an estimate of hours provided by Port KC, at least for RFP and subsequent phases. Without greater clarity on the anticipated scope of the project and duration of each phase, we are concerned that we would be required to include contingency to reflect that uncertainty, which is unlikely to represent good value to Port KC. Port KC's technical and environmental advisors are compiling environmental constraints and an inventory of governmental approvals required to advance the MRT project. Port KC's intent is for this effort to conclude while Port KC's Financial Advisor is still performing its scope of work. At such point, long-lead project timelines relating to permitting, funding and financing programs and project scoping will be clearer. Bidders can presume a customary procurement timeline once the procurement commences, subject to intelligent adjustment based upon consultation with all advisors retained by Port KC.

24. Can we include additional Labor categories in Schedule 1? Yes. Please also see response to posted question #31.

25. Do the cover page, table of contents, and cover letter fall under the given page limit? Yes.

26. In order to capture the depth of our experience and address the scope of work, we would like to request additional 5 pages to the 15 page limit, making it a 20 page proposal. **Please adhere to the 15 page limit.**

27. Can font in graphics and tables be smaller than 12 point font? **No.**

28. In “Requirements for Submission, Section A. Relevant P3 Experience,” you ask for experience in underwriting services and performing as a lead arranger (assuming for debt) which is not necessarily relevant to the scope requested. Can we get a better rationale on this request and should we be trying to team with a municipal underwriter? **Please see response to posted question #4.**

29. Does Port KC want three sealed “Financial Proposals” and one electronic “Technical Information” in PDF format? Or does Port KC want three sealed Financial Proposals, accompanied by separate volumes of the Technical Information, and a single PDF containing both?

Under “Requirements for Submission. Section G” the RFP states:

*“Submission of the foregoing in this Section G shall be in separate, sealed envelopes and files consistent with requirements below, and shall constitute the “Financial Proposal.”*

Subsequently, under “Additional Submission Requirements, Processes and Deadlines” the RFP states:

“A submission of three (3) sealed and one (1) electronic format (fully searchable PDF that is not password protected) proposals will be accepted by Port KC...”

**Please submit three “hard-copy” submissions as follows: sealed Financial Proposal with a Technical Proposals, collectively in one sealed container/envelope. Please submit one fully searchable, non-password protected PDF on a thumb/flashdrive or other medium for ease of Port KC’s electronic extraction.**

30. In “Schedule 1, Fee Schedule,” you are requesting an “Not-to-Exceed Value” although there are minimal details around the status of the project and the anticipated engagement schedule. What additional details can you provide? We can assume a typical schedule, however, you may get different estimates from proposers based on different assumptions. **Please see response to posted question #23.**

31. Can we propose alternative labor/rate categories, so that we can provide more efficient level of professionals across the experience spectrum to deliver on the scope of work? Yes, you may propose alternative labor/rate categories. **Please**

see the first full paragraph beneath the bullet points under the heading “Requirements for Submission,” paragraph G (“Financial Services Fees and Disbursements/Expenses”). Please also see response to posted question #24.”

32. Is there any opportunity for discussing/modifying the wording of the General Contractual Terms & Conditions (Criteria for Selection E.)? ~~No. As per the RFP, the “General Contractual Terms and Conditions” are set forth without modification.~~

Amended 03/12/2019:

Port KC is open to targeted and limited discussions with the selected Financial Advisor solely with respect to liability issues under the General Contractual Terms & Conditions in solicitation. Port KC reserves the right to change the General Contractual Terms & Conditions in its sole discretion. A statement and discussion of any such issues must be presented in the 15 pages allotted for the bidder’s response. For bidders that have already responded as of March 12, 2019, Port KC will allow a 16th page, should such bidders wish to express positions with respect to such liability issues. Determination whether issues presented are “liability issues” is in Port KC’s sole discretion to determine.

33. Is there any update on timing for promulgation of Port KC general procurement policies? Any insight into potential changes vs. the current policies (Requirements for Submission E.)? ~~Please see the following link to the new Port KC Procurement Policy: [LINK](#)~~
34. Does the separate fee proposal (and any alternative fee structure) count in the overall 15-page limit to the response (Add'l Submission Requirements B.)? ~~Yes.~~
35. What are Port KC’s minimum requirements for insurance (Requirements for Submission D.)? ~~Please see “Requirements for Submission,” paragraph D. Port KC expects that existing insurance for a bidder would include, at a minimum, the following insurances with an insurer rated A.M. Best A-/VII or better:~~
- I. ~~Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$2,000,000 general aggregate, written on an “occurrence” basis, and written or endorsed to include the following provisions:~~
    - a. ~~Severability of Interests Coverage applying to Additional Insureds~~
    - b. ~~Contractual Liability; no amendments to the definition of “insured contract”~~
    - c. ~~Per Location Aggregate Liability Limit or, where not available, the aggregate limit no less than \$1,000,000.~~
    - d. ~~No Contractual Liability Limitation~~

- e. Additional Insured Endorsement, ISO form CG20 10, current edition, or its equivalent.
- f. On a primary and non-contributory basis
- g. Waiver of subrogation
- II. Commercial Automobile Liability Insurance with a limit of \$1,000,000 per occurrence, covering owned, hired, and non-owned automobiles, written on an “any auto” basis and written on an “occurrence” basis; waiver of subrogation.
- III. Workers’ Compensation Insurance as required by statute
- IV. Professional Liability with limits of \$1,000,000 per claim
- V. Umbrella or Excess Liability coverage with minimum limits of \$5,000,000; “follow-form”.

All insurances would give Port KC a notice of cancellation with right for Port KC to approve counsel selected as a named additional insured. Port KC may accept self-insured retentions of no more than \$100,000; larger values would require Port KC’s agreement.

If any of the foregoing coverages are not included in a bidder’s existing insurance program, then the bidder’s “statement regarding ... coverages held, or to be held ... “should address the bidder’s reasoning for the exclusion.

Final insurance requirements, as discussed, will be included in the engagement agreement.

36. Would self-insurance be acceptable to the Port, assuming the advisor is a well-capitalized entity? **Please see response to posted question #35.**

37. In Criteria for Selection, Section B. 2, page 13 of 25 can you confirm that the “Lowest Total Cost” and “Offeror’s Total Cost” are the sum all Not-to-Exceed Values for each of the Project Procurement Phase under Schedule 1? If not, can you please clarify the methodology for deriving the Lowest Total Cost? **Yes.**

### **Clarification**

#34: Does the separate fee proposal (and any alternative fee structure) count in the overall 15-page limit to the response (Add'l Submission Requirements B.)? Yes. ---However, Pg 8 of the RFP, states in point B: “blended or alternative fee proposals will be deemed “appendices required by this Solicitation.”—and therefore, we believe, that if we include a blended or alternative fee proposal, then it would be considered an appendix and therefore not included in the overall 15-page limit to the response. Could you please confirm this understanding of the requirements regarding the page limits and the financial proposals, or correct this if our understanding is not correct?

**This understanding is correct.**

**NO FURTHER QUESTIONS OR CLARIFICTIONS WILL BE ADDRESSED.**