



**Request for Letters of Interest
for Pump Station Replacement/Rehabilitation
using a Public-Private Partnership**

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1. Introduction

1.1. Purpose of this Request for Letters of Interest

The Michigan Department of Transportation (MDOT or the Department) is pleased to present this Request for Letters of Interest (RFLOI) to individual firms or teams with experience in developing, supplying and/or financing infrastructure using a public-private partnership (P3) contract structure.

Individual firms or teams (Respondents) interested in responding to this request are invited, on a non-binding basis, to express their interest in the Project and provide feedback on its features. The purpose of this RFLOI is to generate responses that contain information which will help the Department understand the perspective of the industry and to confirm and/or refine the scope, procurement approach, contract delivery model, and financing approach for the Project.

1.2. Pump Station Project Alternatives

MDOT is currently considering alternative scope options for the replacement and rehabilitation of the State's pump stations and supporting infrastructure (the Project). For the purpose of this RFLOI, infrastructure may include, but not be limited to, the pumps, housing structures, ITS and monitoring devices, wiring, handholes, meters, circuits, inlet and outlet pipes. The proposed project is also expected to include a maintenance and operation period for the associated infrastructure.

The alternatives, based on geographical locations, for project are as follows

Alternative 1 includes all pump stations within the State, which is currently estimated at 165 stations. It should be noted that MDOT's database information is constantly being updated and the number provided should be considered approximate.

Alternative 2 is focused on pump stations in the Metro Region, which includes the counties of Wayne, Oakland, and Macomb. This area represents 139 pump stations or approximately 84% of the system.

The Department is currently considering procuring this project under a P3 delivery model whereby a private sector developer (Concessionaire) is responsible for designing, constructing, financing, operating and maintaining the project over a long-term contract (Contract). The Department is also open to other procurements such as designing, constructing, financing; designing, constructing, financing, maintaining, etc. and we encourage the Respondents input as to which are most viable. MDOT will evaluate the number and quality of the responses to this RFLOI and then determine whether or not it will proceed with developing a RFQ.

Below is a further breakdown of pump stations by MDOT Region:

Region	Number of Pump Stations
Bay Region	12
Grand Region	2
Metro Region	139
North Region	1

Southwest Region	1
Superior Region	1
University Region	9
Total Number of Pump Stations	165

This is the link for a map that shows each of the MDOT Region's and their respective offices:
http://www.michigan.gov/mdot/0,4616,7-151-9622_11033-36042--,00.html

1.3. Project Purpose

Currently MDOT has a 20 year capital plan to improve the inventory of pump stations. The purpose of this project is to accelerate such improvements to MDOT's pump stations so they are functioning properly, improving safety for the traveling public, and operating / maintaining the system to provide this service over a number of years. MDOT expects the project will improve the current pump station infrastructure, enhance safety, provide energy efficiencies and savings through the use of new technologies and creating efficiencies in operations / maintenance throughout the term of the Contract.

1.4. Ownership

MDOT will retain ownership of the pump station facilities and supporting infrastructure and has no intention of relinquishing ownership during, or at the end of, the Contract term.

1.5. Protecting the Public's Interest

The primary goal of MDOT is to act in the interest of the public. The public's interest will be protected through the terms and conditions defined in the Contract with the Concessionaire. Items such as safety, security, length of the contract, operations and maintenance responsibilities, motorist mobility, public outreach and environmental compliance of project components will be outlined in the Contract.

1.6. Other Stakeholders

It should be noted that other stakeholders will be engaged during the Contract term. An example of the other stakeholders would include, County Drain Commissioners, Counties and Cities, the power supply companies (DTE Energy, Consumers Energy, etc.),, among others.

1.7. Anticipated Schedule

Depending on the quality and number of responses to this RFLOI, a subsequent schedule will be developed and posted on MDOT's Innovative Contracting website: www.michigan.gov/ic. MDOT will also notify each Respondent once the schedule has been posted.

2. Submittal Instructions

2.1. Content

Respondents to this RFLOI are encouraged to provide the following information for each of the potential project options (to the extent relevant based on the parts of this document the Respondent wishes to submit a response):

1. **Contact Information** – Name and contact information (address, phone, fax, and e-mail) for the individual who will act as the Respondent's principal contact throughout the process for this particular RFLOI and description of the individual member of the Respondent's team with experience related to the objectives of the public private partnership as described in this RFLOI.
2. **Company Information** – Brief description of the firm's or team member's lines of business and experience in the delivery of similar projects under a public-private partnership model or alternate delivery method. Including:
 - a. Public-private partnerships – provide brief examples to demonstrate the Respondent's experience and successful participation in the design, construction, financing, operation and maintenance of transportation infrastructure projects.
 - b. Local Contracting Partners – Provide brief examples of past practice of partnering with Small Business Enterprises, Disadvantaged Business Enterprises and/or Minority Business Enterprises.
 - c. Pump Station Systems – Provide brief examples of experience with installation, operations, and maintenance of pump station systems within limited access right of ways, for bridges, highway sag curves, etc. Please comment on any specific experience with monitoring technology.
 - d. Highway Infrastructure – Provide brief examples of experience with other ancillary highway infrastructure, including freeway lighting or other asset categories that are operated within the highway's right of way.
 - e. Cost Saving Technologies – Provide brief examples of technologies available that could help reduce costs.
3. **Letter of Interest** – A letter indicating, if applicable, the firm's or team's interest in developing one or more of the alternatives on a non-binding basis and identifying the Respondent's type of interest (e.g., developer, manufacturer, financial investor, design engineer, contractor, lender, operator, vendor). The Respondent is also encouraged to indicate the minimum project size to continue their interest in this partnership.
4. **Scope** – A brief description of the elements the Respondent believes should be delivered by a single private entity. Respondents may provide one or more solutions in their submission. Indicate any technological innovations that would be considered viable, including, but not limited to, cost saving measures, on-line monitoring and automatic notifications for maintenance purposes, on-line control systems, etc.
5. **Business Model** – A brief description of the public-private partnership business model(s) that would be considered appropriate for the project (e.g. availability and/or milestone payment schedules for delivery, operation and maintenance responsibility, energy risk and indexing, and how that index is calculated, energy savings performance contracts, etc) and what would be the benefits for the project and the public impact from each option, including any disadvantages associated with each option. Also, any examples of projects where such a business model(s) has been successfully used.
6. **Key Performance Requirements and Hand-back Criteria** – A brief description of the suggested performance requirements (eg: working pumps, maintenance of inlet and outlets, pump house security, cleanliness, etc) and hand-back criteria that would be considered appropriate for the project (eg: warranty/s available for pumps, wiring, circuitry, etc).

7. **Risk Assessment** -- An indication of key risks that would not be acceptable or would have substantial value for money impact during all phases, design, build, finance, operation and maintenance, for a project of this nature (eg: major storm events and what would be considered unacceptable, conditions of the inlets and outlets, pipe connections, voltage fluctuations, etc).
8. **Term of Agreement** – The preferred term (years) of the public-private partnership agreement under such a business model(s) for the preferred alternative and why.
9. **Other Opportunities** – Identification of other business opportunities that could be added to the scope that would could help offset costs to the State.
10. **Financing** – Provide information on financing options available for the business model(s) identified, including, but not limited to, bank debt, leasing and vendor financing. Any financing options that are not preferred by the Respondent should be noted, including explanations as to issues considered.
11. **Inventory Information** – What type of inventory information would you need to help prepare a response to an RFQ as well as additional information needed to prepare a response to a RFP (eg: location of pump stations, condition rating (if so what components are most critical), power consumption information, hydraulic information, pump type, pump capacity, pump horsepower, etc)?
12. **One-on-One Meeting** – Provide indication if the Respondent would be interested in participating in an One-on-One Meeting and general availability for a meeting in December. Please note, it is in MDOT's sole discretion to hold these meetings. Depending on the number of Respondents that express interest in participating in these meetings, MDOT may set criteria for selection of a participants (e.g. ability of Respondent to address all elements of the work, \$ value of prior projects).

2.2. Schedule and Interaction with Respondents

Responses are due on November 24, 2015 by 10 a.m. Eastern Standard Time. Any questions regarding this RFLOI must be submitted in writing, via e-mail to Charlie Stein, Michigan Department of Transportation at steinc@michigan.gov. Responses to any inquiries/questions will be delivered via e-mail and may also be posted to the website.

MDOT reserves the right to continue interaction with Respondents as they deem appropriate, which may include conducting one-on-one meetings with participants, if such requests are received from the Respondents.

2.3. Format

MDOT requests that responses do not exceed 15 pages (8 ½" x 11") and are provided in a searchable PDF format. Font should be a minimum of 11 point with pages numbered continuously. In order to insure the email is received, please limit the size to less than 20mb.

2.4. Delivery

Respondents must provide their responses to this RFLOI via email to the following person by the previously stated deadline:

Name: Charlie Stein, PE

Title: Project Manager

Email: steinc@michigan.gov

Phone Number: 517-373-7339

Respondents are solely responsible for assuring that the MDOT receives responses by the specified delivery date and time at the address listed above. Respondents will receive an e-mail noting receipt of their response.

3. Limitations

3.1. Inquiry Only – No Contract

This RFLOI is an inquiry only and no contract or agreement will be entered into as a result of this process. By responding to this document or otherwise participating in this process (incl. any one-on-ones), no contract or agreement will be formed and no legal obligation between the MDOT and the Respondents providing a response will arise. Individual firms or teams that have not responded to this RFLOI will not be precluded from participating in any future qualification processes. The MDOT is under no obligation as a result of this RFLOI and may decide to proceed or not to proceed with development of a RFQ or RFP based on responses to this RFLOI and MDOT reserves the right to proceed with other contract procurement means.

3.2. Right to Alter

The MDOT reserves the right to alter this document, including any conditions and criteria outlined herein which may include, but is not limited to, deadlines for submissions. The MDOT reserves the right to cancel this RFLOI process at any time. Any notifications regarding alterations or cancellations of this document will be posted on the following website: <http://www.michigan.gov/ic>

3.3. Cost and Expenses – No Reimbursement

Each Respondent is responsible for its own costs and expenses related to this process, including costs and expenses associated with preparing and submitting a response to this RFLOI, participating in the process, preparation of provisions and information, or attendance at meetings or interviews. No costs related to this RFLOI will be considered reimbursable by the State.

3.4. Ownership of Submissions

The MDOT will be entitled to retain all submissions and any other documentation received or related in response to this RFLOI. The MDOT will not offer any compensation for submissions or documents received in response to this RFLOI.

3.5. Non-Confidentiality of Information

Respondents are advised that any provided response to this RFLOI may be presented to other branches of State Government. Also, it is brought to the Respondents attention that MDOT is subject to the Freedom of Information Act with respect to any documents or other records provided to MDOT and, by law, are subject to disclosure to the public upon request. Therefore, Respondents should consider any response to this RFLOI as a public document.

3.6. Conflicts

Respondents should advise the MDOT of any potential conflict of interests they may have or expect could be considered controversial.