



GOVERNMENT OF PUERTO RICO  
Puerto Rico Public-Private Partnerships Authority



# Request for Qualifications

## San Juan Bay Cruise Terminals

Date of Issue: 5 September 2018

Responses Due: 17 October 2018 at 5:00 PM AST





GOVERNMENT OF PUERTO RICO  
Puerto Rico Public-Private Partnerships Authority



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# 1. Overview of RFQ and PPP Process

## 1.1 Introduction

The Puerto Rico Public-Private Partnerships Authority (“**Authority**”), in collaboration with the Puerto Rico Ports Authority (the “**PRPA**”), wishes to request qualifications from companies, developers, contractors, teams or consortia interested in participating in a procurement process to repair, expand, finance, maintain and operate certain marine cruise terminals in the San Juan Bay (the “**Project**”). The piers in the San Juan Bay that are proposed to form part of the Concession are Pier 1, Pier 3, Pier 4, Piers 11 to 14, and the Pan American Piers, along with the quay wall and walkways between Pier 1, Pier 2, Pier 3 & Pier 4 (collectively the “**Piers**” or “**Cruise Terminals**”).

Respondents should note that the PRPA is considering a second phase for the Project which would include additional piers. The conditions and responsibilities for this second phase, if determined to be included, will be elaborated in the RFP. For purposes of responding to this RFQ, Respondents should assume the development of the Piers as described in this RFQ.



**Figure 1: San Juan Cruise Ship Piers**

The Authority and the PRPA wish to enter into a PPP Contract with a private sector operator or consortium (“**Private Partner**”) in order to achieve the following objectives for the San Juan bay Cruise Terminals:

- **Repair:** Over time, repairs to the San Juan Bay Cruise Terminals have been postponed. This, combined with damage from the recent hurricanes, requires an investment of capital by the Private Partner in order to restore the Cruise Terminals to world class standards.
- **Expand:** Cruise traffic in the Caribbean continues its strong growth, and San Juan Bay Cruise Terminals need to expand in order to continue to be able to serve the largest cruise ships. The Private Partner would be required to invest in certain defined expansion projects in order to improve the capacity and amenities at the Cruise Terminals.
- **Operate:** Through the Private Partners’ own creativity and initiatives, it would be able to optimize operations and increase passenger volumes at the San Juan Bay Cruise Terminals
- **Finance:** Make a contribution to the PRPA, through either an upfront “Concession Fee,” an ongoing revenue share arrangement, or some combination of both.



- **Maintain:** The Private Partner would be required to undertake routine and lifecycle maintenance of the Cruise Terminals throughout the PPP Contract term, so as to keep the Cruise Terminals operating at world class standards.

Prospective Respondents are encouraged to review the following documents, which are available for download on the Authority's website at <http://www.p3.pr.gov>:

- Desirability and Convenience Study for the Concession of San Juan Bay Cruise Terminals ("**Desirability & Convenience Study**").
- Public-Private Partnership Authority Act, Act No. 29 of June 8, 2009, as amended.
- Regulation for the Procurement, Evaluation, Selection, Negotiation, and Award of Participatory Public-Private Partnerships Contracts under Act No. 29-2009, as amended.

In addition, the Commonwealth of Puerto Rico's Financial Information and Operating Data Report is accessible at <http://www.aafaf.pr.gov/>.

## 1.2 Background to Puerto Rico's PPP Program

The Public-Private Partnership Authority Act, Act 29-2009 (the "**Act**"), as amended, was first enacted on June 8, 2009. The Act states that the public policy of the Government of Puerto Rico ("**Government**") is to favor and promote the establishment of public-private partnership ("**PPPs**" or "**P3s**") for the creation of certain Priority Projects (as such term is defined in the Act) and among other things, to further the development and maintenance of infrastructure facilities, share with the private sector the risks involved in the development, operation or maintenance of such projects, improve the services rendered and the functions of the Government, encourage job creation and promote Puerto Rico's socio-economic development and competitiveness.

The Act provides that the PPP public policy must maintain such controls as are necessary to protect the public interest and temper this need with the profit-making purpose of any private operation. The contractual relationship must thus be mutually beneficial, while ensuring the efficient, effective and affordable provision of public goods and services to all citizens.

The Authority was created pursuant to the Act as a public corporation of the Government, affiliated to the Puerto Rico Fiscal Agency and Financial Advisory Authority ("**FAFAA**"). The Authority is designated as the sole government entity authorized and responsible for implementing the Government's public policy on PPPs and for determining the functions, services or facilities for which PPPs are to be established.

The Authority must establish a PPP Committee for each proposed PPP project. The PPP Committee is responsible for: (1) the qualification, evaluation and selection processes of the proposed PPP; (2) establishing the terms and conditions of the PPP Contract; and (3) reporting on the procedures followed, among others.

**Respondents should note that the PPP Committee has been vested with the authority to negotiate the terms of the PPP Contract. The Authority and, in this case, the PRPA, have been vested with the authority to approve the PPP Contract agreed by the PPP Committee with a Private Partner, subject to final approval by the Governor of Puerto Rico or his delegate.**

## 1.3 Unsolicited Proposal

This RFQ is being issued in response to an unsolicited proposal submitted in respect of the Piers. The proposer group was seeking the exclusive right to repair, design, finance, build, operate, and maintain, as well as optimize the operations of the San Juan Bay Cruise Terminals, commercial activities, ancillary facilities, and adjacent / associated real estate development in Piers 1, 3, 4, Pan American, and 11 through 14, as well as the Navy Frontier Pier to the extent it is available for development and operation. In accordance with Puerto Rico's P3 legislation, the Project is being opened up to competitive procurement. Even though this was the original proposed scope, the scope for this procurement has been limited to the Cruise Terminals.



Pursuant to the Public-Private Partnership Authority Act, Act No. 29 of June 8, 2009, the party submitting an unsolicited proposal is required to receive an advantage in the procurement process. In satisfaction of this legislative requirement, the unsolicited proposer shall receive:

- **RFQ Phase:** An increase of 5% on its evaluation score for the RFQ.
- **RFP Phase (if applicable):** A stipend of a fixed amount (quantum TBD) paid out of the proceeds of the transaction either by the PRPA or the Preferred Proponent.

Note that the PRPA does not intend to pay a stipend to unsuccessful bidders other than in the special case above pursuant to the requirements of the Act.

## 1.4 Function of this RFQ; Definitions

### 1.4.1 Function of this RFQ

This document is a Request for Qualifications (“**RFQ**”) issued under Section 5.4 of the Regulation for the Procurement, Evaluation, Selection, Negotiation and Award of Participatory Public-Private Partnership Contracts under Act No. 29 of June 8, 2009, as amended (“**Regulation**”). This RFQ may be amended at any time through the publication of addenda which shall be posted in the Authority’s website at <http://www.p3.pr.gov>. Interested parties shall be responsible for verifying periodically the Authority’s website for announcements and publication of relevant information concerning this process, including addenda.

Prospective Respondents should review carefully the Act and the Regulation (each of which is available for download on the Authority’s website: <http://www.p3.pr.gov>) and should ensure that, in addition to the terms and conditions of this RFQ, they comply with all applicable provisions set out therein.

This RFQ provides each interested prospective Respondent with sufficient information to enable it to prepare and submit a Statement of Qualifications for consideration and evaluation by the Authority. This RFQ contains instructions to prospective Respondents and a Form of Respondent Certification, which must be completed in its entirety and submitted to the Authority for the prospective Respondent to be considered for qualification. The completed Form of Respondent Certification, together with all required attachments, shall constitute the prospective Respondent’s SOQ. The Form of Respondent Certification is attached in **Appendix A**.

The Authority is issuing this RFQ because it has determined that:

- the Project meets the requirements of Article 3 of the Act; and
- it is advisable to pursue the establishment of a PPP in connection with the Project.

This RFQ is being issued, in anticipation of a Request for Proposals (“**RFP**”) to be issued by the Authority for the Project, to identify those Respondents that meet the minimum requirements necessary to comply with the Act (as discussed in Section 4 of this RFQ), in particular:

- financial strength and ability to raise finance; and
- technical and professional ability and experience.

The objective of this RFQ is to enable the PPP Committee to shortlist the best qualified Respondents. Nevertheless, the PPP Committee, in evaluating Respondents, may disqualify a Respondent for any of the reasons stated in Sections 8.1 (Disqualifying Events) and 8.2 (Other Grounds for Disqualification) of the Regulation and if the Respondent:

- is ineligible to submit a proposal on one or more grounds specified in the Act or in the Regulation;
- fails to satisfy the standards established by the PPP Committee with respect to the Respondent’s required financial condition, or technical or professional ability and experience (as discussed in Section 4 of this RFQ); or
- fails to comply with the requirements of Articles 9(a) (Applicable Requirements and Conditions for those who wish to be considered as Respondents) and/or 9(d) (Consortia) of the Act, as applicable.



Pursuant to Section 5.4 (Qualification of Proponents (RFQ)) of the Regulation, the PPP Committee reserves the right to limit in its absolute discretion the number of Respondents it considers to be the best qualified in order to arrive at a shortlist of Proponents to allow for an orderly procurement.

The Authority hereby notifies prospective Respondents that it intends to exercise its right to limit the number of Respondents who may be qualified.

Respondents shall not be entitled to an indemnity (including but not limited to reimbursement for costs and expenses) from the Authority or the PRPA if the Authority decides, in its discretion, to terminate the procurement of the Project.

#### 1.4.2 Definitions

For the purposes of this RFQ, the following definitions will apply. Those terms not otherwise defined herein shall have the meaning ascribed to them in the Act or the Regulation.

**“Advancing Firms” or “Shortlisted Respondents”** means the Respondents that based on their SOQ are qualified pursuant to this RFQ to participate in the RFP process.

**“Conflict of Interests”** shall have the meaning ascribed to the term in Section 4.8 of this RFQ.

**“Contractor” or “Private Partner”** means the Person, Company or Consortium that executes a PPP Contract with a Partnering Government Entity, this case the PRPA, or the successor thereof.

**“Cruise Line”** means a private company that actively operates cruise vessels in major Caribbean and international markets or is a member of the Cruise Lines International Association or similar association.

**“Days”** means calendar days, unless otherwise expressly stated.

**“Desirability and Convenience Study” or “Study”** means the study that seeks to determine whether the establishment of the proposed Public-Private Partnership (“PPP”) described herein is advisable.

**“Facilities”** means for purposes of the Project each of the piers contemplated to be potentially included in the Project.

**“FAFAA”** means the Puerto Rico Fiscal Agency and Financial Advisory Authority, created by virtue of Act No. 2-2017.

**“Federal Agency”** means any of the departments of the Executive Branch of the Government of the United States of America, or any department, corporation, agency or instrumentality created or which may be created, designated or established by the United States of America.

**“Financial Close”** means the time when the PPP Contract and all financing and other agreements related to the Project have been executed and delivered and all conditions to the effectiveness of the PPP Contract and Project financing agreements have been satisfied.

**“Government Entity”** means any department, agency, board, commission, body, bureau, office, Municipal Entity, public corporation or instrumentality of the Executive Branch, as well as of the Judicial Branch and the Legislative Branch of the Government of Puerto Rico, whether existing or to be created in the future.

**“Key Individual”** means an individual who will play an important role in the Project on behalf of a Team Member.

**“Key Subcontractor”** means each person or legal entity which will be principally or partially and materially responsible for providing professional or technical services or support in connection with the design, construction, maintenance, improvement and life cycle work on the Project.

**“Local Parties”** means local general contractors, subcontractors, suppliers, manufacturers, professionals (including architects and consulting engineers) and relevant service providers who are based in or have a significant on-going business presence within Puerto Rico.

**“Owners” or “Project Owners”** refers to the PRPA, which constitutes the Partnering Government Entity and public sector owner of the Project.





**“Partnership Committee” or “PPP Committee”** means a Committee designated as provided in the Act to evaluate and select qualified persons and the proponents of a PPP and to establish and negotiate the terms and conditions it deems appropriate for the corresponding PPP Contract.

**“PPP”** means a public private partnership.

**“PPP Contract” or “Project Agreement”** means a concession agreement executed by the selected Proponent and the Partnering Government Entity to establish a PPP, which may include, but shall not be limited to, a contract to delegate a Function, administer or render one or more Services, or conduct the design, building, financing, maintenance, or operation of one or more Facilities. The PPP Contract may be, without it being understood as a limitation, any modality of the following kinds of contract: design / build, design / build / operate, design / build / finance / operate, design / build / transfer / operate, design / build / operate / transfer, turnkey contract, long-term lease contract, surface right contract, administrative concession contract, joint venture contract, long-term administration and operation contract, and any other kind of contract that separates or combines the design, building, financing, operation or maintenance phases. The obligations arising from the Project Agreement shall be binding insofar as these do not disrupt the law, morality, or public order.

**“Project”** means the San Juan Bay Cruise Terminal Project described in this RFQ solicitation.

**“Proponent”** means a Shortlisted Respondent that participates in the RFP Process.

**“Preferred Proponent”** means the Proponent selected by the Authority to negotiate a PPP to undertake the Project. A Preferred Proponent may or may not become a Contractor or Private Partner depending on the success of the negotiations.

**“Public Interest”** means any government action directed to protecting and benefiting citizens at large, whereby essential goods and services are provided for the welfare of the population.

**“Puerto Rico Public-Private Partnerships Authority” or “Authority”** means the Public Corporation of the Government of Puerto Rico created by virtue of Section 5 of the Act.

**“Respondent”** means a (i) natural person, (ii) legal person, (iii) joint venture, or (iv) partnership, or (v) consortium of individuals, and/or partnerships, and/or companies or other entities that submit an SOQ in response to this RFQ.

**“RFC”** means a “Request for Clarification” in respect of this RFQ

**“RFP”** means the Request for Proposals and addenda issued by the Authority in Stage 2 to obtain proposals for the Project from the Advancing Firms.

**“RFQ”** means this Stage 1 Request for Qualifications and all addenda.

**“Scope of the Project”** means the work and services to be provided by the Contractor in the design, permitting, financing, construction, and operation and maintenance of the Project, under the PPP Contract.

**“SOQ” or “Statement of Qualifications”** means a statement of qualifications to be submitted by Respondents pursuant to this RFQ. All references in this RFQ to “RFQ submissions”, “RFQ submittals”, “responses” and expressions of a like nature are deemed to refer to the SOQ.

**“Team Member”** means a member of a Respondent. Team Members should be identified in Respondents’ RFQ submissions and not be changed without the consent of the PPP Committee. For the purpose of this Project, Team Members shall include, without limitation, each of the following with respect to a Respondent:

- each person, partnership, company or legal entity that is formally or informally reviewing the Project and intends to participate as a potential equity investor in the Proponent that will execute the PPP Contract for this Project. This will include (without limitation) the ultimate owner or holding company of any such investor or, in the case of a managed fund or pension plan, the manager of the fund or pension plan;
- design firm;
- construction firm;
- maintenance firm;
- operations firm; and



- each subcontractor performing services estimated to exceed \$5 million (during the design and build phase) or \$500,000 per year (during the operations phase) and any subcontractor that is providing proprietary technology or specialized skills that are important to the Project and cannot be readily acquired from another contractor.

## 1.5 Process and Schedule

The procurement of the Project is expected to take place in the following stages:

### Stage 1 – RFQ Process (Qualification Stage)

The process, as described in this RFQ (the “**RFQ Process**”), precedes the RFP process described below (the “**RFP Process**”) and is intended to identify the qualified Respondents that are eligible to participate in the RFP Process.

During this stage Respondents submit their statement of qualifications pursuant to this RFQ.

The RFQ Process is a standalone and independent stage that is completed once the Shortlisted Respondents are identified by the Authority and all Respondents have received final notification from the Owners as to the results of the RFQ Process.

### Stage 2 – RFP Process (Binding Bid Stage)

The RFP Process is the competitive procurement process that follows the RFQ Process. The RFP Process is intended for Shortlisted Respondents only and is to result in the selection of a Preferred Proponent, as defined herein, for the Project.

### Stage 3 – Implementation of the Project Agreement

Once the Preferred Proponent, the Authority and the Owners have completed the negotiations and executed the Project Agreement, as defined herein, the Project will proceed in accordance with the terms and conditions of the Project Agreement.

A summary schedule of the major activities associated with the procurement process is presented below. The dates and activities are subject to change and may be revised through the issuance of addenda to this RFQ.

The Authority expects to adhere to the following schedule for the qualification of prospective Respondents:

<b>5 September 2018</b>	- Date of issuance and first publication of public notice of RFQ by the Authority.
<b>12 September 2018</b>	- Pre-Submittal Conference Call.
<b>17 September 2018</b>	- Date for End of Submittal by prospective Respondents of Requests for Clarifications (RFCs).
<b>24 September 2018</b>	- Deadline for the Authority to release responses to RFCs.
<b>17 October 2018</b>	- Due date for submission of SOQs no later than 5:00 pm AST.
<b>1 November 2018</b>	- Estimated Date for Notification of Shortlisted Respondents (this date is subject to change).

In furtherance of the Authority's mission, the PPP Committee reserves the right to reject any and all SOQs, to waive technical defects, irregularities or any informality in SOQs, and to accept or reject any SOQs in its absolute discretion. The PPP Committee also reserves the right to postpone the date on which SOQs are



required to be submitted, or to take any other action it may deem in the best interests of the Authority and the PRPA.

After the PPP Committee reviews and evaluates all SOQs, it will make public the list of Shortlisted Respondents (but reserves all rights to manage the procurement process as deemed advisable in its absolute discretion).

Respondents that are shortlisted by the PPP Committee and decide to participate in the RFP process will have the opportunity to conduct a thorough due diligence, after signing the Confidentiality and Process Agreement, a form of which will be provided to Shortlisted Respondents.

Once a Shortlisted Respondent has executed the Confidentiality and Process Agreement, it will have the opportunity to conduct due diligence of the Project through:

- receipt and review of the RFP for the Project, which will include information about the Project and a draft of a Project Agreement. The Project Agreement will address, among other matters:
  - all of the rights and obligations of the Contractor during the term of the Project Agreement; and
  - detailed and comprehensive description of the Project including draft of operations and maintenance standards, and parameters and formulas for rates modifications, among other documentation.
- access to a data room – this data room will appear online and is intended to provide detailed information on the Project, which may include:
  - design guidelines for the new facilities;
  - operational and architectural program guidelines;
  - demand analysis;
  - site and environmental analysis;
  - historical data;
  - existing contracts; and
  - other relevant information and requirements.
- respondent one-on-one meetings;
- site visits; and
- a review of, and discussion relating to, the proposed Project Agreement and related documents.

A more detailed description of the RFP Process, together with a more detailed timetable, will be provided in the RFP.

## 1.6 Pre-Submittal Conference Call

The Authority intends to conduct a Pre-Submittal Conference call as part of this RFQ process. The Pre-Submittal Conference Call will allow Authority personnel to introduce the Project to interested parties and explain the RFQ requirements. Prospective proponents and other parties interested in participating in the Pre-Submittal Conference Call should register using the instructions below:

- Send registration email to: [prcruiseterminals@p3.pr.gov](mailto:prcruiseterminals@p3.pr.gov)
- In subject of email write the following: Registration for Pre-Submittal Conference Call.
- Provide your contact information and the number of participants to the call. If other participants will be in different locations those participants will also have to be registered in order to be granted access to the call.

## 1.7 Consortia

To the extent that any Respondent has formed or proposes to form a consortium to participate in the RFP for this Project, such Respondent should respond to this RFQ setting out the identity, role and capabilities individually of each Team Member, as defined herein, and jointly of the consortium. No member of a proposing



consortium may participate, whether directly or indirectly, in more than one consortium for the Project. Any violation of this provision will disqualify the consortium and/or its Team Members individually.

Please note the following with respect to Respondents:

- Except as specifically provided to the contrary in this RFQ, no Team Member may join or participate, directly or indirectly, as a Team Member in more than one Respondent for this Project. Each person or legal entity who participates as a Team Member is responsible for ensuring that no other person or legal entity which is "Related" to it joins or participates, directly or indirectly, as a Team Member in any other Respondent. Unless otherwise provided herein, any violation of this provision shall disqualify the Respondents and its Team Members.

A person or company is "Related" to another person or legal entity if:

- one may exercise Control over the other; or
- each is under the direct or indirect Control of the same ultimate person or legal entity.

For purposes of this RFQ, a person or legal entity exercises "Control" of another if it is the owner of any legal, beneficial or equitable interest in **50%** or more of the voting securities in a corporation, partnership, joint venture or other person or entity or if it has the capacity to control the composition of the majority of the board of directors of any such person or entity or to control the decisions made by or on behalf of any such person or entity or otherwise has the ability to direct or cause the direction of the management, actions or policies of any such person or entity (whether formally or informally); and the terms "Controlling" and Controlled" have corresponding meanings.

Each of the Team Members shall ensure compliance with all licensing and other requirements under applicable laws with respect to the services to be provided by such Team Member.

Subject to the requirements and entitlements of the Authority set forth below, submission of an SOQ will not limit a Respondent's ability to add to, substitute, or subtract from, its Team Members during the procurement process.

The Authority intends to issue the RFP only to Shortlisted Respondents. If for any reason, after the Submission Deadline and prior to the notification of Advancing Firms issuance of the RFP, a Respondent wishes or requires to: (i) change any Team Members listed in the Respondent's RFQ submission (either by adding new members, removing listed members or substituting new members for listed members), or (ii) materially change the ownership or Control of a Respondent or a Team Member, then, in each case, the Respondent must submit a written application (with such information as the PPP Committee may require) to the PPP Committee seeking its consent to the proposed change, which consent may be withheld or delayed in the absolute discretion of the PPP Committee. Without limiting the foregoing, the PPP Committee may refuse to consent to a change to a Respondent or its Team Members and/or may disqualify the Respondent from further participation in the procurement process if, in the sole opinion of the PPP Committee, the change would result in a weaker Respondent or Respondent team than that which is listed in the Respondent's SOQ or result in the Respondent or the Respondent team being materially different from the Respondent, or evaluating the application for a change would delay the qualification process, or for any other reason the PPP Committee may deem detrimental to the process, the Project, the PRPA or the Authority.

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

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

## 1.8 Restricted Parties

Restricted Parties (as defined below), their respective directors, officers, partners, employees and persons or legal entities Related to them (as defined in Section 1.7 above) are not eligible to participate as Team Members, or advise any Team Member, directly or indirectly, or participate in any way as an employee, advisor, or consultant or otherwise in connection with any Respondents. Each Respondent will ensure that each Team





Member does not use, consult, include or seek advice from any Restricted Party. The following Restricted Parties have been identified:

- Macquarie Capital (USA) Inc.
- DLA Piper
- CPM International
- IMG Rebel Advisory Inc.

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

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

## 1.9 Deadline

***Those interested in becoming Shortlisted Respondents must submit their responses to this RFQ no later than 17 October 2018 at 5:00 pm (AST) (the "Submission Deadline").***

RFQ submissions must be received by the Authority no later than the Submission Deadline at the address and in the manner set out in Section 4.5 below (the "**Submission Address**"). The Authority will not accept RFQ submissions sent by facsimile, electronic mail, telex or other telegraphic means. The determination of whether an RFQ submission is submitted before the Submission Deadline will be based on the time and date stamp each Respondent must ensure it receives from the Authority at the Submission Address. It is the sole responsibility of each Respondent to ensure that its RFQ submission is delivered to the Submission Address no later than the Submission Deadline. RFQ submissions received after the Submission Deadline will be rejected and returned to Respondents unopened.

## 1.10 Clarifications and Communications Protocol

Note that a Respondent may submit a request for clarification ("**RFC**") to the Authority for explanation or interpretation of any matter contained in this RFQ ***no later than 5:00 p.m. (AST) on 17 September, 2018 (the "RFC Deadline")***. Any such RFC from a Respondent must be made in writing.

If the Authority provides any clarification as a result of an RFC, it will provide such clarification by means of a written document delivered to all ***Respondents no later than 24 September, 2018***. Respondents should note the following regarding requests for clarification:

Respondents may make inquiries only by submitting questions or RFCs to the email address of the PPP Committee (the "**PPP Committee Contact**") at [prcruiseterminals@p3.pr.gov](mailto:prcruiseterminals@p3.pr.gov) no later than the RFC Deadline. Questions submitted to anyone other than through the PPP Partnership Contact by any means other than the provided e-mail will not be answered.

Any Respondent that has questions as to the meaning of any part of this RFQ or the Project, or who believes that the RFQ contains any error, inconsistency or omission, must submit its concern, in writing, to the PPP Committee Contact in accordance with this Section 1.10. The Authority may, in its absolute discretion, provide all submitted questions or RFCs, along with the Authority's answers thereto, to all Respondents without expressly



identifying the originator. The Authority will not respond to Respondents' questions or RFCs that are not submitted in accordance with this Section 1.10.

Any response provided by the Authority other than by way of an Addendum issued in accordance with this RFQ will not be binding on the Authority or the Owners, nor will it change, modify, amend or waive the requirements of this RFQ in any way. Respondents shall not rely on any response or information provided otherwise.

Respondents may also make inquiries regarding matters they consider to be commercially sensitive or confidential. Respondents must designate such inquiries as "commercially confidential". If the Authority determines, in its absolute discretion, that an inquiry designated as commercially confidential is of general application or would provide a significant clarification to the RFQ or any process or other matter outlined hereunder, the Authority may issue a clarification that deals with the same subject matter. If the Authority agrees with the Respondent's designation of an inquiry as commercially confidential, the Authority will provide a response only to the Respondent that submitted the commercially confidential inquiry.

## 1.11 No Collusion or Lobbying

The Authority and the Owners are committed to a fair, open and transparent selection process.

### No Collusion

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

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

### No Lobbying

Respondents, and their Team Members and their respective directors, officers, employees, consultants, agents, advisors and representatives, will not, except as expressly contemplated by this RFQ, or as expressly directed or permitted by the Authority, attempt to communicate directly or indirectly with any representative of the Owners, Authority, the PPP Committee, except in the event of an RFC or other official communication following the communications protocol indicated in Section 1, the FAFAA or the Government in relation to the Project or the RFQ Process, at any stage of this RFQ Process, including during the evaluation process. The Authority reserves the right to disqualify a Respondent that contravenes this provision.

Respondents, and their Team Members and their respective directors, officers, employees, consultants, agents, advisors and representatives, must certify that they have complied with the requirements of Section 5.16 of the Regulation by completing the Form of Respondent Certification included as Appendix A to this RFQ.

### Confirmation of Intention

Respondents that anticipate responding to this RFQ shall so indicate as soon as possible by providing contact information to the PPP Committee via e-mail at [prcruiseterminals@p3.pr.gov](mailto:prcruiseterminals@p3.pr.gov). Also, all RFCs regarding this RFQ should be directed to the PPP Committee Representative via the same e-mail address. Please do not contact any officials or related parties of the Authority or the Owners (other than the PPP Committee Representative) via telephone or otherwise. Such contact may serve as grounds for disqualification.



## 2. Project Description

### 2.1 Puerto Rico

#### 2.1.1 Overview

Puerto Rico is a self-governing territory of the United States located in the Caribbean approximately 1,030 miles southeast of Miami, FL. Puerto Rico has an area of approximately 3,500 square miles and a population estimated at 3.41 million by the United States Census Bureau as of July 1, 2016.

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

Generally, United States federal laws apply in Puerto Rico and Puerto Rico is subject to the jurisdiction of the U.S. regulatory authorities. As a U.S. Commonwealth, the U.S. Federal Deposit Insurance Corporation (FDIC) insures banks operating in Puerto Rico, which are subject to all federal controls applied to U.S.-based banks. The U.S. Securities and Exchange Commission (S.E.C.) regulates all publicly traded securities and commodities.

#### Key Puerto Rico Facts

Population	3.41 million
Land Area	8,959 sq. km
Currency	US Dollar
Language	Spanish, English
GDP Per Capita (USD)	\$19,350

\* Data according to US Census 2016 and Puerto Rico Planning Board.

#### 2.1.2 Finances

In June 2015, the Government created a working group tasked with analyzing the fiscal and economic situation of Puerto Rico. After a series of studies and analyses, this working group estimated Puerto Rico's consolidated budget and financing gap (including required pension payments and debt service on tax-supported debt) to be approximately \$59 billion between fiscal years 2017 and 2026.

The Government's balance sheet deterioration, coupled with continued structural budget imbalances, and a lack of continuity and execution capacity in fiscal and economic plans led to the loss of capital markets access in 2015, limited the Government's ability to make necessary infrastructure maintenance and improvements investments, and meet scheduled debt service payments.

Recognizing the delicate fiscal condition of Puerto Rico, the U.S. Congress enacted the Puerto Rico Oversight, Management, and Economic Stability Act ("**PROMESA**") which was signed into law on June 30, 2016. PROMESA provides a series of mechanisms to achieve fiscal and budgetary balance and capital market access to spur infrastructure revitalization in Puerto Rico. Importantly, PROMESA established a specific chapter (Title V) to identify and pursue critical infrastructure projects through an accelerated local permitting process and a



prioritized federal review procedure to ensure the prompt and effective revitalization of Puerto Rico's critical infrastructure, necessary to spur and support sustainable economic development.

Governor Ricardo A. Rosselló took office on January 2, 2017 and has since delivered a 10 year fiscal plan that as a central tenet seeks to advance PPPs as a way to revitalize infrastructure, attract private investment and spur economic development on the Island.

Demand risk PPPs such as the Project are particularly suitable for exploration as they customarily do not require ongoing payments by the Puerto Rican government to the private sector.

### 2.1.3 Hurricanes and Recovery Efforts

Puerto Rico recently was struck by two devastating hurricanes, Irma and Maria, which left much of the infrastructure in Puerto Rico damaged or unusable. The National Oceanic and Atmospheric Administration's Office for Coastal Management approximated that Hurricane Irma and Maria caused damages of roughly \$50 billion to \$90 billion dollars respectively.<sup>1</sup>

As Puerto Rico looks to the future, it sees the recovery effort as not just an opportunity to rebuild what was damaged, but to use recovery investments to help transform the Island by implementing solutions that:

- are cost-effective and forward-looking;
- are resilient and built pursuant to updated codes and standards;
- harness innovative thinking and best practices from around the world; and
- contribute to greater economic development, revitalization, and growth (in alignment with broader Government of Puerto Rico efforts to achieve fiscal and economic stability) as well as enhanced human capital.

Puerto Rico will move forward in its economic and disaster recovery by investing in infrastructure, people, and the environment. Federal funds from FEMA will go some of the way to achieving this vision. But in order to fully deliver upon all of the economic, infrastructure, and societal goals identified by Puerto Rico, private sector creativity and resources will need to be harnessed. Hence the PRPA and the Authority are exploring a P3 for the San Juan Bay Cruise Terminals as a means to achieve these goals sooner than would be possible with public financing and other sources of funds.

### 2.1.4 Prior P3 Experience

The Project is being procured under the framework of the Act and is managed by the Authority, on behalf of and in collaboration with the PRPA and within the detailed guidelines of the Regulation. The Act and the Authority's procurement process are well organized, transparent and clear; and proof of the robustness of the investment framework can be seen in the successful long-term concession of toll roads PR-22 and PR-5 (2013) and the long-term lease agreement for the Luis Muñoz Marín International Airport (2013).

## 2.2 The San Juan Bay Cruise Terminals

### 2.2.1 History of the Cruise Terminals

The Caribbean cruise market is the number one cruise destination globally, featuring unique destinations that are widely enjoyed by cruise passengers. This market is politically stable and in high demand, particularly because its proximity to the United States makes it accessible as well as attractive for first time cruisers.

The port of San Juan is one of the key itineraries on any Caribbean cruise. It has older, traditional piers along the waterfront of the famous Old San Juan district. Piers 1 through 4 were built many years ago, for an older class of ship and for a mix of cargo and passengers. These piers have been continually augmented to increase

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<sup>1</sup> National Oceanic & Atmospheric Administration: <https://coast.noaa.gov/states/fast-facts/hurricane-costs.html>





their capacity and in the 1990's the PRPA invested in developing a new homeport terminal at Pier 4, which was subsequently redesigned to increase its capacity to meet market requirements at that time.

Since then, the development of the Piers has been ad-hoc; with PRPA endeavoring to support the evolving needs of the cruise industry within the limits of the finances available for development. Due to these funding constraints, the PRPA's development strategy has been hampered and development has been limited to a minimum level of investment needed to maintain the Piers. As a result, the San Juan cruise facilities today are undersized and fail to meet the needs of the modern cruise industry.

The PRPA makes every effort to welcome cruise lines to San Juan. At present, cruise vessels are given priority over all other vessel types on both arrival and departure from San Juan Harbor. The San Juan Bay pilots shift the arrival and departure times of non-cruise vessels to accommodate cruise vessels if needed.

## 2.2.2 Cruise Terminal Infrastructure

The waterside capacity of the existing infrastructure is difficult to assess due to the seasonality, daily fluctuations and size of ships, however it is known that the current waterside capacity is constrained in terms of number of berths and available berth length due to increasing vessel sizes. The table below summarizes current capacity and use of each pier.

Piers	Current use	Average calls (2013 – 2017)		Approximate dimensions		
		Homeport	Port of Call	Length	Width	Vessel capacity
Pier 1	Port of Call	20	25	550' + 400'	100'	1 x 900'
Pier 3	Port of Call	0	123	1,484'	65'	1 x 1,200' or 2 x 1,100
Pier 4	Homeport	59	153	870' + 250'	150'	1 x 1,100
Pan Am Piers	Homeport	106	2	1,518' + 779'	NA	1 x 1,200' + 1 x 900'

**Table 1: Cruise Terminal Infrastructure**

## 2.2.3 Cruise Terminal Patronage

Notwithstanding these infrastructure constraints, San Juan continues to be a popular destination for cruise lines, as can be seen from the strong five year growth in the traffic data for the period 2013-2017 for passengers and ships' calls (with the limited exceptions being due to the effects of hurricanes):

Year	2013	2014	2015	2016	2017
Vessel Callings	455	515	533	510	426
Homeport	175	176	188	201	185
Transit (Port of Call)	280	339	345	309	241
YoY %	-	+13.2%	+3.5%	-4.3%	-16.5%
Passengers ('000s)	1,038	1,213	1,509	1,342	1,469
Homeport	382	421	476	461	443
Transit (Port of Call)	656	792	1,033	881	1,026
YoY %	-	+16.9%	+24.4%	-11.1%	+9.5%

**Table 2: Historical patronage of San Juan Cruise Terminals**

One of the key objectives of the proposed transaction is for the PRPA to partner with an appropriately qualified Private Partner who can implement a plan to continue growing passenger volumes, for the benefit of both the Private Partner and Puerto Rico.



With over 400 weekly flights from U.S. cities, a high quality modern airport, and exemplary transportation linkages and accommodation facilities, Puerto Rico is one of the easiest destinations to get to in the Caribbean. This ease of access and bountiful amenities makes Puerto Rico an ideal location for homeporting, as cruise passengers are readily able to stay before and or after their cruise.

The additional services provided to homeported vessels (e.g. restocking of food and supplies) means significant opportunity for additional revenues by the Private Partner in serving Homeported vessels, such that improvements in the ratio of homeported vessels to port of call vessels will drive revenue growth at the Piers. As can be identified from Table 2, Homeport visits are materially less volatile than port of call visits due to the fact that home-porting involves additional long range planning and supporting infrastructure on the cruise lines behalf.

## 2.3 Project Description

The Authority and the PRPA are interested in delivering a Project that not only solves the aforementioned objectives associated with condition and capacity of the Piers, but more importantly one that supports and encourages continued tourism and economic growth in Puerto Rico.

The proposed Project consists of repairing, expanding, financing, operating and maintaining the cruise terminal infrastructure in San Juan over a defined concession period specified in the Project Agreement. The Contractor will assume a series of Project risks in exchange for the right to receive project revenues, which will include fees based on demand from users and also certain ancillary revenues to be described in the Project Agreement and generally related to the services to be provided by the Private Partner. The Authority and the PRPA are prepared to develop a productive relationship with the Contractor and to mutually align objectives to ensure the success of the Project for the benefit of Cruise Terminal users and the broader population of Puerto Rico.

The Project consists of the following main components:

### 2.3.1 Repairs to existing infrastructure

Significant maintenance is needed to bring the Piers up to the PRPA's desired standards with damage from the recent hurricanes exacerbating this problem. Since the PRPA has recently lacked the necessary funding to carry out maintenance projects, repairs have been deferred and a backlog of work has built up.

As mentioned above, the need to provide safe, efficient and well-maintained Cruise Terminals in San Juan is evident. With the existing Piers comprising essential infrastructure for Puerto Rico, their upkeep is a prime concern for the PRPA.

After the recent hurricanes Irma and Maria two separate surveys were initiated, one by the PRPA and the other by the US Department of Transportation Maritime Administration (MARAD), under mission assignment by the Federal Emergency Management Agency (FEMA).

It appears from both surveys that the older piers have been overloaded over time due to increasing vessel sizes. Overloading typically results in deterioration of the structure and a degradation of its structural capacity. In addition, lack of maintenance to most of the piers and buildings is causing further deterioration.

#### **Pier 1**

Based on the MARAD survey report, the pier structure has suffered from extensive deterioration, with complete section loss for a number of structural elements. It is therefore likely that the entire pier structure, including the building, needs to be demolished and be rebuilt.

#### **Pier 3**

The pier is in a satisfactory condition and minor refurbishment works are required to the walkways and fenders.

#### Pier 4

Similar to Pier 1, the pier structure has suffered from extensive deterioration with complete section loss for a number of structural elements. It is therefore deemed likely that the entire pier structure, including the building, needs to be demolished and be rebuilt.

#### Piers 11 to 14

Piers 11 to 14 are currently abandoned due to extreme deterioration. Therefore, these piers should likely be completely rebuilt to provide capacity when other piers are being rebuilt and for expansion needs.

#### Pan American Piers I and II

These piers comprise two structures, a relieving platform structure and a cantilevered bulkhead structure to the east of the piers. The MARAD survey report concludes that both structures are in a poor condition and require extensive repairs.



**Figure 2: Piers & Walkways**

#### Walkway 2

Walkway 2 is used primarily as a pedestrian walkway. It is also used to moor pleasure vessels up to 100' long. The walkway extends from the center of Pier 1 to the eastern edge of Pier 4. Based on the MARAD survey report the walkway was found to be in poor condition.

### 2.3.2 Expansion Works

In addition to the repair needs, certain expansions of the Piers are required in order to ensure that San Juan remains able to properly service growing passenger numbers and ever-increasing vessel sizes.

In general, each pier has different characteristics that limit the type and size of the vessels that they can serve, thus an all-encompassing strategy is required to expand the facilities and extract their best possible use.

In order to stay competitive within the Caribbean cruise market, capacity needs to be increased to match at least the capacity of St. Maarten and the U.S. Virgin Islands.

The proposed Project structure provides significant flexibility for the Private Partner to implement its own masterplan for the Cruise Terminals subject to meeting a number of minimum requirements which will be set out in the RFP.



An indicative scope for possible upgrades and expansion works is provided below.

As per Section 2.2 the current waterside capacity is constrained in terms of number of berths and available berth length due to increasing vessel sizes. In order to add capacity, Piers 11 – 14 may be developed into a new homeport facility. As per the MARAD survey reports Piers 1 and 4 are likely to be rebuilt to address the extensive deterioration. Construction works for these piers are expected to occur after adding additional homeport pier(s) at Piers 11 – 14 to ensure that there is no shortfall in capacity. The Pan American Piers I and II require extensive repairs and may potentially be extended to allow simultaneous berthing of two 1,200 ft vessels. Relatively small CAPEX is required to repair Pier 3 and Walkway 2. The Authority envisions that the Private Partner will be given flexibility on the sequence and timing of these construction works subject to an overall deadline and other performance measures. This will be clarified further in the RFP.

Depending on design requirements for each pier it is estimated that overall CAPEX for both the repairs and upgrades works may roughly vary between USD 360M and 560M. While these estimates cover the bulk of the works required to realize the Project, they do not represent the total capital requirement of the Private Party. Furthermore, these estimates are based on recent studies and experience, but do not benefit from detailed designs and studies and therefore should not be relied upon. During the RFP stage additional details will be provided to allow bidders to prepare their own assessments.

### 2.3.3 Cruise Terminal Operations

The Private Partner will be responsible for operating the Cruise Terminals, under its own business plan and with its own staff and any proprietary technology and systems, with operational costs being payable from the revenues generated from such operations by the Private Partner. This provides the Private Partner with the ability to truly innovate, as the Private Partner is incentivized to grow the client base, improve customer service and drive higher revenues.

This role will encompass all elements of Cruise Terminal operations, including interacting and contracting with cruise lines, scheduling cruise line calls, allocating capacity at the Piers, providing ancillary services (such as shore power, fresh water provision, parking services, and management of commercial facilities on the piers), collecting revenues, security of the piers, liaison with Harbor Master, and marketing the Piers to cruise lines. It is expected that the PRPA or another Government Entity will continue to be responsible for pilot boat services, port police and fire services (other than security for the piers), and customs. This allocation of responsibility will be set out in greater detail in the RFP.

### 2.3.4 Facilities Maintenance

The Project will involve the Private Partner providing facilities maintenance and rehabilitation services for the Piers and associated infrastructure over the term of the Concession.

Specifically, the Private Partner will be responsible for providing all facilities maintenance and rehabilitation services, which will include activities such as routine, preventive and scheduled maintenance and rehabilitation works, keeping specifications of structures and preventing failure and/or degradation. The Private Partner will also be responsible for improving / upgrading the infrastructure over time, in accordance with certain minimum service requirements (which will be set out in the Project Agreement) and its own plan to grow the business.

### 2.3.5 Financing

The Private Partner will be responsible for financing the Project and will be encouraged to utilize innovative financing solutions that meet the requirements of the RFP, including the use of local capital. PRPA does not plan to provide a subsidy to the Project at any time and thus financing the Project is a risk solely to be borne by the Private Partner without any recourse to the PRPA or the Authority.

The Private Partner will be required to make a contribution to the PRPA, through either an upfront “Concession Fee” or an ongoing revenue share arrangement, or some combination thereof, as further detailed in the RFP.





FEMA funds or other federal disaster recovery grant funding may become available to partially finance the repairs to the Cruise Terminals; however the timing and quantum of any FEMA or other federal disaster recovery grant proceeds is uncertain. Accordingly, the Private Partner should assume that it is required to raise all of the financing required for the Project itself and that the terms and conditions imposed on projects financed by FEMA or other federal disaster recovery grants would not apply to the Project. To the extent that FEMA or other federal disaster recovery grant funding does become available for the Cruise Terminals or any of the Piers, the PRPA may elect to make it available to the Private Partner, subject to compliance with the terms of the FEMA or other federal disaster recovery grant and with the terms of the financing implemented by the Private Partner for the Project. If FEMA or other federal disaster recovery grant funding is incorporated into the financing of the Project, the Private Partner would be required to comply with the terms and conditions of the applicable grants and sub-grants and the conditions required by PRPA in order not to jeopardize the availability of such funding.

## 2.4 Project Commercial Structure

The Owners are interested in effectively transferring a series of Project risks to the Private Partner while also granting the Private Partner the right to collect certain fees and commercially maximize the Project. It is anticipated that the PPP Contract for the Project will have a term between 20 and 30 years.

As stated in the Desirability & Convenience Study, a repair-design-build-finance-operate-maintain (“RDBFOM”) delivery model is considered the most suitable option for the Project when evaluated against the procurement objectives and the affordability of the Project. The risk allocation table herein provides an indication of how the scope of functions and responsibilities may be allocated between the Owners and the Private Partner. This risk allocation is indicative and may be further modified as the RFP is developed.

Project Risks	Private Partner	Shared	PRPA
Land acquisition			X
Site condition		X	
Initial Site Repairs	X		
Design	X		
Construction	X		
Completion	X		
Operations	X		
Maintenance	X		
Rehabilitation	X		
Financing	X		
Demand / Revenue	X		
Force Majeure Event		X	
Change in Law		X	

The proposed Project structure provides significant flexibility for the Private Partner to implement its own masterplan for the Cruise Terminals (subject to meeting the requirements of the PRPA as set out in the Project Agreement) and to develop and execute its own business plan for the Cruise Terminals and drive revenue growth. This flexible Project structure provides the Private Partner with growth potential and the ability to implement its own creativity and proprietary processes to drive revenue and operational performance.



The following sections describe in more detail the commercial structure of the Project and certain contemplated key responsibilities of the Private Partner throughout the term of the Project.

## 2.4.1 Demand Risk & Revenue Share

The principal payment mechanism for the Private Partner will be fees derived from revenue streams of the Project. The Project is expected to be procured as a demand risk project where the payment mechanism is fully based on fees of users, free from any subsidy to be provided by PRPA or the Authority.

PRPA currently generates revenue at the Piers through the following fees and charges. Under the proposed PPP, the Private Partner would be entitled to collect and retain revenues, subject to revenue sharing with the PRPA.

### 2.4.1.1 Passenger Fees

PRPA currently collects Passenger Fees of \$13.25 per manifested passenger from each cruise ship that calls in San Juan. There is no charge for cruise ship staff. The Private Partner would assume this right to collect Passenger Fees, with agreed parameters for modifying rates and a rate setting formula to be established as part of the RFP.

The Passenger Fees that have been collected by PRPA over the past four years are set out below:

Year	2014	2015	2016	2017
Passenger Fee	\$13.25	\$13.25	\$13.25	\$13.25
Passengers	1,213,219	1,509,473	1,340,661	1,470,969
Passenger Fee Revenue	\$16,075,152	\$20,000,517	\$17,763,758	\$19,490,339

*Table 3: Passenger Fee Revenue by Year*

### 2.4.1.2 Ancillary Revenues

In addition to the Passenger Fees, the PRPA also earns certain revenues from leasing out portions of the Cruise Terminal infrastructure for complementary uses, including duty free stores, and other ancillary revenues from servicing or administering certain third party services to cruise ships (e.g. water supply and shore power). The Private Partner would assume the right to collect these ancillary revenues and lease revenues (**Ancillary Revenues**). The Private Partner is expected to utilize spare space on and around the Piers to generate additional Ancillary Revenues.

### 2.4.1.3 Revenue Sharing

Under the Project Agreement, a certain portion of the Private Partner's gross revenues from Passenger Fees, and Ancillary Revenues shall be shared with the PRPA. The details of the expected arrangement will be set out in the RFP.

### 2.4.1.4 Tourism Rebate

The Puerto Rico Cruise Ship Industry Promotion and Development Act (Act 113-2011, as amended) established a series of incentives currently funded and administered by the Puerto Rico Tourism Company. These include, subject to certain conditions and restrictions, a rebate of \$4.95 per passenger paid to the Cruise Lines, increasing to \$7.45 per passenger after the Cruise Line exceeds 140,000 passengers in a fiscal year.



Additionally Homeport rebates are offered to Cruise Lines, consisting of:

- \$1.00 per passenger
- \$2.00 per passenger after the 21st departure
- \$3.00 per passenger after the 53rd departure
- \$0.50 per passenger for homeport ships sailing on weekdays
- \$0.50 per passenger if the homeport ship includes any other Puerto Rico port during a weeklong itinerary
- \$0.50 per passenger if the homeport ship embarks/disembarks from a Puerto Rico port more than once in one week
- \$1.50 per passenger if the homeport ship sails before 4pm
- \$1.00 per homeport passenger for a co-op marketing program to promote homeporting in Puerto Rico (requires separate agreement with the Puerto Rico Tourism Company)

A time-in-port incentive of up to \$1.50 per passenger is also available for port of call visits for ships docking before 11am and for a minimum of 8 hours. Moreover, the incentives also include a 10% reimbursement of eligible purchase of supplies from local certified businesses and/or maintenance and repair services of the cruise ship in Puerto Rico, with an additional 5% available for the purchase of certain products manufactured or grown in Puerto Rico. Stacked incentives may not exceed \$13.25 per passenger.

The incentives were originally set to expire on 2013-2014, but were extended until June 30, 2018 by Act 80-2013. On June 30, 2018, Act 124-2018 was signed into law, which further extended the incentives until fiscal year 2019-2020 for cruise ships that visit Puerto Rico until June 30, 2020. The incentives are currently not expected to be extended beyond fiscal year 2019-2020.

## 2.4.2 Rate Escalation

Each year, the Private Partner will be permitted to modify the Passenger Fees. The RFP will contain the overall rate setting mechanism for modifying the Passenger Fees (and, as appropriate, other Ancillary Revenues). The Private Partner will not have unfettered ability to raise Passenger Fees.

## 2.4.3 Preferential Berthing Agreements & Other Agreements

As of today, there exist several Preferential Berthing Agreements (“PBAs”) and other agreements with Cruise Lines and duty-free retail establishments, with certain key terms as set out below:

Contract	Key provisions
Preferential Berthing Agreement with Royal Caribbean Cruises Ltd. (“RCCL”) for Pier 3 (February 10, 2003)	<p>RCCL vessels must be scheduled at Berth 3A of Pier 3 in accordance with the 6-month schedules provided by RCCL to the PRPA at least a year in advance, twice a year.</p> <p><b>RCCL has a 25 year term</b> (subject to suspensions and extensions as provided in the agreement)</p> <p>The PRPA may accept ships of other cruise lines at Berth 3A of Pier 3 as long as doing so does not conflict with RCCL’s schedules</p>



Preferential Berthing Agreement and Master Development Agreement with Carnival Corporation ("Carnival") for Pier 4 (June 7, 2001)	<p>Carnival vessels must be scheduled at Pier 4 in accordance with the 12-month schedules provided by Carnival to the PRPA at least 6 months in advance, twice a year.</p> <p><b>Carnival has a 20 year term</b> (subject to suspensions and extensions as provided in the agreement)</p> <p>The PRPA may accept ships of other cruise lines at Pier 4 as long as doing so does not conflict with Carnival's schedules</p>
Preferential Berthing Agreement and Development Agreement with RCCL for Pan American Pier (Berths 1 and 2) (April 19, 2002 and October 27, 2017)	<p>RCCL vessels must be scheduled at berths PA1 and PA2 of the Pan American Pier in accordance with the 6-month schedules provided by RCCL to the PRPA at least a year in advance, twice a year.</p> <p><b>RCCL has a 35 year Term</b> (subject to suspensions and extensions as provided in the agreement)</p> <p>The PRPA may accept ships of other cruise lines at the Pan American Piers as long as doing so does not conflict with RCCL's schedules</p>
Development and Lease Agreement with Duty Free Americas Puerto Rico, LLC ("DFA") for construction of improvements and lease of space for duty-free shops in Pier 3 (August 25, 2016).	30 year term (subject to suspensions and extensions as provided in the agreement)
Lease Agreement with SMT Puerto Rico, Inc. ("SMT") for lease of space for duty-free shops in Pier 1 (August 31, 1995).	Expires on August 31, 2025
Lease Agreement with SMT for lease of space for lease of space for duty-free shops in Pier 4 (August 31, 1995).	Expires on August 31, 2025

**Table 4: Existing Agreements**

It is anticipated that these agreements will survive the proposed transaction and that they will be integrated into the PPP and become part of the Private Partner's operating plan.

#### 2.4.4 Capacity Allocation

One of the key requirements of the Private Partner will be to allocate capacity at the Piers to customers so as to drive revenue and passenger growth through the Cruise Terminals while maintaining fair and equitable treatment of and access to cruise lines who want to call at San Juan.

The Private Partner shall be required to assess requests for cruise calls at the Piers in good faith, and allocate capacity on an "open access" basis, such that all Cruise Lines shall be treated equally and fairly. The only exception to this shall be for the legacy Preferential Berthing Agreements as detailed above. If the Private Partner is affiliated with a particular Cruise Line, then that Cruise Line shall not receive any preferential treatment from the Private Partner based on the Private Partner's discretion.





These conditions of open access, fairness, equality, and maximization of capacity, visits and passengers to the San Juan Bay Cruise Terminals are essential to the Project and thus will constitute a significant criterion in evaluating SOQs and RFPs. Furthermore, the Owners and the Authority are developing a framework for an open access regime which will be included in the RFP and will form part of the PPP Contract. The Private Partner will be required to comply with such regime when allocating berthing capacity to cruise lines. Therefore, Respondents that are not willing to or cannot demonstrate they can comply and provide the best alternatives and value in connection with these conditions, should not participate.

#### 2.4.5 Conclusion

The Authority believes that the proposed transaction represents an excellent investment opportunity for the private sector to assume control of a valuable piece of Puerto Rican infrastructure, share in Puerto Rico's burgeoning tourism trade, and use private sector creativity to unlock significant additional value and grow the Cruise Terminal business for the benefit of both the Private Partner, the Owners and the people of Puerto Rico.

Puerto Rico is one of the top destinations in the Caribbean. With its tropical colors, beloved colonial architecture, historic fortresses, ecological attractions, and endless festivals and cultural events, Puerto Rico is a touristic experience and must see on any Caribbean itinerary and a key destination for Caribbean cruise lines to call.

Tourism is a key contributor to Puerto Rico's economy (8.0% of GDP in 2016 and forecast to rise to 10.7% of GDP by 2027), reflecting the Government of Puerto Rico's continued investment in tourism marketing and other initiatives to drive tourism to the island. The Cruise Terminals are poised to benefit from this growth and marketing campaign.



## 3. Proponent Qualification Requirements and Evaluation Criteria

### 3.1 Introduction

This RFQ is available for prospective Respondents who desire to participate in the RFP for the Project. All SOQs will be reviewed based on the requirements set forth in this Section 3 of this RFQ.

**In accordance with Section 5.4 of the Regulation, the PPP Committee reserves the right in its absolute discretion, to limit the number of Respondents it considers to be the best qualified in order to arrive at a shortlist of Respondents to allow for an orderly procurement.**

The Authority hereby notifies prospective Respondents of its right to limit the number of Respondents who will be qualified.

### 3.2 Evaluation Criteria

In order to provide an objective and transparent evaluation method, the PPP Committee will evaluate SOQs by applying and weighting the criteria as outlined in the table below ("**Evaluation Criteria**"). Application of the Evaluation Criteria will assist the PPP Committee in identifying the Shortlisted Respondents.

The Act calls for Respondents to engage Local Parties as Team Members to the greatest extent possible. This will be part of the evaluation criteria of Respondents SOQs. When required by law, Team Members shall include Local Parties with the applicable licenses to perform the services, such as with respect to design and engineering work.

When referring to "Respondents" and/or "Team Members" in the criteria list below, the SOQ shall include the relevant information with respect to Respondent jointly and with respect to each Team Members, if any, as may be applicable, taking into consideration that when submitting as a consortia, the Act and the Regulation call for Respondent groups or Consortia to provide their qualifications jointly and with respect to each one of the Team Members.

Evaluation Criteria		% Weight
Part 1	Compliance with Requirements of the Act	Pass or Fail (not weighted)
<i>Each SOQ submitted pursuant to this RFQ will be reviewed to determine whether it satisfies the Act's and the Regulation requirements in the following areas:</i>		
1.1	Respondents that are corporations, partnerships, or any other legal entity, U.S. or Puerto Rico based, shall be properly registered or capable to be registered to do business in Puerto Rico and the U.S. at the time of the submission of their proposals, and comply with all applicable Puerto Rico or U.S. laws and/or requirements; and	



Evaluation Criteria	% Weight
<p>1.2</p> <p>(a) Each Team Member and each Respondent, if the Respondent has been formed as of the date of a submission of a response to this RFQ, shall certify that neither it nor any of its directors, officers, shareholders, or subsidiaries, nor its parent company, nor in the case of a partnership, any of its partners, nor any person or entity that may be considered an alter ego or the passive economic agent of the Respondent (each a “Covered Party”), has been convicted in Puerto Rico or United States Federal court for any of the crimes referenced in Articles 4.2, 4.3 or 5.7 of Act No. 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes typified in Articles 250 through 266 of Act No. 146-2012, as amended, known as the Puerto Rico Penal Code, or any of the crimes listed in Act No. 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or for any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act No. 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico, or under the Foreign Corrupt Practices Act; nor is any Covered Party under investigation in any legislative, judicial or administrative proceedings, in the Commonwealth of Puerto Rico, the United States or any other country. The Respondent is in compliance and will continue to comply at all times with all federal, state, local and foreign laws applicable to the Respondent that prohibit corruption or regulate crimes against public functions or public funds, including the Foreign Corrupt Practices Act;</p> <p>(b) Respondent and Team Members completed their SOQs without prior understanding, agreement, connection, discussion or collusion with any other person, firm or corporation submitting a separate SOQ or any officer, employee or agent of the Authority, Owners or the Government of Puerto Rico; and</p> <p>(c) Respondent and Team Members will not attempt to communicate in relation to the RFQ, directly or indirectly, with any representative of the Owner, the Partnership Committee or the Authority, including any Restricted Parties, or any director, officer, employee, agent, advisor, staff member, consultant or representative of any of the foregoing, as applicable, for any purpose whatsoever, including for purposes of: (i) commenting on or attempting to influence views on the merits of the Respondent’s and Team Members’ SOQ, or in relation to their SOQ; (ii) influencing, or attempting to influence, the outcome of the RFQ stage, or of the competitive selection process, including the review, evaluation, and ranking of SOQs or the selection of the Shortlisted Firms; (iii) promoting the Respondent and Team Members or their interests in the Project, including in preference to that of other Respondents or Team Members; (iv) commenting on or criticizing aspects of the RFQ, the competitive selection process, or the Project including in a manner which may give the Respondent or its Team Members a competitive or other advantage over other Respondents or Team Members; or (v) criticizing the SOQs of other Respondents</p> <p><b><i>These requirements 1.1 and 1.2 may be satisfied by completing the Form of Respondent Certification included as Appendix A to this RFQ.</i></b></p>	



Part 2	Background & Team Information (15 pages maximum)	20%
<i>Respondents are encouraged to provide enough supporting information and details to enable the evaluators to perform a thorough evaluation of the Team Members' strengths, roles and responsibilities.</i>		
2.1	<p>A description of the Respondent and all Team Members which identifies:</p> <ul style="list-style-type: none"> <li>• Their roles (include an organizational chart of Team Members)</li> <li>• Their respective percentage equity ownership interests</li> <li>• Identification and roles of Local Content Team Members</li> <li>• Anticipated legal relationships (e.g. joint ventures, partnerships) and % interest</li> <li>• Up to five key personnel and their roles (one of which must be "Cruise Terminal Operations Manager" or similar)</li> <li>• Where Team Members have worked together before (if relevant)</li> <li>• Evidence of experience of each Team Member in carrying out major infrastructure projects, including DBFOM or RDBFOM projects</li> <li>• Evidence of experience of Team Member(s) in marine terminal operations</li> <li>• Any experience in administering FEMA funding</li> </ul>	
2.2	<p>Resumes (indicating overall experience and any specific experience relevant to the nature and scope of the Project) for no more than three (3) Key Individuals representing the Respondent (<i>1 page per resume maximum – resumes do not count towards the overall page count for Part 2</i>)</p>	
Part 3	Financial Capabilities (10 pages maximum)	30%
<i>The evaluation of financial capabilities will examine each SOQ in accordance with the criteria set out below, including, but not limited to, the extent to which the SOQ satisfies the anticipated financial capability requirements of the PPP Agreement with respect to the following:</i>		
3.1	<p><b>Financial Capacity of Team:</b> Respondents must demonstrate their financial capacity to pay the expected equity portion of the up-front acquisition proceeds and to fulfil the terms of the PPP Contract.</p> <p>To demonstrate sufficient financial capacity, each Team Member must provide copies of audited financial statements for the past two years, together with any other relevant financial information.</p> <p><i>(Audited financials &amp; supporting information not included in page count)</i></p>	
3.2	<p><b>Ability to Raise Financing:</b> Respondents must provide specific evidence demonstrating their ability to raise financing for a project of this nature and scope. Specific factors that will be assessed include:</p> <ol style="list-style-type: none"> <li>a. Capability of raising debt and equity in the current capital markets;</li> <li>b. The number and size of past relevant transactions;</li> <li>c. Specific experiences on past relevant transactions; and</li> <li>d. Any local content financing (if relevant).</li> </ol>	
3.3	<p>Letters of support from up to three financing institutions indicating a willingness to provide debt financing for the project (<i>not included in page count</i>)</p>	
3.4	<p>Equity Funding Letter as set out in Part 6.6 (<i>not included in page count</i>)</p>	





**Part 4 Technical & Operational Capabilities (20 pages maximum)**

**50%**

*The evaluation of technical capabilities will examine each SOQ in accordance with the criteria set out below:*

- 4.1 **Design & Construction Capabilities:** Respondents must provide specific evidence demonstrating their ability to undertake the design & construction elements for a project of this nature and complexity. Specific factors that will be assessed include:
- a. The number and size of past relevant transactions (in particular marine terminal transactions);
  - b. Capacity to plan, construct, and commission a marine terminal development or similar projects; and
  - c. Ability to incorporate elements of repair / refurbishment as well as new build components.
- 4.2 **Cruise Terminal Operations:** Respondents must provide specific evidence demonstrating their ability to operate a cruise terminal (or other marine terminal). Specific factors that will be assessed include:
- a. The number and size of past or current cruise terminals (or marine terminals) under operation;
  - b. Track record of successful operations
  - c. Demonstrated ability to grow patronage of cruise terminals.
- 4.3 **Open Access:** Respondents must set out their approach for ensuring that the terminals are operated in a fair and non-discriminatory fashion. Specific factors that will be assessed include:
- a. Approach for allocating capacity between competing Cruise Lines
  - b. Approach for ensuring fair treatment of Cruise Lines when their interests conflict with interests of the Private Partner (or a Cruise Line affiliate of the Private Partner), if relevant
  - c. Track record of successfully demonstrating fair and non-discriminatory operations at other terminals
- (Open Access policies, preferred models and/or precedents used or recommended by Respondents to demonstrate their proposed approach and track record may be submitted as an Appendix and will not be included in page count)*
- 4.4 **Facilities Maintenance & Rehabilitation:** Respondent must provide evidence of experience with facilities management and rehabilitation in a marine environment. Specific factors that will be assessed include:
- a. The number and size of past or current cruise terminals (or marine terminals) under operation;
  - b. Track record of successful maintenance operations
- 4.5 **Local Content:** The Authority is called under the Act to evaluate Respondents' use of local capital and other professionals and subcontractors to the greatest extent possible. As such, Respondents shall, as part of their SOQs, provide descriptions of their current and/or anticipated business arrangements with Local Parties and, in particular, Local Parties who are Team Members and/or Key Individuals for the Project. Respondents may provide relevant and credible information to support their response, including, signed copies of the relationship documentation and/or legal agreements(s) (e.g., letters of support, memoranda of understanding, partnership or joint venture agreements, etc.) supporting their response.
- (Letters of support, memoranda of understanding, partnership or joint venture agreements, etc. will not count towards the page maximum.)*



Part 5 Safety Performance (no page limit)	Pass or Fail (not weighted)
5.1 Respondent shall submit copies of the Occupational Safety and Health Administration (OSHA) 300 forms for the past three (3) years. If not applicable, a prospective Respondent shall present a document explaining the reasons for not submitting the form. <i>These may be included in an Appendix if the Respondents so desire.</i>	
Part 6 Attachments (no page limit other than as specified)	
6.1 <b>Comparable Projects:</b> Provide a list of comparable projects in which Team Members have participated in the last 10 years. Respondents should specify how these comparable projects relate to the Project. <i>(List should be 2 pages maximum)</i>	
6.2 <b>References:</b> Provide a list of up to three references with respect to each Team Member. These references should be able to describe the relevant qualifications and capabilities of Team Members looking to take a leading role in the operation and maintenance of the Project. If possible, these references should come from the procuring government agencies or lead sponsors in previous roles.	
6.3 <b>D&amp;C Case Studies:</b> Up to three (3) project case studies showing the Respondent's design & construction capability relevant to the nature and scope of the Project within the last ten years <i>(2 pages per project maximum)</i>	
6.4 <b>Operational Case Studies:</b> Up to three (3) project case studies showing the Respondent's capability to operate cruise terminals, marine terminals, or another project similar to the Project as relevant to the nature and scope of the Project within the last ten years <i>(2 pages per project maximum)</i>	
6.5 <b>Financing Case Studies:</b> Up to three (3) project case studies showing the Respondent's financing capability relevant to the nature and scope of the Project within the last ten years <i>(1 page per project maximum)</i>	

**Required minimum details for Case Studies:**

1. Name and location of project
2. Type of facility
3. Client (including name of client contact, telephone number and email address)
4. Description of the services provided by the Team Member and % interest
5. Contract Value for the Construction / maintenance / operations (as applicable)
6. Start date and completion date of the project
7. Maintenance and/or operations period – start, end and duration
8. Legal contractual status of the firm (main contractor, consortium, partner, subcontractor, operator)
9. Description of how the reference project was financed and the financing was structured (if applicable)
10. Description of how the reference project is similar or relevant to the San Juan Bay Cruise Terminals Project



- 6.6 Each Equity Member shall provide an Equity Funding Letter which will be used as supporting evidence of the Equity Member's commitment to the funding of the Project.

If the Equity Member is an investment fund, then the Equity Funding Letter must be signed by the fund's authorized signatory, and at a minimum shall include the following items:

- a. **Approval Process.** Provide an overview of the completed to-date and remaining approval process (along with an indicative schedule) required to commit to and fund the required equity commitment for the Project.
- b. **Funding Vehicle.** Provide the name and ownership structure of the investment fund that will ultimately carry this investment.
- c. **Investment Capacity.** Provide supplemental information to the financial statements (as necessary) of the investment fund to positively demonstrate existing and/or committed capital capacity for the Project, consistent with the likely equity investment and the Equity Member's responsibility to provide the share percentage.
- d. **Investment Criteria.** Provide assurances that the Project meets all of the investment policy requirements of the investment fund cited in (b) above (e.g., is an approved project, does not contradict any capital allocation policy) and is consistent with its investment objectives.

If the Equity Member intends to fund its equity commitment through use of internal resources (e.g., a corporate entity supplying its own capital), the letter must be signed by the Chief Investment Officer, the Chief Financial Officer, or the Chief Executive Officer, and at a minimum shall include the following items:

- a. **Approval Process.** Provide an overview of the approval process required to commit to and fund the required equity commitment. This section should include an identification and description of any required board, investment committee, or other formal approvals needed, as well as an indicative schedule for securing those approvals.
- b. **Sourcing Commitment.** Identify where and how the equity commitment will be sourced and a narrative description of how competing allocation and capacity issues are considered between several project opportunities the Equity Member pursues simultaneously.
- c. **Investment Criteria.** Provide assurances that the Project meets all corporate strategy and investment policy requirements.

If the Equity Member intends to fully or partially rely on third party investors or investment managers to fund the equity investment in the project and to meet the financial capacity requirements of this RFQ, the Equity Member must provide either from each investor or the manager of such funds:

- a. The name of institutional partners;
- b. The investment criteria and confirmation that the anticipated investment and amount are permitted under the criteria; and
- c. The approval process for such investment.



## 4. SOQ Requirements & Procedure

### 4.1 SOQ Requirements

#### Overview of Requirements

***Prospective Respondents that anticipate responding to this RFQ shall so indicate as soon as possible by providing contact information via e-mail to the PPP Committee Contact's e-mail address listed below. The SOQ should comply with the outline provided under "Required Information for RFQ Submission" below and all other conditions identified in this RFQ. Additional information not specifically related to the Project or this RFQ should not be included. All questions or requests for information regarding this RFQ should be directed to the PPP Committee Contact via e-mail. Please do not contact any officials or related parties of the Authority or the Owners in any other manner. Such contact may serve as grounds for disqualification.***

Address questions, comments, RFCs to:

San Juan Bay Cruise Terminals PPP Partnership Committee

Request for Qualifications –

San Juan Bay Cruise Terminals Project

E-mail: [prcruiseterminals@p3.pr.gov](mailto:prcruiseterminals@p3.pr.gov)

#### No Liability for Costs

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

#### Modification and Termination Rights

The Owners and the Authority reserve the right to modify or terminate the RFQ and the RFP process for this Project at any stage if the Authority or the Owners determine such action to be in the best public interests. The receipt of responses or proposals or other documents at any stage of either the RFQ or the RFP process will in no way obligate the Owners or the Authority to enter into any contract of any kind with any party.

#### Authorization for Further Investigation

By submitting a response to this RFQ, each Respondent specifically authorizes the Owners, the Authority, the PPP Committee and their respective officers, employees and consultants to make any inquiry or investigation to verify the statements, documents, and information submitted in connection with this RFQ, and to seek clarification from the Respondent's officers, employees, advisors, accountants and clients regarding the same.



## 4.2 Required Information for RFQ Submission

### Compliance with the RFQ

The SOQ must be prepared in English and follow the outlined below. Respondents can opt to submit responses in Word or Power Point templates. Responses should STRICTLY comply with the following format:

- Cover Page (to include identification of all Team Members)
- Cover Letter (2 pages maximum)
- Table of Contents
- Executive Summary (2 pages maximum)
- The specific requirements as set out in section 3.2 above:
  - **Part 1: Compliance with the Requirements of the Act (No page limit) - Pass or Fail**
    - An executed Respondent Certification from the Respondent **and each Team Member**. The form of this must strictly follow the form attached to this RFQ as Appendix A.
    - An executed Document Acknowledgement and Contact Information letter from the Respondent (executed by the Respondent's representative). The form of this must strictly follow the form attached to this RFQ as Appendix B.

- **Part 2: Background & Team Information (15 pages maximum) - Weight 20%**

Respondents should address all areas referred to in the Evaluation Criteria set out in Section 3.2 of this RFQ, under the heading "Background & Team Information".

- **Part 3: Financial Capabilities (10 pages maximum) - Weight 30%**

Respondents should address all areas referred to in the Evaluation Criteria set out in Section 3.2 of this RFQ, under the heading "Financial Capabilities".

- **Part 4: Technical & Operational Capabilities (20 pages maximum) - Weight 50%**

Respondents should address all areas referred to in the Evaluation Criteria set out in Section 3.2 of this RFQ, with respect to "Technical Capabilities".

- **Part 5: Safety Performance (No page limit) - Pass or Fail**

Respondents shall submit copies of the documents required in Section 3.2 of the RFQ with respect to safety performance. If not applicable, a Respondent shall present a document explaining the reasons for not submitting the form. Respondents must demonstrate (a) their ability to address and resolve safety issues, and (b) knowledge of safety strategies and methodologies.

- **Part 6: Attachments (Page limits where indicated)**

Respondents should provide all attachments set out in Section 3.2 of this RFQ under the heading "Attachments". Such attachments shall be assessed under "Background & Team Information", "Financial Capabilities" and "Technical Capabilities" as relevant.

## 4.3 Pre-RFP Submission Confirmation

Prior to the issuance of the RFP documents, the Owners and the Authority may, in their discretion, request any Respondent to confirm that there have been no material changes to the information submitted with respect to the Respondent and/or any Team Member in response to the submission requirements set out in this RFQ. If there have been any material changes to the submitted information, the Respondent shall provide details of such changes in accordance with any requirements the Owners or the Authority may impose at that time. The Owners and the Authority shall evaluate the information submitted by the Respondents in accordance with the evaluation





criteria set out in Section 4.2 of this RFQ and may revise the Respondent's score and ranking to reflect the results of the evaluation. If a Respondent's revised score results in a change in its ranking, the Owners may, in their discretion, invite other Respondents based on their ranking in this RFQ process to be added to the list of Shortlisted Respondents and replace the Respondent whose score was re-evaluated under this Section 4.3, even if those replacement Respondents were not Shortlisted Respondents in the first instance.

#### 4.4 Reporting of Material Adverse Change

At any time prior to the issuance of the RFP documents, a Shortlisted Respondent shall submit immediately to the Owners information pursuant to the submission requirements set out in this RFQ either (i) upon the occurrence of a material adverse change to the information previously submitted by the Respondent or any key Team Member in response to such submission requirements, or (ii) from time to time upon the Owners' or the Authority's request. The PPP Committee shall evaluate the information submitted by the Respondent in accordance with the evaluation criteria set out in Section 4.2 above, and may revise the Respondent's score and ranking to reflect the results of the evaluation. If a Shortlisted Respondent's revised score results in a change in its ranking, the Owners may, in their discretion, invite other Respondents based on their ranking in this RFQ process to be added to the list of Shortlisted Respondents and replace the Respondent whose score was re-evaluated under this Section 4.4, even if those replacement Respondents were not Shortlisted Respondents in the first instance.

#### 4.5 RFQ Submission Instructions & Next Steps

The Respondent shall submit one (1) originally executed SOQ, with signatures in blue ink, and four (4) copies along with one copy in portable document format (PDF) on a CD. The SOQ containing original signatures shall be marked as "Originals". **The SOQ shall be delivered no later than the Submission Deadline.** Respondents should not submit promotional materials as part of their RFQ submissions and are strongly encouraged not to submit information that is not required by this RFQ. Respondents are strongly encouraged to be succinct in their prequalification submissions. If there are page limits set out in Section 4.2, a Respondent shall limit its prequalification submission, or each component of the RFQ submission, to the maximum number of pages indicated in Section 4.2. Respondents are cautioned that, if there are page limits set out in Section 4.2, the PPP Committee will not review or score pages submitted in excess of the maximum number of pages indicated for such item. The SOQ shall be labeled as follows:

=====

Puerto Rico Public-Private Partnerships Authority  
San Juan Bay Cruise Terminal PPP  
SOQ Submitted by (Respondent's name and Address)

The SOQ shall be delivered to:

San Juan Bay Cruise Terminal PPP  
Puerto Rico Public-Private Partnerships Authority  
cc: Laura Femenias, Esq. – Deputy Executive Director  
Puerto Rico PPP Authority  
Puerto Rico Fiscal Agency and Financial Advisory Authority Building  
(former GDB Building), 3rd Floor Roberto Sánchez Vilella Government Center, De Diego Ave  
San Juan, PR 00940-2001

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## 4.6 Confidentiality of RFQ Submission

All SOQs shall become the property of the Authority, except for documents or information submitted by Respondents which are trade secrets, proprietary information or privileged or confidential information of the Respondents. Respondents are advised to review the confidentiality and publication provisions contained in Articles 9(i) and 9(j) of the Act and Section 9.3 of the Regulation. In order to ensure that documents identified by Respondents as “confidential” or “proprietary” will not be subject to disclosure under the Act, Respondents must label such documents as “confidential” or “proprietary,” provide a written explanation of why such labeled documents are “confidential” or “proprietary,” including why the disclosure of the information would be commercially harmful, reference to any legal protection currently enjoyed by such information and why the disclosure of such information would not be necessary for the protection of the public interest, and request that the documents so labeled be treated as confidential by the PPP Committee according to the process described in the following paragraph.

If a Respondent has special concerns about confidential or proprietary information that it desires to make available to the PPP Committee prior to its RFQ submission, such Respondent may wish to:

- Make a written request to the PPP Committee for a meeting to specify and justify proposed confidential or proprietary documents.
- Make an oral presentation to the PPP Committee staff and legal counsel.
- Receive written notification from the PPP Committee accepting or rejecting confidentiality requests.

Failure to take such precautions prior to filing an RFQ submission may subject confidential or proprietary information to disclosure under Articles 9(i) and 9(j) of the Act and/or Section 12.3 of the Regulation.

The PPP Committee will evaluate all confidentiality requests according to the criteria indicated in the Act and the Regulation. The PPP Committee shall determine whether or not the requested materials are exempt from disclosure. Upon such determination, the Authority will endeavor to maintain the confidentiality of any information that a Respondent indicates to be proprietary or a trade secret, or that must otherwise be protected from publication according to law, except as required by law or by a court order. In the event that the PPP Committee elects to disclose the requested materials, it will provide the Respondent notice of its intent to disclose, in which case the Respondent may request the immediate return of such materials prior to disclosure by the PPP Committee and they will thereafter form no part of the Respondent’s submission. In no event shall the Government of Puerto Rico, the Authority, the PPP Committee or the PRPA be liable to a Respondent for the disclosure required by law or a court order of all or a portion of an RFQ submission filed with the Authority.

Upon execution of the PPP Contract, the PPP Committee is required to make public its report regarding the procurement process, which shall contain information related to the qualification, procurement, selection and negotiation process, and the information contained in the RFQ submission, except information that qualifies as trade secrets, proprietary or privileged information of the Respondent or its Team Members clearly identified as such by the Respondent, or information that must otherwise be protected from publication according to law, as may have been determined by the PPP Committee, unless otherwise required by law or by a court order.

## 4.7 Use of Confidential Information

Each Respondent must declare and continue to be under an obligation to declare that it does not have knowledge of or the ability to avail itself of Confidential Information of the Government or the Authority relevant to the Project where the Government or the Authority have not specifically authorized such use. Such Confidential Information:

- shall remain the sole property of the Government, the Authority or the Owners, as applicable, and the Respondent shall treat it as confidential;



- may not be used by the Respondent for any other purpose other than submitting an SOQ, RFP submission or the performance of any subsequent agreement relating to the Project with the Government or the Owners, as applicable;
- may not be disclosed by the Respondent or any Team Member to any person who is not involved in the Respondent's preparation of its SOQ, RFP submission or the performance of any subsequent agreement relating to the Project with the Government or the Owners, as applicable, without prior written authorization from the party in respect of whom the Confidential Information relates;
- if requested by the Government or the Owners, will be returned to same no later than ten calendar days after such request; and
- may not be used in any way that is detrimental to the Government, the Authority or the Owners.

Each Respondent shall be responsible for any breach of the provisions of this Section 4.7 by any Person to whom it discloses the Confidential Information. Each Respondent acknowledges and agrees that a breach of the provisions of this Section 4.7 would cause the Owners, the Authority, the Government and/or their related entities to suffer loss which could not be adequately compensated by damages, and that the Owners, the Authority, the Government and/or any related entity may, in addition to any other remedy or relief, enforce any of the provisions of this Section 4.7 upon submission of the Respondent's SOQ to a court of competent jurisdiction for injunctive relief without proof of actual damage to the Owners, the Authority, the Government or any related entity.

The provisions in this Section 4.7 shall survive any cancellation of this RFQ or the RFP and the conclusion of the RFQ and RFP processes.

## 4.8 Conflict of Interest & Ineligible Persons

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

- (a) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of the Owners' or the Authority's independent judgment; or
- (b) could or could be seen to compromise, impair or be incompatible with the effective performance of its obligations under the Project Agreement.

In connection with its SOQ, each Respondent and each Team Member shall,

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

In addition to all contractual or other rights or rights available at law or in equity or legislation, the Owners and the Authority may immediately exclude a Respondent or any of its Team Members from further consideration or remove the Respondent or any Team Member from the RFQ process if,

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



(c) the Respondent's Conflict of Interest issue cannot be resolved.

Pursuant to Section 8.1 of the Regulation, note that any Person by virtue of its participation in this RFQ process, authorizes the Authority to apply to the relevant competent governmental authority to obtain further information regarding the prospective Respondent and in particular, details of convictions of the offenses listed in Article 9(c)(ii) of the Act if the Partnership Committee considers it necessary for its selection or evaluation process.

## 4.9 RFQ Miscellaneous Instructions

### Addenda to RFQ

The Authority reserves the right to amend this RFQ at any time. Any amendments to this RFQ shall be described in written Addenda. Copies of each Addendum shall be available at the Authority's website:

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

### Withdrawal of SOQs

A Respondent may withdraw an SOQ by delivering to the Authority, prior to the Submission Deadline, at the address for delivery of SOQs set forth in Section 4.5, a written request for withdrawal of an SOQ. Any such withdrawal does not prejudice the right of a Respondent to submit another SOQ by the Submission Deadline.

## 4.10 Disclaimer

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

## 4.11 Reservation of Rights

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

- a) modify the procurement process to address applicable law and/or the best interests of the Authority, the PRPA and the Government;
- b) develop the Project in any manner that they deem necessary and change the limits, scope and details of the Project;



- c) if the Authority and the PRPA are unable to negotiate a PPP Contract to their satisfaction with a Preferred Proponent, they may negotiate with the next highest ranked Shortlisted Respondent, terminate the process and pursue other alternatives relating to the Project, or exercise such other rights as they deem appropriate;
- d) cancel the procurement process, as applicable, in whole or in part, at any time prior to the execution by the PRPA of an agreement, without incurring any cost, obligations or liabilities whatsoever;
- e) issue a new RFQ after withdrawal of this RFQ;
- f) reject or disqualify any and all RFQ submissions and responses received at any time for any reason without any obligation, compensation or reimbursement to any Respondent or prospective Respondent or Team Member;
- g) modify all dates, deadlines, process, schedule and other requirements set out, described or projected in this RFQ;
- h) terminate evaluations of responses received at any time;
- i) exclude any Respondent from submitting any response to the RFQ or bid, as the case may be, based on failure to comply with any requirements;
- j) issue addenda, supplements and modifications to this RFQ;
- k) require direct confirmation of information furnished by a Respondent, additional information from a Respondent concerning its response or additional evidence of qualifications to perform the work described in this RFQ;
- l) consider, in the evaluation of any RFQ submission, any instances of poor performance by a Respondent, Team Member or key individual that any of the Authority, the PRPA or the Government may have experienced or experienced by a third party, be it one of the included references or otherwise;
- m) seek or obtain data from any source that has the potential to improve the understanding and evaluation of the responses to this RFQ;
- n) add or delete Respondent responsibilities from the information contained in this RFQ or any subsequent process instruments.
- o) negotiate with any party without being bound by any provision in its response.
- p) waive any deficiency, defect, irregularity, non-conformity or non-compliance in any response to the RFQ or permit clarifications or supplements to any response to the RFQ, and accept such response even if such deficiency, defect, irregularity, non-conformity or non-compliance would otherwise render the response null and void or inadmissible.
- q) add or eliminate facility expansion to or from the Project.
- r) incorporate the RFQ or any Respondent's response to the RFQ or portion thereto as part of the RFP or any formal agreement with a Private Partner.
- s) not issue a notice to proceed after execution of any contract.
- t) exercise any other right reserved or afforded to the Authority and the PRPA under the Act, the Regulation, this RFQ or applicable law.

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





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

## 4.12 Limitation of Damages

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

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

For purposes of this Section 4.12, “**Claim**” means any claim, demand, liability, damage, loss, suit, action, or cause of action, whether arising in contract, tort or otherwise, and all costs and expenses relating thereto.

## 4.13 Judicial Review

Judicial review of the selection and award process for qualifications must be pursued in accordance with Section 20 – Judicial Review Procedures of the Act. Mechanisms for requesting reconsideration before the Authority or PRPA shall not apply and will not be available as part of this procedure. Only those Respondents who comply with the applicable requirements set forth in Section 20 of the Act may request judicial review of a final determination that the Respondent is not qualified.

Section 20 establishes the period to seek judicial review, the period for the Puerto Rico Court of Appeals to address the writ of review, and the period to seek a writ of certiorari before the Puerto Rico Supreme Court. Section 20 also prescribes the notification requirements and the consequences of seeking such judicial remedies, including that if either the Puerto Rico Court of Appeals or the Puerto Rico Supreme Court grant a writ of review or writ of certiorari, as applicable, the procedures for the qualification of proponents, or for the evaluation or selection of proposals or negotiation of the PPP Contract by the PPP Committee will not be stayed.

The qualification determinations of the PPP Committee and the approval of the PPP Contract by the Governor or the official onto whom he/she delegates, as provided under Section 9(g)(ii)-(v) of the Act shall only be overturned upon a finding of manifest error, fraud or arbitrariness. The non-prevailing party shall defray the expenses incurred by the other parties involved in judicial review proceedings under Section 20 of the Act. The Respondent that seeks judicial review may not, under any circumstance, as part of its remedies, claim the right to be redressed for indirect, special or foreseeable damages, including lost profits.



The above is only a succinct summary of Section 20 of the Act and Respondents should review and understand such judicial review provisions.





## APPENDIX A: FORM OF RESPONDENT AND TEAM MEMBERS CERTIFICATION

*[Letterhead of each Respondent or Team Member, as applicable]*

Ms. Laura Femenías Jové, Esq.  
Deputy Executive Director  
Puerto Rico PPP Authority

Dear Ms. Femenías Jové,

### **Re: Puerto Rico Cruise Terminal PPP - Request for Qualifications**

We have carefully reviewed the Request for Qualifications dated 5 September 2018 (“RFQ”) issued by the Puerto Rico Public-Private Partnerships Authority and all other documents accompanying or made a part of the RFQ. Capitalized terms used in this certificate have the meanings given to them in the RFQ.

We acknowledge and agree to comply with all terms and conditions of the RFQ, the attached Statement of Qualifications (SOQ) and all enclosures thereto. Without limitation, we specifically acknowledge the disclaimer contained in Section 4.10 and the limitation of damages contained in Section 4.12 of the RFQ.

We certify that the information contained in the attached Statement of Qualifications is truthful. We further certify that the individual who has signed and delivered this certification is duly authorized to submit the attached Statement of Qualifications on behalf of the Respondent or Team Member, as applicable, as its acts and deed and that the Respondent or Team Member, as applicable, is ready, willing and able to participate in the RFP process and perform if awarded the PPP Contract.

We further certify that we are *[describe the type of entity or entities (corporation, partnership, LLC, etc.)]* organized in *[indicate the jurisdiction of organization]* and the entity contemplated by Respondent and Team Members to be the one that will execute the PPP Contract will have no impediment to, and will be authorized to do business in Puerto Rico and to enter into a contractual relationship with government entities in Puerto Rico, as well as to comply with any other applicable Puerto Rico or U.S. laws and/or requirements.

We further certify that neither we nor any of our directors, officers, shareholders, or subsidiaries, nor its parent company, nor in the case of a partnership, any of its partners, nor any person or entity that may be considered an alter ego of the Respondent or Team Member, as applicable (each a “Covered Party”), has been convicted, has entered a guilty plea or has been indicted, nor has probable cause been found for their arrest, in any criminal proceeding in the courts of the Government of Puerto Rico, the Federal courts of the United States, or the courts of any jurisdiction of the United States or a foreign country, of criminal charges related to acts of corruption or any of the crimes referenced in Articles 4.2, 4.3 or 5.7 of Act No. 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes typified in Articles 250 through 266 of Act No. 146-2012, as amended, known as the Puerto Rico Penal Code, or any of the crimes listed in Act No. 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or for any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act No. 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico, or under the Foreign Corrupt Practices Act; nor is any Covered Party under investigation in any legislative, judicial or administrative proceedings, in the Commonwealth of Puerto Rico, the United States or any other country. The Respondent and Team Members are in compliance with all federal, state, local and foreign laws applicable to the Respondent or Team Member, as applicable that prohibit corruption or regulate crimes against public functions or public funds, including the Foreign Corrupt Practices Act.



We further certify that we shall continue to comply at all times with laws which prohibit corruption or regulate crimes against public functions or funds, as may apply to the Respondent, or Team Member, as applicable whether Federal, state or Government of Puerto Rico statutes, including the Foreign Corrupt Practices Act.

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

We further certify that we are in compliance with the provisions of Act No. 2 of 2018, also known as the Anti-Corruption Act 2018.

We further certify that we are in compliance with the provisions of the Authority's Guidelines for the Evaluation of Conflicts of Interest and Unfair Advantages in the Procurement of Public-Private Partnership Contracts, a copy of which is available at the Authority's website: <http://www.p3.pr.gov>.

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

We further certify that Respondent and Team Members will not attempt to communicate in relation to the RFQ, directly or indirectly, with any representative of the Owner, the Partnership Committee or the Authority, including any Restricted Parties, or any director, officer, employee, agent, advisor, staff member, consultant or representative of any of the foregoing, as applicable, for any purpose whatsoever, including for purposes of: (a) commenting on or attempting to influence views on the merits of the Respondent's and Team Members' SOQ, or in relation to their SOQ; (b) influencing, or attempting to influence, the outcome of the RFQ stage, or of the competitive selection process, including the review, evaluation, and ranking of SOQs or the selection of the Shortlisted Firms; (c) promoting the Respondent and Team Members or their interests in the Project, including in preference to that of other Respondents or Team Members; (d) commenting on or criticizing aspects of the RFQ, the competitive selection process, or the Project including in a manner which may give the Respondent or its Team Members a competitive or other advantage over other Respondents or Team Members; and (e) criticizing the SOQs of other Respondents.

The undersigned Respondent and Team Members acknowledge that any violation or misrepresentation with respect to the above prohibit their participation in any procurement process under the Act and other applicable laws of Puerto Rico and therefore will be disqualified from participating hereunder.

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

Our business address is:

*[Insert business address]*

Yours faithfully,

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



## APPENDIX B: FORM OF DOCUMENT ACKNOWLEDGEMENT & CONTACT INFORMATION

*[Letterhead of the Respondent]*

Ms. Laura Femenías Jové, Esq. – Deputy Executive Director  
Puerto Rico Public-Private Partnerships Authority  
Puerto Rico Fiscal Agency and Financial Advisory Authority Building, 3rd Floor  
Roberto Sánchez Vilella Government Center, De Diego Avenue San Juan, PR 00940-2001 USA

Dear Ms. Femenías Jové,

I, *[Name of Respondent Representative]* in my capacity as *[Title]* of *[Name of the Respondent]*, acknowledge on behalf of the Respondent and each Team Member that the Respondent (for itself and each anticipated Team Member) was able to access the Puerto Rico Public-Private Partnerships Authority (the “Authority”) web site and downloaded the following documents regarding the Request for Qualifications (“RFQ”) for the San Juan Bay Cruise Terminals PPP Project (the “Project”), issued on 5 September 2018 by the Authority. Our contact information for further notifications included below. We accept the transmission of such additional notifications via electronic communications, but acknowledge and accept that we shall have the responsibility of periodically checking in the Public Private Partnership Authority website (at <http://www.p3.pr.gov>) for any and all official communications regarding the RFQ and other stages of the procurement process for the Project.

Document/File Title

Date Received/Downloaded

Respondent Representative Signature

Date

Contact Information: [Respondent Representative name, title, company, address, electronic mail, telephone number]





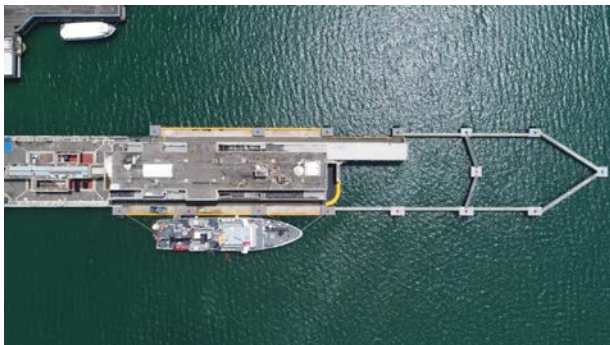
## APPENDIX C: OVERVIEW OF THE PIERS

### PIER 1

Pier 1 is the western most pier and the closest to Old San Juan. As such, this pier is ideal for a port of call facility as it facilitates passengers walking into Old San Juan. However, being one of the older piers it is also the smallest. Today, the pier has a small cruise terminal and a single floor lay-down area used for both embarkation and disembarkation. The upstairs of the building has been rented out as offices. Vehicle access is provided at the front side of the building for operations and vessel supply.

Pier 1 was constructed around 1970 and measures in total 950 ft. The structure consists of a reinforced concrete deck slab founded on reinforced steel piles. Pier 1E has a depth of 27' and has handled 1,500 passengers in one call. Pier 1W has a depth of 32' and has processed 2,500 passengers in one call.

The main structure is approximately 100 ft wide x 550 ft long and has been modified after its initial construction to support the cruise terminal building. Along the length of the main structure are a series of mooring dolphins and aprons which were added around the same time as the terminal building.





### PIER 3

Pier 3 is the new and improved port of call facility, which was just recently renovated by the PRPA. As such, Pier 3 is in excellent condition, and it is able to accept the largest cruise ships in operation today. The west side of the pier is still largely operational following the hurricanes.

The pier suffers from a lack of traffic management and parking areas for tour buses and when ships are in port, traffic is seriously congested along the frontage road.

Pier 3 was renovated in 2013 and is a wedge-shaped structure. Access is provided by means of two trestle structures originating from the narrow northern edge of the pier and heading one, northwest, and the other, northeast. Six mooring dolphins and one large mooring platform are present south of the wide portion of the wedge, connected to the main structure via platforms and catwalks. The total length of the trestles, pier, and dolphins is 1,484'.

The structure consists of a cast-in-place concrete deck supported by cast-in-place beams and pile bents. The pier and dolphins are supported by square concrete piles. Pier 3E has a depth of 34' and may handle 7,500 passengers in one call. Pier 3W has a depth of 36' and may handle 7,500 passengers in one call.





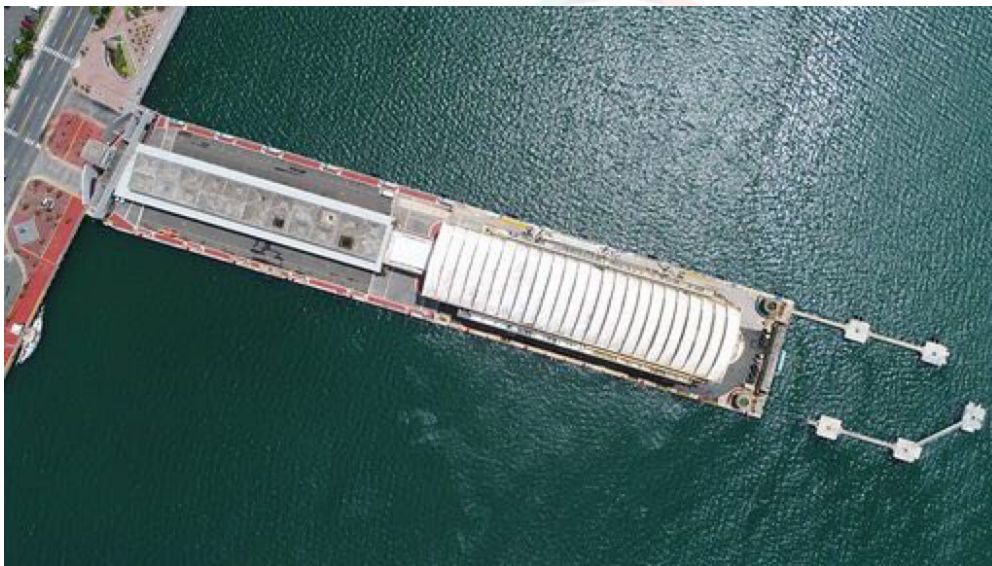


## PIER 4

Pier 4 is currently used by Carnival as a homeport and port of call. It was initially built by the Ports Authority in two stages and subsequently its interior was modified by Carnival. Pier 4 can handle ships of approximately 2,000 to 3,000 passengers. In addition, the length of the pier (877 feet) does not allow most new cruise vessels to berth on either side. As a standalone terminal, Pier 4 can operate as a single homeport terminal on the east side and a port-of-call facility in the west side, however, the two cannot operate simultaneously because of traffic congestion and security and customs provisions while the terminal is in operation.

Pier 4 was built around 1980 and has received a number of modifications since then. Pier 4 has a length of 1,146 ft. Pier 4E has a depth of 32' and has handled 4,500 passengers in one call. Pier 4W has a depth of 34' and has handled 4,500 passengers in one call.

Pier 4 is a rectangular shaped structure that is approximately 150 ft wide x 870 ft long, with five additional mooring dolphins outboard of the pier extending an additional 250 ft in the channel. The pier structure consists of a reinforced concrete deck spanning between concrete bent caps. The bent caps were supported on six rows of pile clusters. The number of piles in each cluster varies from one to five throughout, and the piles are typically 18" square piles. Each of the five mooring dolphins consist of a rectangular concrete cap supported on 24 concrete piles, supporting a single mooring bollard and fender. Four of the dolphins are connected to the pier by walkways.





### **PIERS 11-14**

Piers 11-14 piers are not used for vessels operations as they have deteriorated severely. The various warehouses located along the piers are currently used by the FEMA hurricane response team as a logistics base.

Piers 11 to 14 are reinforced concrete wharf structures located within San Juan Port and have a combined length of 2,100 ft. The structures are constructed with reinforced concrete piles, supporting reinforced concrete pile caps, deck beams, and a concrete deck. In total, there are 161 pile bents forming the wharf. Each bent typically contains between five and seven vertical piles and one to two battered piles positioned near the inshore side.





## PAN-AMERICAN PIERS I & II

The Pan American Piers are located on the south of Old San Juan and were built around 1980. The modern San Juan cruise ship terminal building at the Pan American Piers is in Isla Grande. It measures in total around 1,518 ft with a depth of 36 ft.

Currently, these are the two most functional facilities in San Juan from an operational point of view. However, there is evidence of significant corrosion and structural failures, due to a lack of maintenance.

In addition, the length of the wharf is not sufficient to handle two large vessels simultaneously. Currently, ferry cruise lines such as Ferries del Caribe is using the westernmost part of the terminal.





