

Port of Seattle

RFQ – CruiseT46

Request for Qualifications for a Partner to develop a new cruise Terminal at Terminal 46

March 13, 2019



The Port of Seattle is seeking a partner for the development and operation of a new, single berth cruise terminal at Terminal 46. This RFQ is the first step in selection process. Parties that wish to respond to the RFQ or wish to receive any updates or communication related to this RFQ **MUST** register by providing information on a form on the Port’s website. A link to the form is on the same page where this RFQ is located, <https://www.portseattle.org/projects/request-qualifications-rfq-new-cruise-terminal>.

If you have questions regarding registration or this RFQ email to: [NewCruiseTerminal@portseattle.org](mailto:NewCruiseTerminal@portseattle.org) Attention Ester Suan Tjoe.

Questions related to this RFQ will be answered in accordance with Section VII.

**RFQ SCHEDULE OVERVIEW**

<b>MARCH 13, 2019</b>	RFQ Released
<b>MARCH 27, 2019</b>	Deadline for questions related to the RFQ
<b>APRIL 5, 2019</b>	Port response to RFQ questions
<b>APRIL 18, 2019</b>	Deadline to submit responses to the RFQ
<b>MAY, 2019</b>	Shortlist announced and copies of all responses provided to RFQ participants

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## I. Introduction – Background and Current Facilities

The Port of Seattle Washington (the “Port”) is a municipal corporation of the State organized on September 5, 1911, under provisions of the laws of the State, codified at RCW 53.04.010 *et seq.* The Port owns and operates various maritime facilities and industrial and commercial properties (for more information: <https://www.portseattle.org/about/our-mission>). The Port also owns container shipping terminals and has licensed these terminals, along with certain industrial properties, to the Northwest Seaport Alliance (NWSA), a port development authority formed jointly in 2015 with the Port of Tacoma to manage the two ports’ container shipping terminals and related industrial properties (for more information: <https://www.nwseaportalliance.com/about>).

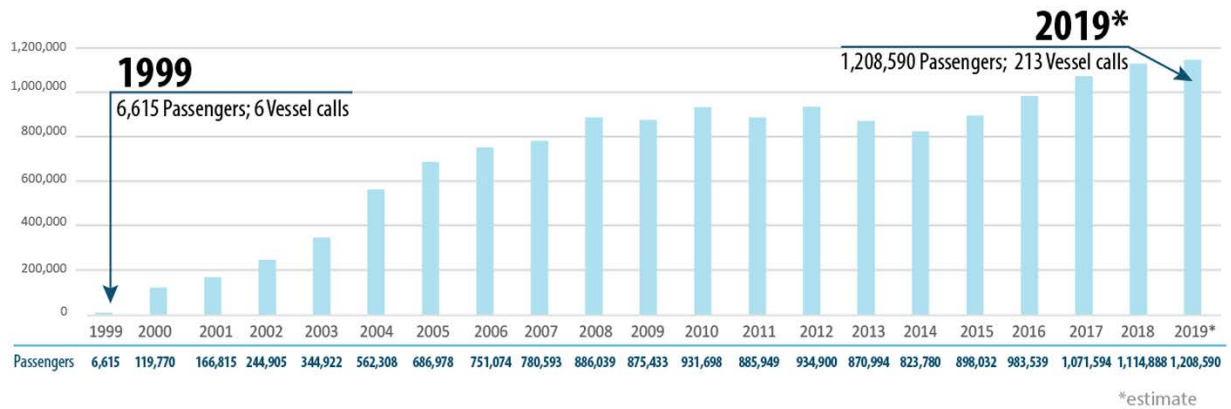
Port policies are established by the five-member Commission elected at large by the voters of the County for four-year terms. The Commission appoints the Executive Director and hires Commission staff. The Commissioners also act on behalf of the Port in its capacity as a Managing Member of the Seaport Alliance.

Since 1999, Seattle has grown to be the premier west coast cruise port, with 11 homeport vessels (handling departure sailings), and 9 port of call vessels during our 2018 season at Port’s existing cruise terminals, the Smith Cove Cruise Terminal at Pier 91 and the Bell Street Pier Cruise Terminal at Pier 66. There are several reasons that Seattle has become the hub for Alaska cruising: the natural deep-water port that can accommodate some of the largest vessels in the world, award-winning and world-class cruise facilities that can accommodate large volumes of passengers, the cruise terminals’ spectacular settings, and easy access to downtown Seattle and Sea-Tac International Airport.

The Port of Seattle’s cruise program supports statewide efforts to expand tourism-related economic activity. The Dean Runyon Associates 2017 Report for the Washington Tourism Alliance found that tourism is the fourth largest economic sector in Washington. The Port of Seattle drives additional cruise-related economic activity through marketing and economic development partnerships that encourage cruise passengers to extend their stay in Seattle and Washington state.

The Port has built the cruise business on a foundation of excellent customer service and a commitment to environmental leadership and sustainability. Through partnerships with the cruise industry and regulators, the Port has established high standards for protection of air and water quality at our terminals and in State of Washington waters. Further, the Port is also committed to engagement with the community and ensuring the economic benefits of cruise operations are widely shared. These principles will guide the Port in the selection of partners for the new terminal development.

## Seattle Leads West Coast in Passenger Volumes



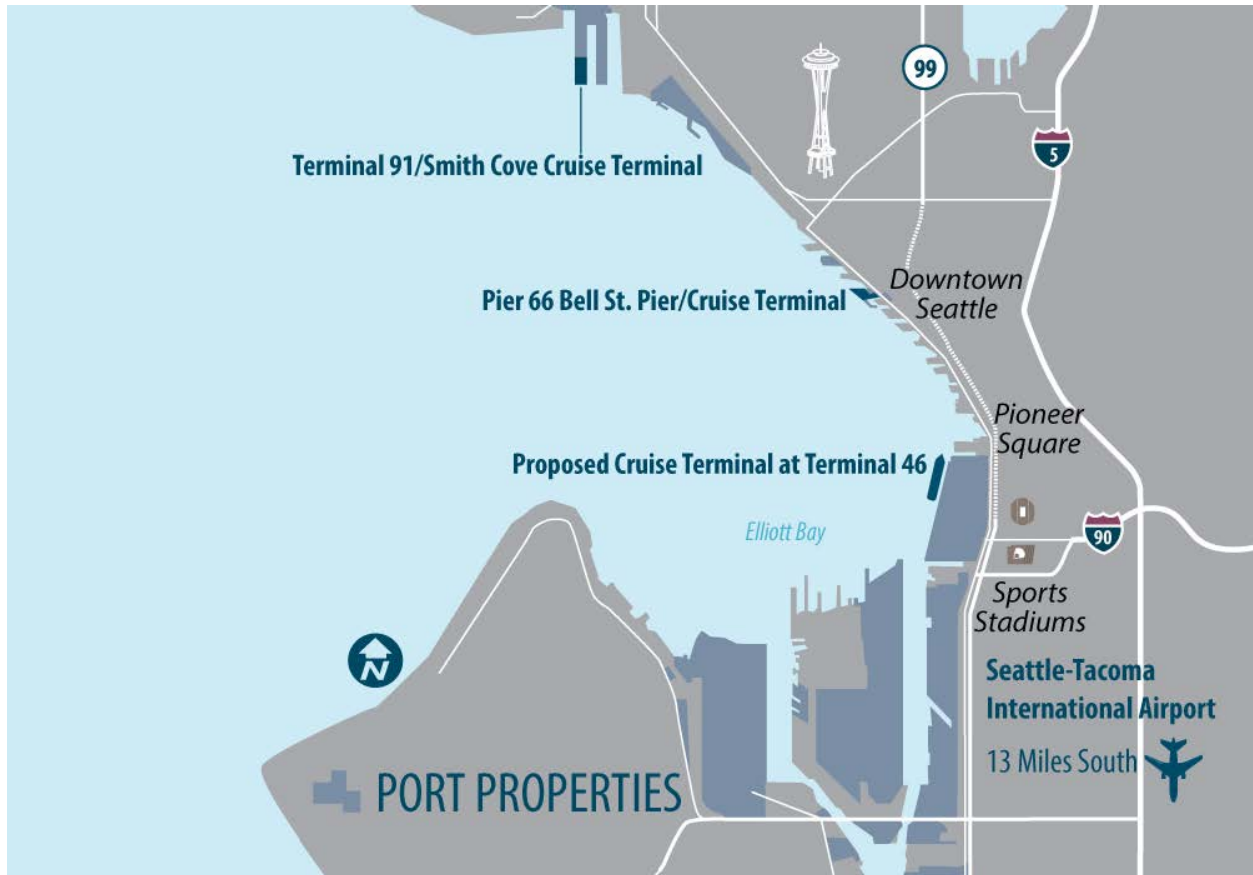
The Port is seeking a partner for development and operation of a new cruise facility at Terminal 46. This RFQ will be used to select a shortlist of potential partners that will be invited to participate in a Request for Proposals that will result in a negotiated agreement.

Additional information on the Port of Seattle cruise business can be found online at:

<https://www.portseattle.org/maritime/cruise>

<https://www.portseattle.org/projects/new-cruise-terminal>

## Current facilities



The Port has two separate cruise facilities at two different locations each with different characteristics and operational agreements. The two current cruise facilities are:

The **Smith Cove Cruise Terminal at Terminal 91**, the two-berth facility which opened in 2009, serves as homeport for Carnival Cruise Line, Celebrity Cruises, Holland America Line, Princess Cruises and Royal Caribbean, which offer weekly sailings to Alaska.

Located at the north end of Seattle's waterfront, it's approximately 3 miles from the city's retail core. The following provides key information about this facility:

1. Location: 2001 West Garfield St, Seattle WA 98119.
2. A single land fill pier with two berths, one on each side and 35ft of water depth. The facility currently serves cruise ships up to 1140 ft.
3. The terminal consists of a single 2 story building with shared security and CBP facilities with a total area of 143,000 square feet and surface parking lots on site
4. The current terminal is under an operator lease agreement which expires at the end of 2019.
5. The Port has a preferential berthing agreement for these berths on selected days (Sunday, Monday, Tuesday and Saturday) with Carnival Lines (Holland America Line, Princess Cruises, and Carnival Cruise line) with a base term through 2021 cruise season with options to extend the agreement for one or two additional seasons through 2023.
6. Royal Caribbean International and Celebrity Cruises also homeport at Terminal 91 with weekly sailings to Alaska on Fridays.
7. For more information, see <https://www.portseattle.org/maritime/terminal91>

The **Bell Street Pier Cruise Terminal at Pier 66** is a single-berth facility which opened in 1999 and anchors an 11-acre multi-use complex along Seattle's downtown waterfront. Pier 66 serves as a homeport for Norwegian Cruise Line and Oceania Cruises, which offer sailings to Alaska. The following provides key information about this facility:

1. Location: 2225 Alaskan Way, Seattle, WA 98121
2. Pier 66 was recently renovated including expansion of the passenger terminal to 151,000 square feet. In addition, a second passenger-boarding gangway was added as well as an automated conveyor system that moves passenger luggage from curbside to dock.
3. In 2015, Norwegian Cruise Line Holdings entered a 15-year lease agreement with the Port of Seattle and partnered in investing in the expansion of the terminal to accommodate large cruise ships. The lease expires in 2030 with one five-year option to extend the agreement to 2035.
4. For more information, see: <https://www.portseattle.org/places/bell-street-cruise-terminal-pier-66>

The demand for Seattle cruise services can no longer be met by the Port's two existing terminals described above. The Port has determined that it may be advantageous to conduct a competitive selection process for a private partner who can take a lead role on some aspects of the development of a new cruise terminal, operate and maintain the facility under a long-term agreement, and be a source of capital funding to the Project. This process begins with this RFQ.

Additionally, under a separate process, the Port may conduct a competitive selection for a partner at the existing Smith Cove Cruise Terminal at Terminal 91.

## II. Principles of Cruise Business Development

The Port has developed guiding principles for its cruise business and will evaluate partners based on their ability to support these principles. The principles reflect the Port of Seattle's Century Agenda goal to strengthen this region as a leading tourism destination and double the economic value of cruise, while maintaining the Port's triple bottom line – balancing environmental, financial, and societal goals.

The Port of Seattle expects that its partner(s) in developing and operating cruise terminals will prioritize the following key principles and project elements:

- 1. Maximize the use of the Port's deep-water facilities and industrial lands to serve maritime industrial uses.**
  - a. Preserve and utilize industrial zoned lands.
  - b. Preserve waterfront lands for maritime industrial uses.
  - c. Manage facilities and develop projects in a manner consistent with prioritizing marine cargo businesses and supporting the competitiveness goals of the Northwest Seaport Alliance.
  - d. Complement cruise terminal with other maritime uses including cargo.
  
- 2. Expand economic, cultural and community benefits within Cruise Operations and Development.**
  - a. Acknowledge historical and cultural roots of the region in any terminal development.
    1. Engage in government-to-government consultation with regional tribes in order to manage opportunities and impacts accordingly.
    2. Honor tribes' waterfront heritage in the Port's cruise facilities through direct partnerships.
  - b. Work productively and collaboratively with organized labor and enter into a project labor agreement for any capital construction thereby ensuring living wage jobs for employees and apprenticeship opportunities.
  - c. Support economic opportunities of cruise for neighboring and underserved communities.
    1. Promote local, small, and women-, minority-, and tribal-owned businesses.
    2. Support neighboring and local businesses' ability to benefit from cruise development.
  - d. Coordinate access to public spaces, downtown connectivity, and other areas of interest with other stakeholders and public entities.
    1. Respect the integrity and character of the surrounding neighborhoods
    2. Work to strengthen partnerships with near-port communities.
  
- 3. Support financial sustainability of the Port of Seattle.**
  - a. Maximize income, taking into consideration risk-sharing and capital investment.
  - b. Leverage the financial return of the cruise business to support a diverse maritime economy.
  
- 4. Incorporate leading edge environmental stewardship and sustainability practices and facilities that can exceed existing regulations.**
  - a. Set aggressive goals to minimize greenhouse gas impacts in operation of ships and terminals to support the Port's goals of reducing carbon by 50 percent by 2030 and the carbon-neutral-by-2050 goal.
  - b. Lead the region and the industry to minimize air emissions, ensure water quality and protect our ecosystems, focusing on minimizing air and water discharges at dock and underway.

- c. Engage with key local stakeholders in support of regional environmental priorities and initiatives, including considering recommendations from the state's Orca Task Force.
- d. Require use of shore power where feasible by equipped ships. and include shore power capabilities at the new berth.

**5. Facilitate improved transportation mobility of people and goods in the region.**

- a. Support innovative transportation solutions for passengers, terminal and cruise vessel provisions.
- b. Seek vehicle trip reduction opportunities and provide options other than passenger vehicles for access to the terminal.
- c. Seek to minimize traffic related impacts to surrounding community and existing businesses.
- d. Implement multi-modal transportation solutions that benefit the Seattle harbor.

**6. Provide consistent excellence in customer service to strengthen Seattle's role as the West Coast's premier cruise port.**

- a. Manage efficient, comfortable transportation to and from ships.
- b. Provide information, wayfinding and connections with local and regional communities.
- c. Promote pre-and-post cruise tourism opportunities throughout Washington state.



### III. Description of the Project



This solicitation is the initial step of the process through which the Port intends to enter into a long-term agreement to contract with a private partner to undertake the development of a new, one large-vessel berth cruise homeport terminal facility at Terminal 46. The Port is interested in entering into a partnership in which the private partner would lead the development of the terminal building and be responsible for equipment and future operations of the new terminal facility; the Port would collaborate in design and permitting and share in the capital investment and financial return.

The Port intends to lead the development of the non-terminal building project elements, the in-water improvements and environmental permitting for the facility. The Port further intends to maintain an appropriate level of control over environmental sustainability requirements for cruise vessels and operations, facility operations, facility design (including sustainability design certification), mobility of people and goods, transit and parking, as well as appearance and functionality of the facility. The Port is open to the alternative divisions of development responsibilities. The Port will work to negotiate an agreement that is beneficial to all parties, with appropriate risk allocation.

Terminal 46 is an 86-acre marine cargo facility at the south end of downtown Seattle. The terminal has two concrete berths totaling 3,100 ft. in length facing west with a controlling depth of -50 feet MLLW feet.

Of this, the northern portion of the berth, up to 1500 ft. will be available for cruise use. In addition, there is a smaller 600 ft. berth with timber dock structure facing north which has limited usability due to its condition. Additional capital investment would be required to use this berth for cruise vessels.

The new cruise terminal is envisioned to be:

- Constructed at the North end of Terminal 46 on a site that will not exceed 29 acres
- Capable of accommodating vessels with:
  - Berth length of up to 1,500-ft.
  - Vessels GRT up to 250,000 tons
  - Vessel air drafts unlimited
  - Max draft -40 ft MLLW
- Include a terminal building that can accommodate Vessel passenger capacity of at least 5,000 or greater passengers.

The cruise facility will be located on a larger terminal, Terminal 46, that has traditionally been used for marine cargo operations managed by NWSA. The Port envisions the entire Terminal 46 site as a flexible maritime transportation facility sharing the site with marine cargo. The NWSA will use the adjacent portion of the terminal for marine cargo operations during the term of this cruise agreement. The new cruise terminal will require passenger cruise terminal operations to share the primary terminal roadway access with other common terminal uses. It should be noted that Terminal 46 is located within a Qualified Opportunity Zone per Internal Revenue Code § 1400Z-2 Notice 2018-48.

A Port objective for the new cruise terminal is to deliver the maximum regional economic impact allowed within the existing maritime industrial framework. Land uses beyond construction and operation of a marine terminal are restricted by current zoning code. Use of the terminal in the off-season is encouraged consistent with the Principles outlined earlier in this document but may be restricted by current land use code. The Port intends to manage the berth and apron area in the off-season for other maritime uses.

## **IV. Proposed Commercial Terms**

### ***Passenger Fees***

The Port intends that the revenues generated by the cruise terminals will largely derive from the Bundled Port Fees. The current passenger fees can be found in the Port's Tariff No. 5 published on January 1, 2019 at the ports web site: [www.portseattle.org/page/tariffs-terminal-tariff-no-5](http://www.portseattle.org/page/tariffs-terminal-tariff-no-5) - Details are noted in Section IV, Items 4000 through 4035.

### ***Ancillary Revenues***

Recognizing that there may be additional revenue opportunities deriving from the cruise terminal; the Port is open to recommendations as to how to accommodate these activities.

### ***Preferential Berthing Arrangements***

The Port is willing to permit preferential berthing rights for the new cruise terminal and would incorporate these rights into the commercial structure of the lease if such an arrangement is determined to be in the financial interest of the Port. In order to maximize use of the facility, the Port will require the private partner to allocate capacity at the new terminal on a non-discriminatory basis at those times that the private partner is not at berth under non-discriminatory terms.

### ***Form and Terms***

The Port proposes to negotiate Agreements with the selected partner(s) for the new cruise terminal for fixed terms. During the term of each Agreement, the private partner is expected to collect fees on the Port's behalf and to provide a minimum annual guarantee of passengers to the Port. An agreement might include a negotiated sharing of the fee or other financial arrangement including arrangements related to any ancillary revenue. The Agreements would also set out agreed-upon parameters for modifying rates into the future and will set out other rights and liabilities of the parties. The form of an agreement for the new cruise terminal is likely to be a lease, however, the Port will consider other proposed arrangements as appropriate.

## V. Requirements for RFQ Submission

The Port is seeking concise responses highlighting the respondent's information in a way that they can be compared, as such the Port requires that each respondent follow the outline described below, and to stay within the prescribed number of pages.

**Note: All RFQ submissions will be provided to all Respondents after the shortlist selection has been made.**

### A. Cover Letter (1-page maximum)

The Respondent shall provide a cover letter that sets out the members of its team and the location of the Respondent's home office.

### B. Description of Alignment with the Port's Principles and Objectives (8 page maximum)

The Port is interested in the respondent's view of the opportunity presented by the proposed Cruise Terminal Project and how your team and vision can support the Port's aspirations described in section II for the Project. Discuss your experience that demonstrates your ability to support the "Principles" laid out earlier in the document and in support of your responses below.

- As environmental sustainability is a clear priority within the Principles, the Port is interested to learn how the respondent's corporate culture and/or company mission might fit within that objective. Further, the respondent should advise as to how it intends to advance environmental sustainability during both the construction and operating phases of the Cruise Terminal Project.
- The respondent's approach to matters around transportation is another important objective within the Principles. To expand on that point, the Port is interested in minimizing reliance on automobile travel by cruise terminal passengers. The Port would like to hear any thoughts on how this might be achieved and/or examples of passenger transit at other cruise terminals operated by the respondent.
- Another element addressed within the Principles is about protecting deep-water uses and surrounding industrial lands – Seattle's "Working Waterfront." Given the importance of balancing other maritime and industrial uses alongside this new cruise terminal, the Port would like to know how the respondent envisions the role of the facility within the Working Waterfront.
- The Port seeks a partner that will work effectively with the local community. Explain your team's experience with engaging community stakeholders and addressing community interests, values and aesthetic.
- With respect to the respondent's business approach, the Port is interested in the respondent's view as to the following:
  - Preferred approach for setting of port charges
  - Use of preferential berthing
  - Development of a fair berthing policy

- Approach to operating in the Seattle cruise market and co-existing with the other two cruise facilities

Finally, the Port is interested in the changes the respondent envisions to the Port of Seattle's cruise business over the next ten to thirty years and how the respondent believes its team can facilitate securing and maintaining the optimal market position during this period. Describe the largest changes the respondent envisions to the Northwest cruise market. Describe how the respondent envisions changing/enhancing the passengers' cruise experience.

The Respondent shall address how the proposed team aligns with the identified Port of Seattle Objectives and is most-qualified to achieve the completion and successful operation of the proposed cruise terminal.

### **C. Team Members and Qualifications – Operations and Development (2 page maximum)**

#### ***Description of team***

The Respondent shall provide a narrative description of its team. If not all team members are known, describe your approach to assembling a team if invited to participate in the RFP process. The Respondent shall discuss the allocation of responsibilities between the team members, establishing how each of the required elements of the Project will be addressed. Further, provide both a narrative description and an organization chart that addresses the following:

- The lead respondent, or, if a joint venture, respondents, and the legal relationships between the team members and experience working together.
- The equity sponsor or sponsors and the proposed allocation of equity contributions.
- In an organization chart, the responsibilities and relationships of team members with lead individuals identified.
- In an appendix (which will not count towards page limit), resumes of key individuals and their relevant experience.

### **D. Operating Experience (6 page maximum)**

The Respondent will set out how it will operate the cruise terminal, making reference to any team members intended to be involved in operations and maintenance activities and experience in the operation of cruise terminals generally. The Port seeks to evaluate the Respondent's operating experience and requests information for up to three terminals for which the Respondent has provided services within the past three years.

For each terminal, provide the following:

- The contractual relationship between the owner of the terminal and the respondent.
- Term of the operating contract and key business terms.
- Period of time respondent has provided services, the term of the operating contract (if any) and the services provided to the terminal.
- The approach for setting ship-berthing schedules and any preferential berth rights associated with the terminal. Provide examples, if available, of approach to allocating berth capacity at other cruise terminals.

- The approach for incorporating maintenance into these agreements.
- Dispute resolution process and any experience with same.
- Examples of long-term maintenance protocols and projects undertaken.
- Management of vehicles accessing the terminal to ensure predictable and reasonable passenger access and egress. The role of the respondent in traffic management. The respondent's experience with facilitation of the coordination and smooth operations of both cruise and cargo traffic within a limited terminal space.
- Explain the relevance of this operating experience to the Cruise Terminal Project described in Section IV and any lessons learned.

#### **E. Terminal Development Experience (6 page maximum)**

Provide up to three case studies of successful completion of new cruise terminal projects where the respondent or team members had a primary or secondary role in project completion.

- Describe in detail the role of the respondent, risks assumed, time frames for project design, permitting and construction, and the involvement of key members of the proposed development team.
- If there was a public partner to the project, discuss how input was received from the public partner into both the design and construction phases of the project and how differences were resolved.
- Discuss lessons learned from the project development that are relevant to the proposed Cruise Terminal Project described in Section IV.

#### **F. Schedule (1 page maximum)**

The Port has set as a priority objective that the Project be completed and accepting ships by the beginning of the 2022 cruise season, i.e. April 1, 2022. Please describe your general approach and/or commitment to meet this target. The following is important information to consider:

- The Port will take the lead on the permitting and environmental review process. The selected party will be required to provide preliminary design and operational planning information as early as possible to the Port to meet environmental review schedule. **Respondents should assume that the Port of Seattle will need to undertake an environmental review prior to notice to proceed.**

The Port would like your thoughts on overcoming schedule obstacles to achieve its stated completion date.

- Provide a proposed schedule for terminal development.
- Provide comment on how your approach to the project might change if the target opening is in 2023 and whether a temporary facility in 2022 is feasible.

### **G. Funding Approach for the New Cruise Terminal (2 page maximum)**

The Port is seeking a partner with a demonstrated ability to fund its portion of the project.

- Provide your intended approach to funding, and if external lenders are expected to be utilized in your funding plan, provide letters from at least two and no more than three financial institutions indicating their willingness to provide debt funding for the project and the principal terms of the loan agreement. These letters may be placed in the appendix (which will not count towards the page limit).
- Provide examples of previous cruise terminal funding plans in which you have participated. If there is an assumed pledge of cruise terminal revenues including ancillary revenues from parking, events, concessions, etc. to support a loan, the support letters should indicate what this pledge is expected to be. The Port of Seattle will neither be an obligated party to any proposed debt funding nor will it be legally able to pledge a real property interest in the terminal or any other assets. Assume the terminal will be owned by the Port.
- For equity investment, identify the source or sources of equity funding and provide a letter from an authorized officer of the funding party indicating the maximum amount of funding that could be committed to the Cruise Terminal Project.
  - If additional approvals are required prior to the commitment of funds, state the steps necessary to such approval.
  - If an investment fund is intended as a source of equity, provide the statement of investment criteria associated with the fund, the terms of the fund capital raised, and a statement that confirms a cruise terminal is consistent with the investment criteria.
  - Provide a range of required equity returns from cruise terminal revenues necessary to secure the indicated equity investment. Provide a range of annual passenger and/or dockage fee income the respondent will require per \$1 million of capital funding provided to the project.

## VI. New Cruise Terminal Qualification Criteria

The Port intends to review the responses and evaluate them relative to the qualification criteria provided in the table below. Submission requirements in Section V will be used to evaluate responses to the criteria.

<b>Cruise Terminal Selection Criteria and Relative Weight</b>			
<b>Criteria</b>	<b>Importance</b>	<b>Description</b>	<b>Relevant Submission Requirement</b>
<b>Demonstrate understanding of Port’s Vision and Plan to Align With this Vision</b>	High Importance	Principles and objectives in Section II	B
<b>Terminal Operating Experience and capability</b>	Important	Team members experience operating cruise terminals	C and D
<b>Project Development Experience and capability</b>	Important	Team members experience developing similar cruise facilities	C and E and F
<b>Funding Approach</b>	High Importance	Financial capacity and funding approach that maximizes the financial benefit to the Port	G

All criteria are important, however, and respondents should provide appropriate attention to thoroughly responding to each criterion. In responding to the evaluation criteria, responses should be organized so that the qualifications are clearly illustrated in each of the categories, using the requirements for each criterion.

As part of the evaluation of all criteria, the Port will consider the overall quality of the material presented, such as formatting and layout; spelling and grammatical accuracy; legibility of figures and chart information; quality and relevance of graphical presentations; coherent and logical flow of written responses; and accuracy of information presented.

The ratings shown in the table below will be used to measure the degree to which the response meets or does not meet the criteria above through an assessment of the strengths, weaknesses, deficiencies, and risks of a response. Note that an “unacceptable” rating for any criterion will disqualify the entire response from consideration.



Rating	Description
<b>Outstanding</b>	Response indicates an exceptional approach and understanding of the requirements and contains multiple strengths far outweigh any weaknesses. Risk of unsuccessful performance is low.
<b>Good</b>	Response indicates a thorough approach and understanding of the requirements and contains at least one strength, and risk of unsuccessful performance is low.
<b>Acceptable</b>	Response meets requirements and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate.
<b>Marginal</b>	Response has not demonstrated an adequate approach and understanding of the requirements, and/or risk of unsuccessful performance is high.
<b>Unacceptable</b>	Response does not meet requirements and therefore contains one or more significant weaknesses or deficiencies, and/or risk of unsuccessful performance is unacceptable. Response is disqualified from further consideration.

#### Evaluation Definitions

**Deficiency** is a material failure of a Response to meet a requirement or a combination of significant weaknesses in a response that increases the risk of unsuccessful contract performance to an unacceptable level.

**Significant Weakness** in the response is a flaw that appreciably increases the risk of unsuccessful performance

**Strength** is an aspect of a response that has merit or exceeds specified performance or capability requirements in a way that will be advantageous during the partnership.

**Weakness** means a flaw in the response that increases the risk an unsuccessful partnership.

Qualification decisions will be made based on the responses that offer the best value to the Port.

## VII. Selection Process (Subject to Revision)

### A. Schedule

This RFQ is part of a methodical process that the Port is following to reach a final decision on this matter. The RFQ will result in a shortlist of potential partners that will be invited to participate in the RFP. The Port reserves the right to modify or cancel any and all parts of this RFQ and process. The general steps and preliminary schedule are described as follows:

#### **Request for Qualifications — March 13, 2019**

The Port of Seattle issues this Request for Qualifications with a response required date of **April 18, 2019 by 4:00 PM Pacific Time**. In order to facilitate fairness and transparency and derive the greatest benefit from the RFQ process, **the Port has established a process for receiving any questions or comments regarding this RFQ process (see below)**.

#### **Shortlist — April/May**

The Port reserves the right to request meetings or conduct discussions with respondents prior to the shortlist selection.

The Port will review the responses received and determine respondents that are shortlisted to proceed to the RFP phase.

**After the shortlist selection has been made, all Respondents to this RFQ shall receive an evaluation summary and copies of all submissions for their review.**

#### **Invitation to participate in the RFP — May/June**

The Port intends to release the RFP to the shortlist candidates.

#### **Selection and Negotiation Process — June-Fall**

The Port reserves the right to conduct discussions or negotiations with some or all of the shortlist candidates, and/or to request Best and Final Offers or final proposals.

In addition to negotiating the commercial terms of any agreement, it is anticipated that some preliminary design related to non-terminal building project elements would commence at the Port's expense in order to facilitate initiation of the permitting process.

### B. GENERAL INSTRUCTIONS

All costs associated with the preparation, submittal and delivery of a response and any presentation materials are the responsibility of respondent.

### C. COMMUNICATIONS AND QUESTIONS

Ester Suan Tjoe is the designated representative for questions regarding this RFQ. A potential respondent, or anyone on its behalf, may only contact Ms. Suan Tjoe concerning this RFQ from the release date until the Port announces the shortlisted Respondents.

All communications and written questions about this RFQ must be submitted in writing to the Port and a written response to questions will be provided to all potential respondents who have registered. Questions should be directed to the Port of Seattle either by postal mail at the following address: Attention Ester Suan Tjoe, Port of Seattle, P.O. Box 1209, Seattle WA 98111 or email: NewCruiseTerminal@portseattle.org Attention Ester Suan Tjoe. **Questions concerning this RFQ must be received by The Port of Seattle no later than 12:00 PM Pacific Time, on March 27, 2019.** Responses to questions will be provided on or around April 5, 2019.

Questions received after this time and date will not be considered. Only questions answered by the Port in writing will be binding. Oral and other interpretations, clarifications or submittal instructions will be without legal effect. Interpretations, clarifications or supplemental instructions will be issued by addenda and will be emailed to all parties who have registered. **Parties that wish to respond to the RFQ or which to receive any updates or communication related to this RFQ MUST register by providing information on a form on the Port's website. A link to the form is on the same page where this RFQ is located.**

#### ***D. COMPETITIVE INTEGRITY***

The Port maintains a neutral competitive environment for all respondents to protect the integrity of the selection process. A potential respondent, or anyone on its behalf, may only contact the authorized Port representative, concerning this project from the release date until the Port executes an agreement. Any communication concerning the content of this RFQ by a potential or actual respondent, or anyone on its behalf, with any Port elected official or employee other than the Port representative may result in the rejection of that respondent's response.

#### ***E. SUBMISSION OF RESPONSES***

- A. The Port is requiring electronic response submittals for this procurement.
- B. Responses must be delivered through e-mail to: NewCruiseTerminal@portseattle.org. It is the responsibility of the Respondent to ensure timely delivery of Responses.
  1. The e-mail shall include the following in the subject line of the e-mail: RFQ-CruiseT46.
  2. The Port's e-mail server will not accept files larger than 10 MB. If a file is larger than 10MB, a response must be sent in multiple emails. Each email must be clearly labeled: email 1 of 3, email 2 of 3, email 3 of 3.

***DO NOT submit .ZIP files. By Port security policy, all .ZIP file attachments are removed/dropped at the email firewall and will not be accessible as part of your response.***
  3. The Port may use the time stamp on e-mail(s) to determine timeliness.
  4. The Port is not responsible for the Respondent's technical difficulties in submitting responses electronically.
  5. Late submissions of responses may not be evaluated.

## **F. RESPONSE FORM REQUIREMENTS**

1. Response shall meet the following requirements:
  - a. Responses shall be formatted in searchable PDF format.
  - b. Responses shall be named by reference to applicable submission requirement(s). Do not use any special characters in the description.
  - c. The body of the response shall be organized in accordance with the Submission requirements in Section V. Each section of the response may be separated by a separator page. Separator pages will not contain any text beyond the section name.
  - d. The body of the response shall be limited per the page limits set for each submission requirement in Section V and with legible font. Pages shall be single-sided, 8.5" x 11" in size. In the event that the body of the response exceeds the page limitation, excess pages will not be considered.
  
2. The following required items are not included in the page count limitation:
  - a. Cover page, tables of contents, the appendix allowed in V C and G above and any drawings as noted below are not considered part of the total page count.
  - b. To conserve paper, respondents are encouraged not to use separator pages. If included, separator pages are not included as part of the total page count.

Responses must be formatted using a Calibri 12 pt. normal font (no reduction permitted), single-spaced with 1-inch margins all around, and formatted for standard 8.5 x 11 inch paper. All pages should be numbered with section and page numbers. Drawings may be provided separately and must be no larger than 11 inches x 17 inches. Graphs shall be presented in no smaller than a 10 pt. font and should contain a grid, which allows values to be read directly from the graph to the same accuracy that a 10 x 10 to the ½ inch grid provides. Graphic resolution should be consistent with the purpose of the data presented.

Any information presented beyond the last whole word within the page limit will not be considered by the evaluation team.

## **G. PORT RIGHTS**

The Port reserves the right to accept or reject any or all responses in their entirety or in part and to waive informalities and minor irregularities and to contract as the best interest of the Port may require. During the evaluation process, if the Port determines that a particular requirement may be modified or waived and still allow the Port to substantially meet its needs, then the requirement(s) may be modified or waived. Port reserves the right to contact any Respondent to seek clarification, to ask any or all Respondents to submit additional information, or to request modified responses after the submission deadline.

## **H. PUBLIC DISCLOSURE**

As a public agency, the Port is subject to the Washington State Public Records Act, Chapter 42.56, Revised Code of Washington (RCW). As such, the Port may be required to disclose information provided in respondent's response. Respondent shall be responsible for and bear the costs of taking legal action in an attempt to prevent disclosure of such documents. In no event shall the Port be liable to

respondent for disclosure of Respondent's documents the Port deems disclosable under Chapter 42.56 RCW.

**NOTE: As stated above, after the shortlist selection and notification has been made, all Respondents to this RFQ shall receive an evaluation summary and copies of all submissions for their review.**

#### **I. PROTEST PROCEDURES:**

##### **PURPOSE**

These protest procedures are included in this invitation, solicitation or request (for convenience, the "RFQ") to provide a prompt, fair and equitable administrative remedy to all respondents and prospective respondents (for convenience "Respondents") regarding alleged substantive errors or omissions in the RFQ or regarding any decision by the Port to shortlist, execute an agreement, or to declare a response non-responsive.

##### **TIMING**

Any Respondent showing a substantial economic interest under this RFQ may protest to the Port (a "Protest") only in accordance with the procedures set forth below. There are two types of protest available to Respondents. The first must be submitted prior to response submittal and by the date stated below. The second type of protest can be filed after notice of the shortlist and within the time period state below.

##### Pre-response Protests (Protests based on the form or content of the RFQ documents):

Any Protest based on the form or content of the documents included with the RFQ or any addendum (including, but not limited to, any terms, requirements and/or restrictions therein) must be filed with the Port as soon as practicable via email at: NewCruiseTerminal@portseattle.org, Attention: RFQ Protest. This is the point where Respondents must raise any concerns relating to the criteria for qualification published by the Port.

***No protest based on the form or content of the solicitation documents, including the evaluation criteria, will be considered if received by the Port after 12:00 pm noon Pacific time on April 15, 2019.***

##### Post-response Protests:

Protests based on the Respondent not being selected for the shortlist or rejection of a response by the Port must be filed with the Port, via email at: NewCruiseTerminal@portseattle.org, Attention: RFQ Protest, within three (3) business days (defined as Monday through Friday except of U.S. federal holidays) after the Respondent has received notice of a decision.

***No protest will be considered by the Port if all responses are rejected or if the protest is received after three (3) business days of the notification of shortlist decision.***

## CONTENTS OF PROTEST

To be considered, a Protest shall be in writing and shall include: (1) the name, street address, telephone number and email address of the aggrieved party; (2) the economic interest of the aggrieved; (3) a detailed description of the specific grounds for the Protest and any supporting legal and/or factual documentation; and (4) the specific ruling or relief requested.

## REVIEW

For Protests prior to response submission, the Port reserves the right to resolve or to attempt to resolve any Protest that concerns the form or content of the RFQ documents and which Protest was timely received before the response opening through written addenda to the RFQ documents.

The purpose of the Post-response Protest process is to ensure the appropriate steps have been taken by the Port when a Respondent is dissatisfied with a shortlist decision.

This process does not create any due process rights, but is intended to allow Respondents to raise concerns regarding actions taken regarding the process. The Port shall promptly consider the Protest based on the written submittal. In its sole discretion, the Port may give notice of the Protest to other interested parties, including other Respondents. A Protest shall not be considered valid unless and until the Respondent has completed a post-response review as described below.

For Post-response Protests the following types of issues will be considered an appropriate basis for a Protest:

- An alleged violation of state or federal laws;
- An alleged violation of Port policies or procedures; or
- An alleged failure of the Port to follow terms or processes set out in the applicable RFQ.

The filing of a Protest does not operate as a stay of action in relation to the selection process.

## POST-RESPONSE REVIEW

All Respondents shall receive an evaluation summary and copies of all Respondents' submissions for their review.

The evaluation summary shall not include point-by-point comparisons of the responses and shall not reveal any information prohibited from disclosure or exempt from release.

## DISCRETIONARY PROTEST HEARING

The Port may, in its sole discretion, elect to hold a hearing regarding the Protest. A hearing will not, however, generally be held unless the Port believes it would be helpful to resolution of the Protest. At a hearing, the aggrieved party would be given a reasonable opportunity to present relevant testimony and evidence and to make legal arguments. Other interested parties may also be given the opportunity to do so. Any hearing may be recorded, and the Port would maintain an official record of all documentary evidence presented at the hearing. A hearing panel would consist of one or more persons appointed by the Port's Executive Director.

The Port's General Counsel or his or her designee may also participate in the hearing as a non-voting member.

The Port will issue a written Final Decision. In making its decision, the Port may consult with others and consider information relating to the Protest from any source, including other interested parties. A copy of the Final Decision will be provided to the aggrieved party, and any other party as may be required, by email.

#### JUDICIAL PROCEEDINGS

All judicial proceedings must be filed within three (3) business days of the issuance of the Port's Final Decision.

An aggrieved party that intends to commence judicial proceedings shall specifically provide notice to the Port prior to the commencement of such proceedings. The notice shall be provided to the Port's General Counsel at 2711 Alaskan Way, P.O. Box 1209, Seattle, WA 98111, (206) 787-3000.

#### STRICT COMPLIANCE

Strict compliance with these protest procedures is essential in furtherance of the public interest. Any aggrieved party that fails to comply strictly with these protest procedures is deemed, by such failure, to have waived and relinquished forever any right or claim with respect to alleged irregularities in connection with the solicitation or award of the contract. No person or party may pursue any judicial or administrative proceedings challenging the RFQ or any part of the process, without first exhausting the administrative procedures specified herein.

#### REPRESENTATION

An aggrieved party may participate personally or, if a corporation or other artificial person, by a duly authorized representative. Whether or not participating in person, an aggrieved party may be represented, at the party's own expense, by counsel.

#### ACKNOWLEDGEMENT

By submitting a response to this RFQ, the respondent acknowledges that it has reviewed and acquainted itself with the protest procedures herein and agrees to be bound by such procedures as a condition of submitting a response.