



**REQUEST FOR PROPOSAL
RFP NO: 010-005**

**PROFESSIONAL SERVICES
FOR
COMPREHENSIVE TARIFF STUDY**

**Port Authority of Guam
1026 Cabras Highway
Piti, Guam 96925**

**Enrique J. S. Agustin
General Manager**

March 2010

Port Authority of Guam

**RFP NO. 010-005
PROFESSIONAL SERVICES
FOR COMPREHENSIVE TARIFF STUDY**

TABLE OF CONTENTS

REQUEST FOR PROPOSAL (RFP)

**RFP Announcement
Basic Information
General Terms and Conditions
Special General Provisions**

ATTACHMENT

**Attachment No. 1 Preliminary Scope of Work
Attachment No. 2 Sample Contract**

REQUIRED FORMS

**Special Reminder to Prospective Offerors
Major Shareholders Disclosure Affidavit
Non-Collusion Affidavit
Non-Gratuity Affidavit
Good Standing Affidavit
Ethical Standards Affidavit**

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The Port Authority of Guam (PAG), a public corporation and an autonomous instrumentality of the Government of Guam, is soliciting proposals from qualified professional firms or individuals to perform a comprehensive study of the existing tariff structure and provide recommendations of revisions that are consistent with the Federal Maritime Commission guidelines and other regulatory agencies. PAG also seeks professional assistance in the preparation and presentation of a tariff/rate case before the Guam Public Utilities Commission.

Request for Proposal (RFP) packages may be obtained at the PAG Procurement and Supply Division anytime from Monday through Friday, excluding holidays, between 8:00 a.m. and 5:00 p.m. A non-refundable fee of Fifty U.S. Dollars (\$50.00) will be charged for each printed package or Twenty Five U.S. Dollars (\$25.00) for electronic file (in pdf format) in compact disc, payable in cash, cashier's check, or certified check payable to PAG.

Deadline for submission of all proposals is May 5, 2010, 10:00 a.m. Chamorro Standard Time (Guam Time). All proposals must be submitted to the attention of the PAG General Manager.

PAG shall have the right to reject, in whole or in part, proposals or offers which have been submitted in response to this RFP, and/or cancel this RFP if it is determined to be in the best interest of the PAG and/or for whatever reason allowed by law and/or regulation. This right to reject and/or cancel is also pursuant to GSA Procurement Regulation 3115 (d)(2)(A).

For additional information, contact Ms. Alma B. Javier, Procurement & Supply Manager at (671) 477-5931/35 ext. 369 or email at: abjavier@portguam.com.

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REQUEST FOR PROPOSAL (RFP)

RFP NO. 010-005
PROFESSIONAL SERVICES FOR
COMPREHENSIVE TARIFF STUDY

BASIC INFORMATION

I. BACKGROUND OVERVIEW:

- A. The Jose D. Leon Guerrero Commercial Port (“Port”) is a public corporation and autonomous instrumentality of the Government of Guam. It provides for the needs of ocean commerce, shipping, recreation, commercial boating, and navigation of the Territory of Guam. This is the only commercial port in Guam and as such, serves as a gateway to maritime commerce for Guam and the entire Micronesian region.
- B. Prior to the enactment of Public Law 30-52, the Port’s terminal tariff has not been adjusted since 1993, with the exception of the adjustment to its lease rates..
- C. The Port is moving aggressively towards implementing its Port Modernization Master Plan and would need to generate adequate revenues to fund an estimated \$200,000,000 of capital improvement projects. Consequently, the tariffs will have to be adjusted accordingly.
- D. Public Law 30-52 included the Port as a public utility under the regulatory oversight supervision of the Public Utilities Commission (created by Public Law 17-74) and provided the Port with a method for timely review of proposed rate changes and appropriate oversight of such rate changes by an independent regulatory authority. The law provided that any existing rates and other items and charges of the Port shall continue to remain in effect unless modified in accordance with the provisions of the law. The law allowed the Public Utility Commission (PUC) to establish interim rates and charges for the use of Port facilities or appliances as may be necessary for estimated operation and maintenance costs.
- E. Since the passage of this law, the Port has submitted “interim” rates to the PUC which was approved on January 29, 2010 and February 25, 2010.
- F. The law further mandated the Port to competitively solicit the services for the study of its rates and charges. The results of the study, including the costs of services and the issuance of any contract as a result of this solicitation is subject to the review and approval of the PUC.

- G. The Port plans to file a full tariff/rate case before the Guam Public Utilities Commission after the rate study sought under this procurement is completed. The Port will require assistance from the selected contractor to prepare its rate case and to assist it in the presentation of its case before the Guam Public Utilities Commission.

II. INTRODUCTION

- A. The Jose D. Leon Guerrero Commercial Port (“Port”) is soliciting proposals from qualified and interested firms or individuals (“Offerors”) to perform a comprehensive review and revision of the Port’s existing tariff consistent with the Federal Maritime Commission (FMC) guidelines.
- B. The Port will use procedures prescribed by the Guam Procurement Act, 5 GCA §§5001-5805, and DEPARTMENT OF ADMINISTRATION General Services Administration Procurement Regulations to establish a contract. The website to review the Guam Procurement Act is www.guamcourts.org/CompilerofLaws/GCA/Title5.html and Guam Procurement Regulations is www.guamcourts.org/CompilerofLaws/GAR/02gar.html.
- C. The Port is subject, at a minimum, the application of its enabling legislation (12 GCA 10000 et seq), the Port Harbor Rules and Regulations adopted pursuant to Public Law 26-72, and procedures of the Public Utilities Commission (PUC) as described in 12 GCA Chapter 12. Proposers are expected to have and shall have sole responsibility for working knowledge of these laws and regulations.
- D. Issuing Office: This Request for Proposals (RFP) is issued by the Port. No oral explanations in regard to the meaning of the RFP will be made and no oral instructions will be given before award of a contract to the selected Offeror. All proposals and any inquiries of prospective Offerors regarding this RFP must be in writing and must be to the attention of:

Mr. Enrique J.S. Agustin
General Manager,
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201
Piti, Guam 96915

Tel: (671) 477-5931/35 Ext 302 or 303
Fax: (671) 472 -1439

Email: rjsagustin@portguam.com;

Except to the above person named, direct or indirect contact with Port Management, Staff,

Board Members or any person participating in the selection process is prohibited.

III. SERVICES REQUIRED:

The Port requires the services of a qualified firm to provide the professional expertise in tariff reviews, formulation and related representations such as, but not limited to, research, compilation of data, provide recommendations, statistics, comparisons, etc.

At a minimum, the Firm shall have the following qualifications:

1. Knowledge of the Federal Maritime Commission guidelines.
2. Background in and knowledge concerning the operation of commercial ports and marine terminals with facilities for loading and unloading commercial cargo or passengers onto and from ocean common carriers. Specific knowledge concerning process by which commercial ports set rates, dockage, rentals, tolls, pilotage, warfage, and other charges for use of their public facilities, appliances, or services.
3. Background in and knowledge concerning the rate setting process for public utilities and with matters related to regulatory compliance. Familiarity with rate setting, rate analysis, review of economic and financial data, review and analysis of bond financing, and other matters related to regulatory compliance.
4. Demonstrated experience in representing ports and/or other regulated entities in proceedings before rate/tariff regulatory bodies (such as public utility commissions). Familiarity with rate filing requirements and procedures relative to a rate making/setting regulatory proceeding.
5. The firm must have performed at least three (3) comprehensive reviews and revisions of tariff for commercial ports of similar size.

IV. DESCRIPTION OF THE WORK:

A Preliminary Scope of Work, describing the work to be performed, is detailed in Attachment 1. Upon final selection of the best qualified Offeror, the Scope of Work may be modified and refined during fee negotiations.

V. TIME AND DURATION OF THE WORK INVOLVED:

It is anticipated that the selected Offeror will commence work on or about June 2010 or from the Agreement execution date. Although the Comprehensive Tariff Study is expected to be completed within 90-calendar days from Notice to Proceed, the term of the contract shall be for a period of one (1) year. This Agreement may be renewed annually, at the sole discretion of the Port, for additional one-year period but not to exceed the total contract term of three (3) years, by written notice.

The Port is not obligated to renew the Agreement and does not have to give reason if the Port elects not to renew.

VI. TYPE OF CONTRACT:

A Professional Services Agreement will be consummated between the Offeror and the Port. A sample agreement is attached herein as Attachment 2, for reference. The Port reserves the right to modify the sample Agreement during the proposal period or negotiation period. The Offerors elected shall be fully licensed to conduct business on Guam prior to execution of any contract resulting from this RFP.

VII. SUBMISSION DEADLINE AND REQUIREMENTS:

All proposals in response to this RFP solicitation shall be in writing, must be time-stamped and received at the Procurement and Supply Division, located at the 2nd floor of the Port Authority of Guam (PAG) Administration Building, and shall be to the attention of the General Manager, **no later than 10:00 a.m., Chamorro Standard Time (Guam Time), May 5, 2010.** No proposals shall be received after such date and time. Additionally, **proposals transmitted via facsimile or email will not be accepted.**

Offerors must provide seven (7) complete sets, one (1) original, five (5) copies and one (1) CD containing the electronic copy of the proposal in pdf format. All items should be sealed in one package bearing on the outside name of the Offeror, address, and the name of the project for which the proposal is submitted and shall be submitted no later than the deadline.

VIII. PRE-PROPOSAL CONFERENCE:

A pre-proposal conference is scheduled on April 20, 2010 at 10.00 a.m. Chamorro Standard Time (Guam Time) at the Commercial Port Board of Directors' Conference Room.. No oral statements made at the Pre-Submission Conference by Commercial Port personnel shall be

relied upon. The Commercial Port will respond in writing to all inquiries, comments, and suggestions.

All Requests for Information (RFI) (inquiries, clarifications, or questions) must be submitted **no later than 5:00 p.m. Chamorro Standard Time (Guam Time), April 21, 2010**. RFI shall reference the RFP number, project title and must be addressed to the attention of the Port's General Manager.

IX. LATE PROPOSALS:

Proposals submitted after the above submission deadline will not be accepted.

X. TRADE SECRETS AND PROPRIETARY DATA:

Offerors may designate those portions of their proposal that contain trade secrets or proprietary data, which are to remain confidential. The Port will examine any such request to designate portions of proposals as trade secrets or proprietary data as confidential and determine the validity of such request prior to entering into negotiations with prospective Offeror.

XI. CONTENTS OF THE PROPOSAL:

The Proposal, at the minimum, must contain the following:

A. Transmittal Letter:

1. A transmittal letter, prepared on the Offeror's business stationery, is to accompany the original and required copies of the Submission.
2. The purpose of this letter is to transmit the Proposal and should be brief.
3. The letter must be signed by an individual who is authorized to bind the Offeror to all statements contained in the submission.
4. The transmittal letter must make reference to the RFP number and Professional Services for Comprehensive Tariff Study that Offeror is responding to.

B. Statement of Qualifications:

The proposal should demonstrate the ability of the Offeror to perform and provide the services enumerated in the Preliminary Scope of Work attached herein as Attachment

1. The Statement of Qualifications must be current, accurate, and complete; thus,

shall include the following:

1. The name of the Offeror, the location of Offeror's principal place of business and, if different, the place of performance of the proposed services, the age of the Offeror's business, the average number of employees over the past year; and the current workload of the Offeror.
2. The abilities, qualifications, experience and the role of the key person(s) that would be assigned to perform the services contained in Attachment 1.
3. A list of all contracts under which services similar in scope, size and discipline for the required services, which the Offeror has substantially performed or accomplished as the Prime and/or Principal Firm over the past five (5) years, including client names, addresses, phone numbers and point of contacts. The list shall include at least three (3) contracts involving comprehensive tariff reviews and revisions for commercial ports.

The information is required for the Offeror and each subcontractor, if any, but information on the Prime Offeror and subcontractor(s) should be presented separately. The purpose of this requirement is to provide the Port with a basis for determining the Offeror's and subcontractor's financial and technical capability for undertaking this project. The Port is not interested in a voluminous description of all prior contracts undertaken, but rather a concise, thorough description of experience relevant to this project.

4. A plan giving as much detail as is practical explaining how the services will be provided, including but not limited to, tasks or activities, deliverables, timeline, etc.
5. A statement that the Offeror has established and implemented an Affirmative Action Plan.
6. A letter affirming the existence of a Drug Free Workplace Program and Policy at the firm.
7. A statement of agreement with the Port's General Terms and Conditions and the Special General Provisions, which are made part of this RFP documents.

XII. SELECTION OF BEST QUALIFIED PROPOSER AND PROPOSAL:

1. **Evaluation and Ranking:** After receipt of all proposals, the Evaluation Committee established by the General Manager, will conduct an independent evaluation of all proposals received under this solicitation. Each proposal shall be evaluated according to the criteria as reflected herein and shall be ranked accordingly. The ranking of the

proposals will be based on the total points awarded to the proposals by each Evaluation Committee member.

Offerors may be required to be interviewed or hold discussions with the Evaluation Committee to clarify certain items from the submitted proposal. This discussions, if any, will be in accordance with the Guam Procurement Laws.

In the event of a tie between two or more evaluation scores, Offerors shall be invited to appear before the evaluation committee for further interviews for the purpose breaking this tie.

2. **Selection:** The selection of the best qualified responsible, responsive offeror shall be the highest rank offeror. A “Short Listing” will be established based on the ranking results of the evaluation process. The PAG reserves the right to short-list to a maximum of three (3) qualified offerors.

The highest ranked proposer will be selected to enter into negotiations with the Port. If an agreement can be reached as to a reasonable fee, a contract will then be prepared for signatures by both parties. The signature of the Port’s General Manager or his designated representative is the only signature that will bind the Port.

If the Port is unable to negotiate a contract with the highest ranked Offeror, the General Manager or designee, may re-solicit for offers or enter into negotiations with the next highest ranked offeror based on the established short list.

XIII. EVALUATION CRITERIA:

The following factors and their relative importance that will be used in the evaluation of the proposals are:

1. The plan detailing how the scope of work/services will be accomplished to include time and personnel resources, and schedule of activities to include begin/end dates and costs. **(maximum 30 points)**
2. The ability to perform the services as reflected by technical training, education, general experience, specific qualifications and abilities of key personnel proposed to be assigned to perform the services; **(maximum 30 points)**
3. The firm’s reputation for personal, professional integrity and competence **(maximum 15 points)**

5. The record of past performance of similar work based on references (**maximum 15 points**)
6. Compliance to specific requirements, (**total of 10 points**);
 - a. Evidence that the Firm has established and implemented an Affirmative Action Plan (5 points);
 - b. Evidence of establishment and implementation of a Drug Free Workplace Program (5 points);

The General Manager will review the recommendation of the Evaluation Committee and shall, in concert with appropriate technical staff representatives, make the final selection.

XIV. FEE PROPOSALS:

Offerors shall not submit any cost or pricing data with their proposal. Fee proposal will be solicited by the Port upon selection of the highest ranked proposal and be submitted at a time and in a format as determined by the Port.

XV. REQUIRED FORMS:

Offerors must submit all forms required in this solicitation. Failure to submit any of the required forms may result in disqualification and rejection of the Offeror's proposal. The following required forms to accompany the Offeror's proposals are included and made part of this RFP:

1. Special Reminder to Prospective Offerors: This form is the checklist of the required forms to be submitted accompanying the proposals. By completion and submittal of this form, the offeror acknowledges and understand its intent and implications. Offerors are held responsible for ensuring that all documents required in this RFP, which may not appear on the checklist, are submitted with their proposal.
2. Disclosure of Major Shareholders Affidavit: Guam Law requires that any partnership, sole proprietorship, or corporation doing business with the government of Guam shall submit an affidavit executed under oath that lists the name and address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship, or corporation at any time during the twelve (12) month period immediately preceding submission of the Proposal. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which have been held by each such person during the

twelve (12) months period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity, or other compensation for procuring or assisting in obtaining business related to the work described in this RFP for the Offeror and shall contain the amounts of such commission, gratuity, or other compensation. The affidavit shall be opened and available to the public for inspection and copying.

3. Non-Collusion Affidavit
4. Non-Gratuity Affidavit
5. Ethical Standards Affidavit
6. Good Standing Affidavit

***** END OF BASIC INFORMATION*****

ATTACHMENT 1

ATTACHMENT 1 PRELIMINARY SCOPE OF SERVICES

PROFESSIONAL SERVICES FOR COMPREHENSIVE TARIFF STUDY

Description Of Work Involved: A Preliminary Scope of Services describes the work to be accomplished. Upon final selection of the best qualified Offeror, the Scope of Services may be modified and refined during the fee negotiation.

- A. Perform a comprehensive review and recommend revisions of the existing terminal tariff to allow the Authority the capability of generating sufficient revenue to cover current and future Port operations and services, including interest, loan repayments, amortization of depreciable assets and a reasonable return on value of assets. Compare existing tariff rates with national averages and determine variances for possible tariff adjustments.
- B. In a comparison of the Port Tariff with tariffs from other ports of either similar size in cargo throughput volumes and/or structure, the Consultant will identify services the Port is rendering without cost recovery, recommend data capture mechanisms for those services and recommend appropriate tariff charges to be implemented by the Port.
- C. The new Port Tariff will institute a new capital recovery charge to fund PAG's Master Plan Capital Improvement Projects and other major capital improvement projects.
- D. The new Port Tariff should clearly delineate vessel charges from that of the charges rightly attributable to stevedoring and handling.
- E. Address and provide recommendations for each element of the existing tariff, including a provision for automatic adjustment of labor rates and other charges based on the consumer price index (Guam), inflation rate or other agreed-upon determinable basis with the approval of the Public Utilities Commission and its determination that such adjustment are "just" and "reasonable".
- F. Review federal and local laws and how they will impact on a revised tariff, enforcement on

collections, agency law as it relates to collections for services provided and provide recommendations or solutions to perceived or possible conflicts.

- G. Provide supporting documents, such as worksheets, formulas and/or calculations, to substantiate any adjustment or revision to the existing tariff rates; required work will include preparation and presentation of such supporting documents and rate filings in a tariff/rate case before the Guam Public Utilities Commission..
- H. Provide consultation, advice and assistance to the Port during all public hearings and presentations to the Public Utility Commission, Guam Legislature and the Port's Board of Directors related to the revised tariff.
- I. After compilation of all pertinent data, produce the revised tariff in draft form to the Port for review and discussions.
- J. Recommend changes in accounting and invoicing scheme for tariff related chargeable services and mechanisms for data capture of these services.
- K. Upon approval by the Guam Public Utilities Commission, offeror will file the Port Terminal Tariff with the Federal Maritime Commission (FMC) or its successor agency in the manner prescribed by the FMC or its successor. Nineteen (19) bound copies, one (1) looseleaf copy and 10 cd's (pdf format) will be delivered to the Port Authority of Guam after approval by the PUC.
- L. Other Tasks: Authority may require other related tasks not specified above and shall be effectuated by issuance of a Work or Task Order.

ATTACHMENT 2