—REQUEST FOR PROPOSALS—

for the

EASTERN UPPER PENINSULA
TRANSPORTATION-LOGISTICS STRATEGY

TO
Economic, Transportation, Logistics, and Planning Consultants; and Related Firms

DUE
March 10th, 2017, by 4 p.m. EST

REQUESTED BY
Jeffrey S. Hagan, Executive Director
Eastern Upper Peninsula Regional Planning & Development Commission
1118 E. Easterday Ave., Sault Ste. Marie, MI 49783

PROPOSAL & SELECTION TIMELINE

▪ February 22nd, 2017: RFP issued and advertised.
▪ March 1st, 2017: Pre-proposal questions in writing due.
▪ March 3rd, 2017: Responses to pre-proposal questions issued.
▪ March 10th, 2017: Window for accepting proposals closes at 4 p.m.
▪ March 17th, 2017: Evaluation of proposals completed; firm selected and notified, and contract is negotiated.
▪ March 24th, 2017: Suggested project commencement.

THIS IS A QUALIFICATION-BASED SELECTION PROCESS.

THE PRICE PROPOSAL MUST BE PLACED IN A SEALED ENVELOPE SEPARATE FROM THE PROPOSAL.
SUMMARY & BACKGROUND

The Eastern Upper Peninsula Regional Planning & Development Commission is currently accepting proposals for the production of a strategy that accomplishes two goals: discerns the feasibility of the Eastern Upper Peninsula as a (micro) multi-modal transportation hub; and outlines a protocol for attracting logistics firms to the region.

The purpose of this request for proposals (RFP) is to solicit proposals from multiple firms to ensure the region’s limited resources will be used efficiently through a competitive and sealed bidding process that evaluates all proposals equally based upon the criteria listed in this document, and to select a firm that will be able to deliver what is needed within the specified timeframe.

The Eastern Upper Peninsula Regional Planning & Development Commission (EUPRPDC) is located in Sault Ste. Marie, and is a non-profit organization that services the three-county region known as the Eastern Upper Peninsula (EUP), which is comprised of Chippewa County, Luce County, and Mackinac County in Michigan’s Upper Peninsula. The region EUPRPDC serves is an U.S. Economic Development Administration-designated Economic Development District, as well as region 1(c) of Michigan’s Regional Prosperity Initiative.

EUPRPDC’s local partners for this project are Chippewa County and the Chippewa County Economic Development Corporation.

PROPOSAL GUIDELINES

This RFP represents the requirements for an open and competitive process. Proposals will be accepted until 4 p.m. on March 10th, 2017. No proposals will be considered after the deadline. EUPRPDC requires the proposals to be signed by an official agent or representative of any firm that submits a proposal.

If a firm submits a proposal but intends to outsource or contract, this must be clearly stated in the proposal. Furthermore, all costs stated in the proposal must be all-inclusive to include all outsourced or contracted work. Any proposals that call for the outsourcing or contracting of work must include descriptions of the firms being used.

This is a qualification-based selection process. The price proposal must be placed in a sealed envelop separate from the proposal. All costs must be itemized to include explanation of all fees and costs.

Please refer to the requirements outlined in the other sections of this RFP for further clarification on what a strong proposal should include.

CONTRACT

Contract terms and conditions will be negotiated upon selection of the winning proposal. This project will be funded by both local sources and federal grant dollars. Thus, a period of delay should be anticipated as funds are drawn down (30 days).

The consultant will be reimbursed at 2 points during this project: upon completion of Part 1 of the Scope of Work, and upon completion of Part 2 of the Scope of Work. See timeline on page 6.

The consultant shall not be reimbursed for expenses beyond the cost figures submitted in the price proposal. The consultant shall, at no time, pursue additional compensation for work not previously agreed to in writing at the signing of the contract for this project.
PROJECT PURPOSE & DESCRIPTION

PURPOSE:
The EUP is home to a mix of multi-modal and industrial infrastructural assets that have potential for increased usage. The EUP has industrial parks in Kincheloe, Sault Ste. Marie (has a Foreign Trade Zone designation), DeTour, Cedarville, and Newberry; an international airport—formerly an U.S. Air Force base—in Kincheloe (same location as the industrial park) with a 12,000-by-300 ft. runway (currently operating at 7201-by-150 ft.) servicing 2 commercial flights per day; the municipal airport, Sanderson Field, in Sault Ste. Marie; rail that connects to Ontario, and runs through the region towards Wisconsin and Minnesota; I-75, which runs north and south through the region, connecting to Ontario via the International Bridge and the Lower Peninsula via the Mackinac Bridge; US-2 and M-28, both running west from I-75; a publically-owned commercial dock in Sault Ste. Marie; a privately-owned and defunct coal dock in Sault Ste. Marie; the deep-water Port of Algoma (Sault Ste. Marie, Ontario); and the Soo Locks. With the international border, U.S. Customs and Border Patrol is stationed in Sault Ste. Marie. Local stakeholders believe that the availability of industrial space, combined with the variety of transportation modes its infrastructure has the capacity to support, has the potential entice logistics firms to the region with the intention of diversifying the local economy by maximizing existing assets.

DESCRIPTION:
EUPRPDC seeks to have a professional firm devise a strategy that accomplishes two goals: discerns the feasibility of the EUP as a (micro) multi-modal transportation hub; and outlines a protocol for attracting logistics firms to the region. Part 1 of the strategy, feasibility, will analyze the region’s existing transportation and industrial infrastructure as well as current market conditions (elaborated on in the project scope) to determine whether or not there is demand for a micro multi-modal transportation hub in the EUP.

Part 2 of the strategy, attraction,—to be fulfilled regardless of the findings in Part 1—will identify firms in logistics and related industries that are appropriate targets for the region; devise a plan for pitching the region; and require the contractor (or sub-contractor) (essentially acting as an agent) to collaborate with local economic development organizations, which will culminate in meeting with firms and pitching to them the EUP as a location for their enterprise(s).

PROJECT DELIVERABLES

PROJECT BEGINNING & MIDDLE:
- Work schedule/plan (early-April 2017).
- Outline of the strategy (April 2017).
- Monthly conference calls to update EUPRPDC and stakeholders on progress / meetings as needed.
- Drafts as project sections are completed/revisions: to avoid a lengthy review process at the end.

PROJECT END
The Eastern Upper Peninsula Transportation-Logistics Strategy must be delivered in 2 stages:
- All items under Project Scope Part 1 must be delivered by August 28th, 2017.
- All items under Project Scope Part 2 must be delivered by December 22nd, 2017. One exception: meetings that are required by Part 2.2.3 may occur after this date.

Upon completion, both parts of the Eastern Upper Peninsula Transportation-Logistics Strategy must be delivered to EUPRPDC as follows: 10 hard copies; and digital copies, PDF and MS Word. EUPRPDC will retain all rights to circulate, advertise, reproduce, and distribute.
PROJECT SCOPE

Please refer to Project Deliverables on the previous page for an explanation of how the work required of this section must be completed and by when it must be delivered.

PART 1:

1. **ANALYSIS OF INFRASTRUCTURE & POTENTIAL FOR GROWTH:**

   - Industrial parks in the EUP. This will include assessment of current utilities; available lots and buildings; what the zoning allows; distance to highways, commercial airports, and rail; leasing and rent costs; taxes; space for expansion; and Foreign Trade Zone status.
     
     o Air/Industrial Park in Kincheloe
     o Industrial Park in Sault Ste. Marie (includes the Foreign Trade Zone and defunct Reiss Coal Dock)
     o Industrial Air Park in Sault Ste. Marie (includes Sanderson Field)
     o DeTour Business Park
     o Industrial Park in Newberry
     o Industrial Business Park in Clark Township

   - Chippewa County International Airport (may be tied in with the analysis of the Air Industrial Park in Kincheloe). This will include assessment of how it is currently being used; use in comparison to other northern Michigan airports; what size airplanes could be flown in; what type of hangar facilities would be needed to accommodate cargo-type flights; what type of runway improvements/alterations would be needed; what type of warehousing facilities would be needed, including utility specifications; general labor and skilled labor needs; and a projection of increased costs.

   - Carbide Dock in Sault Ste. Marie. This will include assessment of the usage; maximum capacity; daily operations; costs to use the dock; size of ships that can port at the dock; and distance to highways, airports, and rail.

   - Port of Algoma in Sault Ste. Marie, Ontario. This will include assessment of the usage; maximum capacity; daily operations; costs to use the dock; costs to cross the border; size of ship that can port at the dock; customs and tax barriers; and distance to highways, airports, and rail in the United States.

   - Canadian National Railway infrastructure running throughout the region and cross the border alongside the International Bridge. This will include assessment of the usage; customs and tax and other barriers to usage; methods for connecting—via rail spur or otherwise—to the infrastructure locally; and relevant contact information.

   - Proposal for locating a multi-modal cargo warehousing and transportation facility in the region based on above analysis. This would include scale, basic site planning, estimated costs for both staff and necessary improvements, ideal location of the facility, funding mechanisms, and local resources that would have to be involved.

   - Methodology.

   - Sources (with hyperlinks to online data).

*Project Scope continues on the following page.*
2. **ANALYSIS OF CURRENT MARKET CONDITIONS:**

- Overview of the logistics and warehousing industries.
- Trends in the logistics and warehousing industry sectors; projected growth in the industry sectors.
- List of growing and emerging logistics and warehousing firms, domestic and international.
- Costs and fees of transporting cargo through airports in Detroit and Chicago compared to smaller regional facilities.
- Case studies of hubs in Michigan, adjacent states, and those in Ontario bordering Michigan.
- Costs of transporting cargo by road, rail, air, and water.
- Analysis of emerging trends in the industry that may be valuable to the region.
- Analysis of statutes concerning cargo transportation—this must include analysis of statutes concerning air cargo transport.
- Costs to ship by air over the arctic versus traditional methods, like shipping by water. Analysis of trans-arctic cargo transportation relevancy to the EUP.
- The United States’ current level of trade via air transport with countries/markets that can be reached by trans-artic flights (Russia, China, Scandinavian countries, etc.).
- Costs of flying cargo into location (for this use the Air/Industrial Park in Kincheloe) and then transportation by road to markets in the United States and Canada versus flying into larger hubs like Detroit, Grand Rapids, Flint, Chicago, etc.
- Methodology.
- Sources (with hyperlinks to online data).

3. **CONCLUSIONS ON FEASIBILITY:**

- Explanation as to why it is either cost-effective or cost-prohibitive to locate as a logistics or warehousing company in the EUP based on the analysis in the previous two sections.
- If it is found to be cost prohibitive, provide suggestions on how EUPRPDC and local partners can make the region more attractive to firms in logistics and related industries.
- Methodology.
- Sources (with hyperlinks to online data).

**PART 2:**

1. **TARGETS & PLAN FOR ATTRACTION**

- List of growing and emerging logistics and warehousing firms, domestic and international, which would make sense as prospective targets to attract to the EUP. This should include, at a minimum, 10 firms in the following locations: Detroit, Grand Rapids/Lansing, Chicago, Minneapolis, and Toronto.
  - Rationale describing why they were selected as a target.
  - Type of transportation infrastructure they use; how their needs could be met by what is available in the EUP.
  - Contact information for personnel who oversee their respective firm’s growth.
- Devise a plan to meet and/or communicate with firms.

2. **ATTRACTION PITCH**

- Develop a pitch that outlines the business case for locating in the EUP.
- Develop materials (brochure / 1-page fact sheet, PowerPoint) that can be used in meetings and presentations with prospective firms that concisely explain the potential benefits of locating in the EUP.
- Schedule meetings with prospective firms, coordinate with EUPRPDC and local economic development staff, and meet with firms (with local staff present). The contractor (or sub-contractor) will be expected to arrange and lead, at a minimum, 5 such meetings.
REQUEST FOR PROPOSAL & PROJECT TIMELINE

Below the timeline for this project. The August 31st, 2017, deadline for the items in Part 1 of this RFP must be delivered by this date due to federal grant funding requirements.

- **February 22nd, 2017:** RFP issued and advertised.
- **March 1st, 2017:** Pre-proposal questions, in writing, due. May be sent via email to ewedesky@eup-planning.org.
- **March 3rd, 2017:** Responses to pre-proposal questions issued.
- **March 10th, 2017:** Window for accepting proposals closes at 4 p.m.
- **March 17th, 2017:** Evaluation of proposals completed; firm selected and notified, and contract is negotiated.
- **March 24th, 2017:** Suggested project commencement.
- **March-April, 2017:** Meetings with firm, EUPRPDC, stakeholders.
- **August 28th, 2017:** All deliverables in Part 1 are due. Upon delivery, first payment will be processed.
- **December 22nd, 2017:** All deliverables in Part 2 are due—though meetings, so long as they are scheduled, may proceed after the holidays. Upon delivery, 2nd payment will be processed.
- **April 15th, 2018:** Project concludes.

PRICE PROPOSAL

Proposals must contain a price proposal in a sealed envelope separate from the project proposal. The price proposal shall include anticipated schedule and time/material cost estimates, which should not occur after December 22nd, 2017 (in the event they do, an explanation must be provided). Unit rates on which costs are based should be included. Please refer to Addendum #1 when preparing your price proposal (examples for the prime contractor and sub-contractors are provided).

BIDDER QUALIFICATIONS

Those submitting a proposal should also submit the following:

- Description of company, including relevant experience on similar projects.
- Qualifications of staff who will be working on this project.
- Examples of previously completed work—both related and unrelated.
- Testimonials from previous clients.
- Federal identification number.

DEADLINE & CONTACT INFORMATION

Those submitting a proposal must submit them by 4 p.m. EST on March 17th, 2017. Those mailing copies should send, at a minimum, 7 copies. This method is preferred.

Attn: Jeff Hagan
Eastern Upper Peninsula Regional Planning & Development Commission
1118 E. Easterday Ave.
Sault Ste. Marie, MI 49783

Emailed proposals should be sent to ewedesky@eup-planning.org.
PROPOSAL EVALUATION CRITERIA

A committee of local economic developers and stakeholders will evaluate proposals based on the criteria in the table below. The price proposal of the winning proposal will be opened once evaluation of all submitted proposals has concluded. Proposals not selected will have their price proposals returned unopened.

<table>
<thead>
<tr>
<th>Proposal will deliver on variables in Part 1 of the Scope of Work</th>
<th>Excellent (4)</th>
<th>Good (3)</th>
<th>Fair (2)</th>
<th>Poor (1)</th>
<th>Missing (0)</th>
<th>Score</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal will deliver beyond what is asked</td>
<td>Proposal will deliver what is asked</td>
<td>Proposal will deliver most of what is asked</td>
<td>Proposal will deliver some of what is asked</td>
<td>Proposal will not deliver what is asked</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposal will deliver on variables in Part 2 of the Scope of Work</td>
<td>Proposal will deliver beyond what is asked</td>
<td>Proposal will deliver what is asked</td>
<td>Proposal will deliver most of what is asked</td>
<td>Proposal will deliver some of what is asked</td>
<td>Proposal will not deliver what is asked</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposal has timeline that meets project timeline</td>
<td>Proposal will deliver on time</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Proposal will not deliver on time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposal states firm will arrange and lead at least 5 meetings with logistics firms</td>
<td>Proposal will deliver beyond what is asked</td>
<td>Proposal will deliver what is asked</td>
<td>Proposal will deliver most of what is asked</td>
<td>Proposal will deliver some of what is asked</td>
<td>Proposal will not deliver what is asked</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposal explains the methodology that will be used to fulfill the project requirements</td>
<td>Proposal methodology has thorough detail</td>
<td>Proposal methodology has some detail</td>
<td>-</td>
<td>Proposal has methodology included but is vague</td>
<td>Proposal does not include any methodology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firm has verifiable experience preparing comparable strategies</td>
<td>Firm is specialized in field and able to present multiple examples</td>
<td>Firm is specialized in field with at least one example</td>
<td>Firm is qualified with tangentially-related examples</td>
<td>Firm is qualified with no examples</td>
<td>Firm is not qualified</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firm has testimonials from previous clients</td>
<td>More than 3 testimonials are offered</td>
<td>3 testimonials are offered</td>
<td>2 testimonials are offered</td>
<td>1 testimonial is offered</td>
<td>No testimonials are offered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affirmative Action: Firm is women- or minority-owned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Yes</td>
<td>No</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Score: 10, 9, 8, 7, 6, 5, 4
ADDENDUM #1

PRICE PROPOSAL INSTRUCTIONS

Please submit the Price Proposal in a separate envelope clearly marked “PRICE PROPOSAL”.
The consultant’s name should be identified on the front of the envelope.

The Price Proposal shall be divided into two parts, as follows:

1. Derivation of Cost - Prime consultant
2. Derivation of Cost - Sub-consultant(s)

DERIVATION OF COST - PRIME CONSULTANT:

Attached is a sample layout for the prime consultant's proposed costs. These costs are broken out into direct labor, overhead, direct costs, fixed fee, and concluding with a total estimated cost.

Direct Labor - Indicate each labor classification, the estimated hours for that classification, the related hourly rate for that classification, and the dollar total for that classification. At the bottom of the Direct Labor portion of the sheet, indicate the total hours and dollars for direct labor.

Overhead - Indicate the overhead rate being applied against direct labor. At the right, indicate the total overhead in dollars that results from the multiplication of the rate times the direct labor cost shown on this page.

Direct Expenses - List the direct expenses with a brief description of the expense and the actual cost of the purchase of that item. Indicate the total of these direct expenses at the bottom right of this portion of the sheet.

Fixed Fee - Indicate the fixed fee percentage for this project. This fee is to be applied against direct labor and overhead only, not against direct expenses. At the right, indicate the total of this calculation.

Subtotal Prime consultant - At the bottom of the page, indicate the sum of the direct labor, overhead, direct expenses and fixed fee as calculated on this page for the Prime consultant.

Consultant Total(s) - List the total estimated costs for each subconsultant, if any. Each subconsultant must also have a separate page itemizing these costs.

Total Estimated Cost - Indicate the sum of the total estimated costs for the prime consultant and all subconsultants.

DERIVATION OF COST - SUB-CONSULTANT(S):

Use the attached sample layout for the subconsultant(s) proposed costs. A separate sheet for derivation of costs must be submitted for each subconsultant in the same manner as described above for the prime consultant.

FEDERAL IDENTIFICATION NUMBER:

Provide the Federal I.D. Number of the Prime consultant and the Subconsultant(s).
DERIVATION OF COST PROPOSAL

PRIME CONSULTANT NAME

Federal ID #00-000000

ESTIMATED DIRECT LABOR

<table>
<thead>
<tr>
<th>Classification</th>
<th>Estimated Person-hours x</th>
<th>Hourly Rate</th>
<th>= Labor Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC Position</td>
<td>0,000</td>
<td>$00.00</td>
<td>$00,000.00</td>
</tr>
<tr>
<td>DEF Position</td>
<td>0,000</td>
<td>$00.00</td>
<td>$00,000.00</td>
</tr>
</tbody>
</table>

Total Estimated Hours 00,000

Total Estimated Labor $000,000.00

ESTIMATED OVERHEAD

$000,000.00 x 000.0% = Total Overhead $000,000.00

(Total Estimated Labor)

ESTIMATED DIRECT EXPENSES

(Listed by Item at Estimated Actual Cost to you - NO MARKUP)

$ 00,000
Expenses #2 $ 0,000
Expenses #3 $ 000
Total Direct Expenses $00,000

ESTIMATED DIRECT EXPENSES

(Listed by Item at Estimated Actual Cost to you - NO MARKUP)

Expenses #1 $00,000
Expenses #2 $ 0,000
Expenses #3 $ 000
Total Direct Expenses $00,000

FIXED FEE

$0,000,000.00 x 00% = Total Fixed Fee $ 000,000

(Total Estimated Labor + Overhead)

SUBTOTAL – PRIME CONSULTANT $00,000,000

(Sum Totals: Labor, Overhead, Direct Expenses, Fixed Fees)

Total ABC Subconsultant $ 000,000
Total DEF Subconsultant $ 000,000

TOTAL ESTIMATED COSTS $00,000,000.00

(Sum Totals: Prime & Subs)
**DIRIVATION OF COST PROPOSAL**

**SUB-CONSULTANT NAME**

(Submit a separate page for each Subconsultant)

Federal ID #00-000000

### ESTIMATED DIRECT LABOR

<table>
<thead>
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<td>0.000</td>
<td>$00.00</td>
<td>$00,000.00</td>
</tr>
</tbody>
</table>

Total Estimated Hours 00,000  
Total Estimated Labor $000,000.00

### ESTIMATED OVERHEAD

\( \$000,000.00 \times 0.000\% = \) Total Overhead \$000,000.00

(Total Estimated Labor)

### ESTIMATED DIRECT EXPENSES

(Listed by Item at Estimated Actual Cost to you - NO MARKUP)

- Expense #1
- Expense #2
- Expense #3

### FIXED FEE

\( \$0,000,000.00 \times 0.00\% = \) Total Fixed Fee $000,000

(Total Estimated Labor + Overhead)

**TOTAL ESTIMATED COSTS** $000,000,000

(Sum Totals: Labor, Overhead, Direct Expenses, Fixed Fee)