



Town of Shelburne

Request for Proposals:

Marine Terminal Operations

TOS RFP 2019-001

SCOPE OF PROPOSALS

The Town of Shelburne (“Town”) invites proposals from qualified proponents (“Proponents”) for the leasing and operation of a marine terminal facility at the Shelburne Marine Terminal located at 95 Water Street (the “Site”). The Town intends to select a qualified operator (“Operator”) that has the demonstrated ability to operate a marine terminal on the Site, with the goal of negotiating a management or lease agreement and related documents for the use of the Site. The selected Respondent must have experience in the financing, development, and operation of a marine terminal business and should possess experience with the start-up of new operations.

The Town will entertain proposals for the operation of a marine terminal to incorporate the discharge and/or loading of marine vessels at the Shelburne Marine Terminal, cargo handling at the Site, cruise ship visits, harbour events (e.g. Tall Ships), pleasure craft and other maritime support services as well as the expansion of operations to provide for the long-term viability of the Site.

GENERAL INFORMATION FOR PROPONENTS

THE SITE

Location

The Shelburne Marine Terminal is located within the Shelburne Harbour in South-Western Nova Scotia. Shelburne Harbour is approximately 200 Kilometers southwest of Halifax via Highway 103.

Shelburne Harbour (Canadian Hydrographic Service (CHS) Chart #4209) is known as the third best natural harbour in the world; the channel is 800 meters wide with a minimum depth of 9 meters through its narrows. The Harbour has safe anchorages for vessels in 13 meters of water. The port is ice free and a pilot is not required to enter the harbour.

The Shelburne Marine Terminal (office located at 95 Water Street, Shelburne) provides wharf and cargo handling facilities for vessels carrying diverse cargoes such as containers, bulk commodities and fish products. In addition to the handling vessels, the Port of Shelburne also leases adjacent lands to marine sector businesses (such as Clearwater Seafoods).

The stem section of the terminal is approximately 130 meters long and 15 meters wide. The T section is approximately 163 meters in length and 20 meters wide; the depth (surveyed in 2008) is 9.5m > 10.5 m. The T shape of the terminal also creates two inner basins: a deeper basin on the west (currently leased to Clearwater) and a shallower basin on the east, primarily used by independent fishers and pleasure craft.

Fresh water is available 8 months of the year, along with electrical hook up (30 amp, 50 amp and 100 amp services available) and WI-FI is also available. There are security cameras providing around the clock surveillance of the terminal, along with security and RCMP presence; this is also a Canada Customs access point.

Condition

The Town will require the Operator to execute a Management or Lease Agreement (“Agreement”) and accept the Site in its existing “AS IS” state and condition. The Town is in the process of developing a long-term capital upgrade plan for the Site and the Operator will help support the plan’s direction.

Facility Management Structure

The Site is wholly owned by the Town of Shelburne. As such, capital and operational requirements are funded on an annual basis within the Town's budgetary process as determined by Staff recommendations and Council approval. The Shelburne Port Committee acts as a committee of Council and is tasked to provide additional recommendations to Council through its monthly meetings.

It is expected that the Operator will participate in the monthly Port Committee meetings and provide information to Staff and Council as required in-keeping with its role as Operator. Annual Port berthage, wharfage, water and security rates are also established through the Port Committee and Town Council. Future rates will be established in concert between the Port Committee and Operator.

THE OPPORTUNITY

The Town believes the following factors and maritime characteristics of the Shelburne Marine Terminal underpin the value of the Site for continued maritime purposes:

- Key regional gateway. Shelburne Harbour is the 3rd best natural harbour in the world. Shelburne is within 1 hour of the Towns of Bridgewater and Yarmouth (Yarmouth Ferry Terminal), 2 hours of Halifax Regional Municipality and 3 hours of the Robert Stanfield International Airport.
- Year-round, deep water access.
- Strong local ship building and repair infrastructure.
- Flexibility to develop. The Proposer is welcome to propose improvements it deems appropriate for the maritime use of the Site.

PROPOSAL OBJECTIVES

This RFP for the Marine Terminal has the following objectives:

- To secure an experienced marine terminal operator and expand the terminal's maritime portfolio
- To maximize revenue from the Site
- To provide quality long-term employment and contracting opportunities for area residents and businesses

- To continue to act as an integral infrastructural asset in the strategic development of Shelburne Harbour

SUBMISSION PROCESS

SUBMISSION REQUIREMENTS

Format

The proposal is to be submitted in a sealed envelope clearly marked with the proposal name, number and directed to the attention of the appropriate contact on or before the closing date and time. Proponents must submit a hard copy of the submission. Your proposal must be written in ink or type-written. Erasure, overwriting or strike-outs must be initialled by the person signing on behalf of the proponent. An electronic copy of the proposal, in the form of a pdf file, must accompany the hard copy. Fax or e-mail proposals are not acceptable.

Proposals shall not be accepted after the closing date and time. Proponents may not make modifications to their proposals after the closing date and time.

All proposals shall become the property of the Town.

Sealed proposals in an envelope - including the attached document (Schedule "A") or equivalent - should be clearly marked as to contents and will be received until 4 PM on January 11, 2019. It is the responsibility of each Proponent to submit all required documents as outlined in this Request for Proposals.

Content

The proposal must respond to the following 5 items. Please label your responses 1 through 5, in the order presented below.

1) Cover Letter and Company Information

The proposal must provide the following Proponent and team member information:

- a) Cover letter
- b) Name of your company (including the name of any parent company), business address, email address, telephone and fax numbers. Also provide a brief statement of who is authorized to submit the proposal on the behalf of your firm. Please make sure that person signs and dates the statement.
- c) A description of the Proponent, including a description of all team members and the anticipated legal relationship among the team members.
- d) A brief outline of the roles of each team member. At a minimum, each Proponent must identify all participants of its team and the team members who will have primary responsibility for facility operations, financial matters (including capital improvements) and relations with the Town.

e) The identity of each company and individual who is expected to act as legal, financial, or other advisor for the Proponent.

2) Knowledge and Experience

Provide relevant information about your company's knowledge and experience. By providing reference/client information, you authorize us to contact such clients.

a) A list of at least three comparable operations in the marine sector in which the Proponent and each team member have participated. To the extent the Proposal includes capital improvements, also include three comparable development projects of a similar nature to the improvements proposed.

b) A list of at least three current Proponent and team member references, which may not include other team members. These references should be able to describe the relevant qualifications and capabilities of team members. Include names, addresses, and contact information.

3) Intended Use of the Site

The Town is seeking to secure business that supports, enhances, or diversifies current maritime operations, and is compatible with the Marine Terminal's current maritime operations. The proposal must state the proposed primary use of the Site as well as any secondary uses proposed. Describe the business plan for start-up and marketing.

4) Economic Impact

Provide a Base Rent proposal, with or without a Percentage Rent proposal, and a percentage annual rent increase. Provide the projected number of annual vessel calls with the anticipated Dockage fees.

5) Marine Terminal Regulatory Requirements

The proposal must address how the Proponent intends to comply with all relevant levels of Federal and Provincial regulatory requirements for the full operation of the Site.

Evaluation Criteria

Each proposal will be evaluated by the evaluation committee to determine the degree to which it responds to the requirements as set out in this document.

- Quality of the proposed operational concept, based on the specified maritime use, industry demand, type of cargo handled, equipment and staffing. (25 points)
- Experience, organization and reputation of the Proponent's team, demonstrated responsiveness and decisiveness, and overall qualifications and availability of key individuals of the Proponent's team, economic success of similar ventures, relationships with contractors

and operators, ability to implement a Maritime Terminal Operation quickly and effectively, and ability to work constructively with Town Staff and community representatives. (30 points)

- Economic return to the Port, based on anticipated Wharfage and Dockage fees and Rent proposed by Proponent. (20 points)
- Financial viability of the proposal, based on adequacy of projected revenues to support the facility improvement and investment, reasonableness of the cash flow analysis, and proposed capital investment for improvements. (25 points)

Evaluation and Determination

Following the Town's receipt of submittals in response to this RFP, the Town will implement the following evaluation process.

1. A three-person Town Staff Advisory Panel consisting of Town Management will evaluate the required written submittals of each Proponent based on the Selection Criteria. The Town Staff Advisory Panel will submit its final rankings to the Port Committee.
2. Based on its review of the Town Staff Advisory Panel recommendations as they relate to the Selection Criteria and other available information, including but not limited to its own evaluation of the of Proponents, a Port Subcommittee will recommend a single Proponent to Shelburne Town Council. This recommendation may differ from the recommendation made by the Town Staff Advisory Panel.
3. The Shelburne Town Council, in its sole discretion, will determine whether to authorize Exclusive Negotiations, and if so, with which Proponent the Chief Administrative Officer shall be authorized to execute an agreement for exclusive negotiations.

Exclusive Negotiations

Upon Council's authorization of Exclusive Negotiations, the Selected Proponent will enter a one-month period of Exclusive Negotiations. The Town and the Selected Proponent may enter into an Exclusive Right to Negotiate Agreement during the period of Exclusive Negotiations preceding the completion of Lease Agreement negotiations.

During the period of Exclusive Negotiations, the following events are anticipated to occur:

- The Town and the Selected Respondent will negotiate an Agreement and related documents for the use and development of the Site in a final form approved by the Town's Solicitor, incorporating specific terms including, but not limited to, the Town's and Operator's responsibilities, the economic parameters, development standards and requirements, and a performance schedule.
- The selected Respondent will complete its Due Diligence Period review of the Site,

submitting any recommendations to the Town on conditions of the facility which may restrict the Respondent's ability to conduct operations. The Town will, at its own discretion, determine whether or not the recommendations will be actioned.

Schedule

The schedule for selection is as follows:

- Issuance of RFP December 21, 2018
- All questions received from Proponents January 7, 2019, 4:00 pm
- Proponents' Submittal deadline January 11, 2019 4:00 pm
- Staff Advisory Panel recommendation to Port Committee January 15, 2019
- Port Committee recommendation to Town Council January 18, 2019
- Council selects Proponent for Exclusive Negotiations January 21, 2019
- Execution of Exclusive Negotiating Agreement and negotiations January 28, 2019
- Council approval of agreement February 28, 2019

Questions & Clarifications

It is the Proponent's responsibility to clarify any details in question not mentioned in this document prior to submitting their tender.

Questions relating to this request for proposals must be received before 4 PM on January 7, 2019 and can be emailed to the attention of Darren Shupe (Chief Administrative Officer) at cao@town.shelburne.ns.ca. Questions received after this date and time will not receive a response.

Questions will be answered within forty-eight (48) hours of receipt (weekends and holidays excepted). Responses to all questions will be shared with all known Proponents via email to ensure a level playing field.

Any modifications to this document will be in the form of an addendum which will be issued to all known Proponents via email at least twenty-four (24) prior to the closing date (unless no email address has been provided by the Proponent). No modifications will be made during the final twenty-four (24) hours.

Rejection of Proposals

The Town reserves the right to reject any and/or all proposals received. The Town is not under any obligation to enter into exclusive negotiations, contracts or agreements, and reserves the right to terminate the Request for Proposals at any time for any reason, and to withdraw from discussions with all or any of the Proponents who have responded. The receipt and opening of a proposal does not constitute acceptance of any proposal.

Reservation of Right

Proponents will not have the right to change a proposal once the proposal has been submitted in writing to the Town, nor shall proponents have the right to withdraw a proposal once it has been processed through the official opening.

Governing Law

Any contract resulting from this Request for Proposals shall be governed by and interpreted in accordance with the laws of the Province of Nova Scotia.

Proposal Submission

Please submit your proposal by 4 PM on January 11, 2019 to Darren Shupe, CAO for the Town of Shelburne (contact details below).

Darren Shupe
Chief Administrative Officer, Town of Shelburne
168 Water Street, PO Box 670
Shelburne, Nova Scotia, B0T 1W0
EMAIL: cao@town.shelburne.ns.ca
PHONE: 902-875-2991 Ext. 5
FAX: 902-875-3932

SCHEDULE "A"

Company Name: _____

Address: _____

Contact Information: _____

Key Contact for Proposal: Name _____

Email _____

Business Phone _____

Cell Phone _____

Name of Request for Proposal: _____

Number of Request for Proposal: TOS RFP 2019-001

Documents Attached: _____
