

**Request for Qualifications
For the Commercialization, Financing, Construction, Operation, and
Maintenance of the Uinta Basin Railway**

Seven County Infrastructure Coalition

Issuance Date: April 29, 2019

Closing Date: 11:59 am Mountain Standard Time, May 6, 2019

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Introduction

The Seven County Infrastructure Coalition (the “Coalition”) is an independent political subdivision of the State of Utah. The Coalition is completing the planning documents that will include engineering, environmental, and right-of-way planning to make the Uinta Basin Railway ready to construct. At the completion of this work, the railway will be in possession of its legal and environmental licenses, regulatory approvals, and environmental permits necessary for construction, and engineering will be complete to the approximate 30 percent design level.

The Uinta Basin Railway is a proposed standard-gauge, common-carrier railway that will provide freight service between the central Uinta Basin of northeastern Utah from a terminus near Roosevelt, Utah, and a connection with the national railway system at an economically feasible and commercially practical point. The Uinta Basin Railway will enable freight rail transportation to occur into and out of the Uinta Basin to any point served by the North American railway network, with associated benefits in low-cost bulk transportation, jobs, and environmentally sustainable transportation. The Uinta Basin Railway project will enable the Coalition to fulfill its mission to plan and participate in the provisioning of public services. The estimated cost of construction of the Uinta Basin Railway is between \$1.2 billion and \$2.1 billion. Transloading facilities, which will also be needed, will be an expense in addition to the above estimated costs.

Request for Qualifications

On March 26, 2019, the Coalition issued a Request for Information for non-binding information from qualified parties interested in providing the commercialization, financing, construction, operation, and maintenance of the Uinta Basin Railway. The Coalition hereby issues this request for qualifications or proposals for the commercialization, financing, construction, operation, and maintenance of the Uinta Basin Railway. All responses that the Coalition has or will receive with respect to the Request for Information shall be deemed by the Coalition to also be a response to this Request for Qualifications. Those who have responded to the RFI may submit an additional RFQ response, if desired. All deadlines for this RFQ shall also be considered to be an extension of deadline for the RFI. Any inconsistency between this RFQ and the RFI shall be resolved in favor of this RFI, including inconsistencies in deadlines. The deadlines set forth herein shall control.

“Commercialization” in this document refers to the process of obtaining transportation contracts with shippers, connecting railroads, and potential transload or terminal operators, provision for car supply,

and other necessary agreements and arrangements necessary to commence common-carrier operation of the railway and generate freight revenues, upon completion of the railway.

The responses provided by qualified parties will be used by the Coalition to help determine:

- Which of many potential structures for the commercialization, financing, construction, operation, and maintenance of the Uinta Basin Railway, would be likely to provide the highest value to the Coalition.
- Which of many potential structures for the Uinta Basin Railway are of greatest interest to the private sector, and thus are most likely to attract the most qualified proposals, under a potential future procurement, from the private sector.
- Which of many potential ownership structures the private sector proposes for the Uinta Basin Railway that provide the highest value to the Coalition.
- Which respondent the Coalition may contract with related to the commercialization, financing, construction, operation, and maintenance of the Uinta Basin Railway.

The Coalition will provide to Respondents to this RFQ:

- Revenue and Carload Volume Forecast. Assumptions and input values used in the Revenue and Carload Volume Forecast are not binding on any party and shall not be used to create any expectation of the financial performance of the railway.
- Free Cash Flow Forecast for the railway for various carload forecasts. Assumptions and input values used in the Free Cash Flow Forecast are not binding on any party and shall not be used to create any expectation of the financial performance of the railway.
- Conceptual Engineering Data including proposed route alignments, vertical profiles, Engineering Basis of Design, and Operating Basis of Design
- Environmental fatal-flaws analysis of the proposed routes
- Status of the Coalition's Environmental Impact Statement before the U.S. Surface Transportation Board.
- Proposed Project Schedule

A response to this RFQ or a prior response to the mentioned RFI will be for the potential procurement for the commercialization, financing, construction, operation, and maintenance of the Uinta Basin Railway.

Strategic Objectives of the Coalition

The Coalition's goals for the Uinta Basin Railway include the following:

- Provide a permanent common-carrier railway service to the Uinta Basin that provides economic benefit to the Uinta Basin
- Reach operational status of the railway by December 1, 2023

- Provide a permanent revenue stream to the Coalition. This revenue stream could take the form of a share of profits, a share of gross revenues, a fixed monthly payment, or a one-time annuity. The Coalition seeks in this RFQ suggested forms for this revenue stream.
- Develop collegial and mutually economically beneficial agreements with the Ute Tribe, that may include participation of the Ute Tribe in the equity, revenue-sharing, profit-sharing, or operation and maintenance of the railway or of its terminals, or partnerships for construction, operation, and maintenance of transload terminals.

Process for Review of RFQs

The Coalition will use this process:

- Responders will submit a Statement of Qualifications by 11:59 am MST, May 6, 2019.
- All responses to the RFI issued on March 26, 2019 shall be considered to also be a response to this RFQ.
- The Coalition may select a Qualified Respondent as early as May 10, 2019.

Guidelines for Submission of Qualifications

Respondents

The invitation to submit a response extends to local, national, or international infrastructure, railway, finance, energy, or construction companies, or consortiums of companies. Companies are welcome to submit their Response individually or as a group; however, the Coalition is primarily interested in responses that propose how the company would provide complete services to commercialize, finance, construct, operate, and maintain the railway.

Timeline

- Statement of Qualifications submission date to Coalition: 11:59 am MST, May 6, 2019
- All responses to the RFI issued on March 26, 2019 shall be considered to also be a response to this RFQ.
- The Coalition may select a Qualified Respondent as early as May 10, 2019.

Submitting the Statement of Qualifications

- The Statement of Qualifications should address all of the necessary information outlined in the section titled "Statement of Qualifications Content".
- The Statement of Qualifications must be written in English, in electronic pdf format. There is no page limit.
- Please address electronic (pdf) Statements of Qualifications to: Mike McKee, Executive Director, Seven County Infrastructure Coalition. Please contact Kelly Carter of Jones & DeMille Engineering to receive a secure upload link to submit the Statement of Qualifications electronically, at kelly.c@jonesanddemille.com or 435-896-8266. Faxed Statements of Qualifications will not be accepted.

- Submit only one (1) electronic copy of the Statement of Qualifications
- Number pages (not including resume or cover letter) sequentially at the bottom right corner of each page.
- Statement of Qualifications pages shall be 8.5" x 11" in size. Maps, schedules, and technical diagrams may be 11" x 17" in size. Graphics may be shown in color.
- To receive notifications regarding addendums and clarifications to this RFQ, please contact Kelly Carter of Jones & DeMille Engineering, at kelly.c@jonesanddemille.com or 435-896-8266.

Submitting the Response

- The Response should address all of the necessary information outlined in the section titled "Response Content".
- The Response must be written in English, in electronic pdf format. There is no page limit.
- Please address electronic (pdf) Responses to: Mike McKee, Executive Director, Seven County Infrastructure Coalition. Please contact Kelly Carter of Jones & DeMille Engineering to receive a secure upload link to submit the Response electronically, at kelly.c@jonesanddemille.com or 435-896-8266. Faxed Responses will not be accepted.
- Submit only one (1) electronic copy of the Response
- Number pages (not including resume or cover letter) sequentially at the bottom right corner of each page.
- Response pages shall be 8.5" x 11" in size. Maps, schedules, and technical diagrams may be 11" x 17" in size. Graphics may be shown in color.
- To receive notifications regarding addendums and clarifications to this RFQ, please contact Kelly Carter of Jones & DeMille Engineering, at kelly.c@jonesanddemille.com or 435-896-8266.

Statement of Qualifications Content

The Statement of Qualifications shall be organized as follows, and contain the following information:

- A cover letter summarizing the respondent's expertise, experience, organization, and component companies if more than one company is teamed.
- Organization of the Respondent. If the Respondent is a consortium or joint venture or partnership, indicate which corporate entities will comprise the Respondent, and outline their respective roles and responsibilities. Include the name, title, and contact information of the individual designated as the Respondent's key contact.
- Experience of the Respondent. Describe the relevant experience and expertise of the Responder, in relation to (1) financing of infrastructure projects of similar cost of construction to the Uinta Basin Railway; (2) construction, operation, and maintenance of infrastructure projects of similar cost of construction to the Uinta Basin Railway; (3) commercialization of a railway project, in particular the experience and expertise with obtaining contracts with shippers; (4) operation and maintenance of a common-carrier short-line railway under the economic regulations of the U.S. Surface Transportation Board and the safety regulations of the Federal Railroad Administration; (5) understanding of the oil exploration and production industry. Summarize the biographical information of the Respondent's key personnel. Representative

Projects of the Respondent. Provide list of completed projects, current projects, current operations, current infrastructure financing packages, or other information that would indicate to the Coalition the qualifications of the Respondent. Attach resumes of the key personnel as an Appendix.

- Financial Capacity of the Respondent

Response Content

The Response shall be organized as follows, and contain the following information:

- A cover letter summarizing the respondent's expertise, experience, organization, and component companies if more than one company is teamed, and summarizing the commercial and financial structure(s) the Respondent believes will best accomplish the goals of the Coalition.
- Organization of the Respondent. If the Respondent is a consortium or joint venture or partnership, indicate which corporate entities will comprise the Respondent, and outline their respective roles and responsibilities. Include the name, title, and contact information of the individual designated as the Respondent's key contact.
- Experience of the Respondent. Describe the relevant experience and expertise of the Responder, in relation to (1) financing of infrastructure projects of similar cost of construction to the Uinta Basin Railway; (2) construction, operation, and maintenance of infrastructure projects of similar cost of construction to the Uinta Basin Railway; (3) commercialization of a railway project, in particular the experience and expertise with obtaining contracts with shippers; (4) operation and maintenance of a common-carrier short-line railway under the economic regulations of the U.S. Surface Transportation Board and the safety regulations of the Federal Railroad Administration; (5) understanding of the oil exploration and production industry. Summarize the biographical information of the Respondent's key personnel. Attach resumes of the key personnel as an Appendix.
- Representative Projects. Provide list of completed projects, current projects, current operations, current infrastructure financing packages, or other information that would indicate to the Coalition the qualifications of the Respondent.
- Proposed Approach to Commercialization, Finance, Construction, Operation and Maintenance of the Uinta Basin Railway:
 - Overview of the proposed structure(s) of the railway company the Respondent believes would provide the highest value to the Coalition and the greatest long-term, sustainable rail transportation service to the Uinta Basin.
 - Proposed method(s) the Respondent believes would be best suited to commercialize the railway, including how Respondent recommends interacting with oil and gas exploration and production companies, off-takers, mining companies, and agricultural and other potential users of the railway.
 - Proposed method(s) the Respondent believes would be best suited to finance the railway, the equity structure of the railway, including partners or joint-ventures, and

how the railway would provide value to the Coalition for the Coalition's work and investment in the railway project.

- Proposed method(s) the Respondent believes would be best suited to construct the railway (e.g., Design-Build, Design-Bid-Build, Construction Manager/General Contractor, etc.)
- Proposed method(s) the Respondent believes would be best suited to operate and maintain the Railway. Include a description of the potential for preferential employment and training with the Ute Tribe.
- Comment on the Coalition's proposed schedule.
- Provide detail that would help the Coalition understand the value of the Respondent's proposed structure of the railway company.

Process

Inquiries to Coalition

Interested Parties may request clarifications to this RFQ process to the Coalition at any time prior to the deadline dates, by writing in email to Kelly Carter of Jones & DeMille Engineering at kelly.c@jonesanddemille.com, subject line must begin "Request for Clarification, UBRV RFQ". Submissions of clarifications and responses are not binding on any party.

Issuance of Request for Proposals

The issuance of this RFQ does not in any way obligate the Coalition to select an respondent for commercialization, finance, construction, operation, or maintenance or any portion thereof.

Confidentiality

All Statements of Qualifications, Responses, Requests for Clarification, presentation materials, and communications submitted or exchanged in this RFQ process are confidential and shall be maintained in confidence by the Coalition. Information may be shared by the Coalition with other agencies of the State of Utah and others supporting the Coalition's work, e.g., Consultants engaged by the Coalition under confidentiality agreements.

Response to Requests for Clarifications

The Coalition does not intend to issue specific responses to questions or comments in Requests for Clarifications, interviews, or Responses, or to publish to all Respondents any requests for clarifications. The Coalition at its sole judgment may issue to Respondents clarifications it believes may be beneficial to Respondents in the preparation of their Responses.