Request for Proposals

Northeast CanAm Connections:
Integrating the Economy and Transportation

The Maine Department of Transportation, with the participation and collaboration of five Eastern Canadian Provinces and four Northeastern US States, is leading a study to examine the adequacy of East-West transportation connections across a broad region. The study will provide a comprehensive assessment of the relationship between the sufficiency of East-West transportation infrastructure and economic conditions and opportunities occurring within the North Atlantic region. The study corridor stretches from Nova Scotia on the east to Buffalo, New York/ Hamilton, Ontario on the west. It includes the provinces of Nova Scotia, New Brunswick, Prince Edward Island, Québec, and Ontario as well as the States of Maine, New Hampshire, Vermont, and New York.

The Maine Department of Transportation will lead the study procurement team with the cooperation of New Brunswick, Nova Scotia, Prince Edward Island, Québec, and Ontario on the Canadian side and New Hampshire, New York, and Vermont on the U.S. side. A Steering Committee comprised of Cabinet and Ministerial level representatives of transportation and economic development agencies or their designees will guide the study process.

A pre-proposal conference will be held on Friday, November 18, 2005 at 9:00 A.M. at the Marriott at Sable Oakes in South Portland, Maine. Ten copies of each submitted proposal are due at the offices of MaineDOT Bureau of Planning, 16 State House Station, Augusta, Maine 04333-0016 by 4:00 p.m. on December 16, 2005. It is anticipated that three teams will be invited to participate in oral interviews on or about January 12, 2006. A final selection is expected by February 2006. The project is scheduled to commence in early spring 2006.

Economic Development Research Group, Inc. has been retained by Maine DOT as management consultant to oversee the technical direction of the project. Questions regarding this solicitation should be directed to Glen Weisbrod (gweisbrod@edrgroup.com) or Margaret Collins (mcollins@edrgroup.com) at Economic Development Research (EDR) Group, 617-338-6775. Additional information and clarifications of general interest to bidders will be posted on the project web site www.canamconnections.com . If appropriate, Request for Proposal addenda will be mailed to all consultants who receive this Request for Proposals by e-mail, or who otherwise request being added to the mailing list.

The remainder of this document consists of the following sections:

1. Project Background and Description
2. Scope of Work
3. Submission Requirements
4. Selection Criteria
5. Contract Requirements

1. PROJECT BACKGROUND AND DESCRIPTION

The study area has six major North-South Interstate highways (I-81, I-87, I-89, I-91, I-93, and I-95) but no equivalent East-West highways between I-90 and the Trans-Canada Highway. Air service for many parts of the study area is costly and time-consuming. Rail links in many areas are limited and some are in decline. The region's ports and the St. Lawrence Seaway are underused. These and other transportation concerns are considered to be major contributing factors to the sluggish economy in many parts of the study area. All modes of transportation that have access through and into the study area will be considered in this study.

Better East-West transportation links both within this region and to other regions, (viz., the Northern Midwest) may play a vital role in bolstering the economic health of the region. As world trade opportunities first ushered in by NAFTA in the mid-1990 continue to develop, the region stands to benefit from increased trade with Europe and Asia via the Suez Canal. It is vital that Maine and the other states and provinces in the region have the necessary infrastructure to realize opportunities posed by growth of international trade, both between the US and Canada and internationally with other regions of the world. The purpose of the study is to identify ways to improve East-West transportation connections to encourage and serve the growing volume of international trade entering and leaving the region through its ports and borders. While the study is focusing on East-West connections, it will also encompass North-South connections that serve to complement them.

1A. History. Efforts by the Northern New England states to improve East-West access date back to the 1930's. The idea of integrating the region's economy into the national economy began to emerge in the 1960's with the construction of the federal Interstate highway system. In recent years, the following efforts have been made throughout the region to secure better East-West access:

- The Maine Department of Transportation commissioned a study of the costs and benefits of various East-West highway options in 1998. The study examined Maine in isolation from the larger regional, national, and global economies. Nonetheless, an "achievable vision" of an incremental build-out towards an East-West highway and improvements to intermodal links was announced in response to the study.

- Vermont commissioned a study of the potential for a new East-West highway corridor in 2000. This study focused on the southern part of the state, parallel to US 4 -- south of our study area. The study concluded that the new highway was not the best solution to transportation issues and recommended instead investment in existing infrastructure and better land use planning.

- Congressional delegations of Maine, New Hampshire, and Vermont gained additional funding for upgrades to US 2 under the banner of developing a regional East-West highway in 2000.

- In New York State, NYSDOT commissioned a study through the Development Authority of the North Country known as "The North Country Transportation Study." Released in

2001, this study covered a five-county region in northern New York along the US Highway 11 corridor between Interstate 81 in Watertown to I-87 in Plattsburgh, and the study paid special attention to East-West access issues through that region. A wide range of modal options were considered for improving access for the region. The impacts of improved regional access on connections to Canadian cities and ports and the northern tier New England states were also examined. The study report identified a Recommended Overall Regional Development Plan which includes two approaches for implementing improvements: pursue region wide/corridor wide projects (long-term strategic investments), and target specific local projects (near-term operational and capital improvements). It concluded that investment in transportation improvements is justified by the economic benefits accruing from connecting the region with the national and global economies. New York is currently advancing a scoping effort to further define improvements needed to bring that plan to fruition.

The potential economic impact of East-West transportation improvements in the region was recognized in 2001 when all three northern New England legislatures passed similarly-worded resolutions requesting federal support for a study of an East-West highway across the three states with links to Canada. Toward this end, these states and New York and five Canadian provinces have formed a Steering Committee to guide the planning process for this study.

1B. Study Management. The study is being led by the State of Maine and by representatives from Nova Scotia, New Brunswick, Prince Edward Island, Québec, Ontario, New Hampshire, Vermont, and New York. The following committees and individuals will be involved in this study:

- The Steering Committee includes Commissioner and Minister level officials from transportation and economic development agencies of the participating states and provinces. This committee, which is chaired by MaineDOT Commissioner David A. Cole, has developed the goals and objectives and has approved the Scope of Services on the following pages. The Steering Committee will review the Interim and Final Reports. MaineDOT Deputy Commissioner Gregory G. Nadeau will serve as Study Administrator and shall oversee and administer the study process on behalf of Commissioner Cole and the Steering Committee.

- The Management Committee includes individuals involved in planning at transportation and economic development agencies of the participating states and provinces. This committee, which is chaired by Carl Croce, Director of MaineDOT's Bureau of Planning, will be involved in the more detailed technical aspects of the study, including review of all interim task memos as well as the interim and final reports.

- The Study Management Consultant has been assisting the State of Maine and the other members of the Steering and Management Committees in defining project needs, goals, opportunities, criteria, and the scope of work. The Study Management Consultant will play an active role in overseeing the technical work of the selected analysis team, and also providing technical assistance to help guide the study tasks and final report. The Study Management Consultant will work alongside MaineDOT's Project Manager in

overseeing day-to-day progress of the study. Economic Development Research Group, Inc. has been retained by MaineDOT as the Study Management Consultant.

1C. Regional Economic Development Concerns and Opportunities. The economic performance of sub-regions within the broad study area has been uneven. Generally, more urbanized areas have experienced growth in population and jobs but this growth has come at the expense of rural hinterlands, which have continued to lose people and jobs. While conditions vary across the region, in general the area's strengths include its labor force, its relatively low real estate costs, its large natural resource base, its low level of congestion, and its pristine natural beauty. These pose opportunities that can be unleashed by improved transportation connections.

Regional Concerns:

Despite the positive signs of recovery that many communities are exhibiting, particularly on the Canadian side of the border, many parts of the region are troubled by the following concerns:

- Job and population losses and lack of employment options in many parts of the region, especially in rural areas that are difficult to access,
- Lack of cost-competitiveness with other regions due to higher transport costs, limited connectivity of transportation routes and limited facilities for intermodal connections,
- Rail freight services are lagging in many areas,
- Inefficient border crossings due to security procedures, and infrastructure limitations,
- Some of the region's seaports and airports are underused,
- Tourism is underdeveloped in some rural areas,
- Smart transportation technology is under-exploited, and
- Existing trade connections through New York City are subject to growing congestion.

Potential Opportunities

The area's strengths, as noted previously, include its labor force, its low real estate costs, its large natural resource base, its low level of congestion, its clean environment, and its natural beauty. These pose the following types of opportunities:

- Promote direct access between markets within the region,
- Improve access between Atlantic ports and markets in the Great Lakes Region,
- Create a new international East-West trade corridor linking the region with the world (including North-South routes and multimodal facilities that support this trade corridor),
- Attract international trade into the region through its underused ports,
- Increase population and jobs in the region by lowering business costs, improving quality of life, and attracting an expanding qualified labor pool,
- Support the evolution of the region's new millennium economy, and

- Use state-of-the-art technology to resolve problems and to achieve economic development goals.

1D: Summary of the Project Scope. The study requested in this RFP will examine the full range of options for improving East-West access to, from and within the region, including rail, air, water, road, and public transit services. The technical and financial feasibility and impacts of various optional strategic directions will be evaluated. More specifically, it is envisioned that the study will:

1. ***Develop*** a full range of multi-modal options for strategic transportation investments to provide access to markets within and outside of the study area.
2. ***Assess*** economic conditions and issues and develop a framework for ongoing monitoring of regional economic conditions**.**
3. ***Investigate*** and establish the relationship between economic development and transportation.
4. ***Provide*** appropriate economic development impact and cost-benefit modeling to evaluate potential investments**.**
5. ***Prioritize*** and shortlist options for strategic transportation investments for further evaluation**.**
6. ***Evaluate*** and further screen the short list of options for investments by preliminary analysis of financial feasibility and economic benefits.
7. ***Recommend*** strategic directions for potential transportation investment for future study and analysis.

These steps are intended to (a) help create a regional vision of long-range transportation improvements appropriate to support regional economic development, and (b) identify specific project elements to be implemented in the near future. It is envisioned that the study's findings will result in recommended projects to be considered for inclusion in the state and provincial capital improvements programs and in federal government transportation planning or legislation. The purpose of this approach is to coordinate transportation investments made by each individual state and province into a long term plan for a coherent, seamless transportation corridor spanning the region.

The study will be conducted in Two Phases. The scope of the project is fully detailed in Section Two of this document.

1E: Data Sources and Documents. The Steering Committee has provided a list of background transportation and economic development documents that may be useful in preparing responses to this RFP. A presentation of key issues was prepared on the basis of preliminary interviews with transportation and economic development agencies throughout the study area. This information is available on the project's website along with a list of other relevant documents at www.canamconnections.com. Questions concerning documents should be directed to the Study Management Consultant in Boston, MA (telephone Glen Weisbrod, Economic Development Research Group, 617-338-6775).

IF: Study Oversight. MaineDOT is managing this study through the Study Steering Committee, with support from the Study Management Consultant which is helping to manage technical aspects of the project, and to provide technical oversight and direction on data and methodology issues. In addition, the project's Management Committee is providing guidance and momentum and will respond to study findings at key milestones and as needed throughout the study process.

2. SCOPE OF WORK

This section describes the general scope of work for the Northeast CanAm Connections Study. Bidders should prepare a detailed work plan (not to exceed 20 pages including all text and figures) describing their technical approach to completing the scope of work detailed below. The work plan has been organized sequentially in this RFP; however, bidders may opt to reorganize tasks. Elements may be added to or omitted from the work plan, but any additions or omissions should be noted and explained. The work plan should clearly identify and describe all deliverables, key meetings, and milestones.

It is anticipated that the work performed under this contract will provide analysis of general strategic directions for improving transportation connections. Therefore, the work plan will not involve detailed design or environmental analysis.

Since this study is a preliminary analysis of strategic options for East-West transportation connections, the public involvement process will be limited to the consulting team working through regional and state agencies to obtain input from key stakeholders. There will also be a website providing for additional input regarding transportation concerns and economic opportunities. Bidders may also suggest other reasonable alternatives for keeping the public informed of study activity.

Overview

The work will be conducted in two Phases. Phase One will be comprised of Tasks 1 and 2 and will culminate in an Interim Report. Tasks 3 through 8 will be undertaken under Phase Two. Findings will be summarized in a final report and presentation. Each task and subtask has a memo or report deliverable, which should be submitted in the form of an electronic file and ten paper copies distributed to MaineDOT, each of the participating states or provinces and the Study Management Consultant. There will also be meeting with the Management Committee at the start of the project and at the end of each of the two phases of work.

PHASE ONE: ECONOMIC & TRANSPORTATION CHALLENGES

Phase One is comprised of Tasks 1 & 2:

Task 1: Initial Meeting and Administration

The project will commence with a meeting of the selected consultant team, representatives of MaineDOT, the Steering Committee and Management Committees, and the Study Management Consultant. During this initial meeting the work plan, schedule, and data collection process will be discussed. Data sources will be identified by Management Committee members. Private and public sector stakeholders will be recommended for subsequent interviewing. It is also expected that the consultant team will take over responsibility for maintaining and updating the project web site, and that process will also be clarified at that time.

Deliverable: Memo summarizing Task 1 outcomes on initial meeting outcomes and modifications (if any) to the scope of work.

Task 2. Documentation of Needs and Opportunities

The consultant team will assemble data to document and assess economic conditions and transportation concerns and the extent of opportunities that were agreed to in Task 1. The product will be a database of current conditions, past trends, and future forecasts. These data will be used for the screening of different optional strategic directions in Task 3 and as a basis for the predictive analysis in Task 4. Of particular importance will be documentation of regional economic development concerns.

The needs identified by stakeholders span the following categories:

Task 2-A: Economic Base. Historically, areas within Atlantic Canada and the northerly regions of the Northeastern US have lagged behind more centrally-located regions with respect to growth of new industries and jobs. Although the more urbanized parts of the study area and those with good North-South access links are growing, more rural areas with poor transportation links have generally continued to decline. For decades, the region has been losing jobs in traditional resource-based industries, such as agriculture, fishing, lumber, and paper industries. There is a need to better understand the factors contributing to the region's economic condition.

In connection with Task 2, the consultant will assemble multi-state and multi-province data on the study area's economic base and conduct an analysis that profiles the region's economy and documents the relative strengths and weaknesses in terms of competitive factors. Particular attention must be paid to the region's traditional natural resource industries and to tourism, transportation, and energy-related sectors. New growth industries will be identified and their transportation needs will be evaluated.

Economic conditions in the study area will be evaluated relative to the rest of the Northeast and to other competing regions in North America and elsewhere as appropriate. This information will be used to identify the extent to which the region is -- or is not -- failing to get its "fair

share" of new jobs and businesses. The factors that hinder economic development in the region will be identified. The consultant will evaluate opportunities for and constraints to economic growth. These will be used to assess how transportation improvements can support retention and expansion of existing industries and help to attract more businesses and investments into the region.

The multi-state and multi-province economic data assembled under Task 2 will be used for the subsequent development and screening of strategic options under Tasks 3 and 4. These data shall be provided in a format that the MaineDOT and members of the Steering Committee, Management Committee, and others can update to subsequently monitor economic conditions in the region.

Deliverable: Memo summarizing Task 2A findings on the region's economic base.

Task 2B: Existing Transportation Market Analysis. Preliminary stakeholder interviews revealed that several transportation user groups feel that the existing transportation network does not provide adequate access to markets and other destinations. Businesses purport that insufficient customer and supplier access inhibits their competitive market positions. The consultant will identify the various market and travel segments served by the transportation system, and evaluate how well each is served by the existing transportation network.

Travel pattern data will be collected and analyzed to profile and characterize the nature of demand for East-West origin-destination corridors. Travel along North-South routes as connections for broader East-West movements will be evaluated. Travel patterns will be analyzed by market segment (e.g., tourists, business travelers, commercial vehicles, colleges and universities, major businesses, key economic sectors.). Some preliminary information has been compiled but it is anticipated that a survey of major industries and shippers in the region will be necessary to more systematically collect information on major East-West and North-South trade routes and connections, truck movements, the types of commodities carried, and industries affected. Travel pattern data will be needed for the subsequent analyses during Tasks 3 and 4.

Deliverable: Memo summarizing Task 2B findings on transportation access conditions.

Task 2C: Regional Cost-Competitiveness. The study area has a high quality, well-educated labor pool, but its high cost structure impedes its ability to attract and retain businesses. Transportation costs are a big contributor to the region's high cost structure. Data will be assembled on the nature, importance, and impact of transportation costs on the region's competitiveness for new jobs, businesses, and residents. Comparisons with other regions should be drawn. The cost-competitiveness analysis will also examine the extent to which congestion in the New Jersey to Connecticut region affects the cost of freight access for Northern New England and Atlantic Canada.

Deliverable: Memo summarizing Task 2C findings on cost-competitiveness.

Task 2D: Trade Opportunities. In addition to existing transportation markets, there may be latent demand for travel and trade between the Upper Great Lakes Region, the Northeastern

United States, the Eastern Canadian Provinces, and locations throughout the world. The consultants will assemble a data base on applicable international trade flows by truck, rail, air, and sea. A profile of trade into, out of, around, and through the region should be developed with information as available on origin, destination, value, and intermodal connections. Tourism, information technology, and education will be included in the scope of regional import and export activity. The potential of transportation improvements to facilitate access to national and international markets will be evaluated. Consultants will look for opportunities that may include:

- Increasing international trade flows by opening up a new East-West trade route, linking the Atlantic Canada and Maine ports to the Northern Midwest and Ontario with a multi-modal transportation solution.
- Alleviating mounting traffic pressure on North-South trade corridors.
- Promoting international tourism.
- Increasing trade between the Northeastern States and the neighboring provinces.

The consultant will assemble a data base and establish a framework for analysis of trade opportunities in the US and Canada. These data should cover current and prospective future international trade and tourism in the region. They should show how effectively the region competes with other areas of the United States for international trade in goods, services, and tourists.

The study will identify opportunities and constraints regarding future development of international trade in the region, including regulatory trade barriers. The international trade data base will be used for the subsequent analyses under Tasks 3 and 4, and should be provided in a format that MaineDOT and members of the Steering Committee, Management Committee and others can update to subsequently monitor international trade indicators.

Deliverable: Memo summarizing Task 2D findings on trade opportunities.

Task 2E: Modal Issues. The consultant will examine the extent to which different modes of transportation are applicable in addressing the needs and opportunities identified in Tasks 2B, 2C, and 2D. Analysis of the following modes will be conducted:

- ***Highways***. There are six North-South interstate highways in the region, but on the US side of the border, there is no East-West interstate above I-90. The Trans-Canada Highway generally serves destinations north of the border providing indirect East-West access through Canada as it loops far to the north around Maine. Limited information exists regarding baseline travel conditions on major road segments in the region. During this task, the consultant will gather and update basic information regarding existing conditions on the region's main East-West roads. Data collection will focus on relevant East-West routes and connections with North-South routes.

- ***Rail.*** State and local economic development agencies throughout the study area have been involved in efforts to retain and to revive underutilized rail lines. These efforts are intended to reduce freight costs and to supplement the lack of four-lane highway access

through the region. Information will be collected on rail lines and their potential to support existing businesses, reduce transportation costs, facilitate East-West access, and reduce traffic on surface roads.

- ***Air.*** With the relatively recent advent of discount airlines (e.g., Jet Blue, West Jet) in the region, the cost of air travel is decreasing. But the cost of air travel and the lack of direct flights within much of the study area are still considered to be a competitive disadvantage. Some areas are completely underserved by airports, while in other places; three competing airports might exist within the same 100 mile catchment area. Data will be gathered on the availability and cost of air service in the region. Analysis will be conducted of travel patterns and routes. Gaps in service and demand for more direct connections must be identified and addressed. Comments – As certain types of freight are, or can be, moved by air, air freight service should be considered. An assessment of ground access should also be considered as ground access may be an inhibiting factor to air service.

- ***Water.*** The region's inland waterways and sea ports are underused. The consultant will consider the potential for resolving road access problems by making better use of sea ports and inland waterways. Data will be gathered to allow for assessment of the potential for the development of inland distribution of cargos from ports by short sea shipping and by making better use of the region's sea and inland ports.

- ***Intermodal Links.*** Data will be collected on the existence and efficiency of intermodal facilities in the region. Specifics should be assembled regarding:
  - The demand for intermodal connections,
  - The adequacy of the supply of existing facilities for efficient intermodal connections, and
  - The potential to resolve East-West road access problems by removing traffic from surface roads with better intermodal links to rail, air, and water transport.

- ***Efficient Border Crossings.*** The cumbersome nature of border processing in the wake of 9/11 has created costly inefficiencies in trade between Canada and the US. This is contributing to the high costs of living and to the cost of doing business in the study area. Baseline data will be gathered for all major border crossing points regarding traffic flows, wait times, and the cost of delays. Potential for improvements of the Amtrak passenger rail border crossing on the line between Burlington and Montreal should be subject to particular scrutiny. The existing commercial ports of entry and potential new commercial ports of entry will be evaluated for their effectiveness in providing optimum cross-border access for commercial shippers.

Deliverable: (1) Memo summarizing Task 2E findings on cross-modal issues.

Task 2F. Interim Report. Upon completion of Subtasks 2A-E, the Consultant Team will prepare an Interim Report and Presentation to the Steering Committee summarizing the findings of Phase One. The report and presentation will focus on explaining and assessing the case for

addressing transportation and economic development needs, and include recommendations for Phase Two. The Interim report will also include the Task 2A-E memos as Appendices.

Deliverables: (1) Interim Report, (2) Steering Committee Presentation.

At the end of Phase 1, there will be a process of review and discussion with the Steering Committee. Work on Phase 2 will not commence until acceptance of Phase 1 Work. Based on the findings of Phase One, the scope for Phase Two may also be refined by mutual agreement between MaineDOT and the Technical Consultant Team.

PHASE TWO: TRANSPORTATION SOLUTIONS

Phase Two is comprised of Tasks 3 through 8:

Task 3. Strategic Directions

Task 3A: Integrating Transportation and the Economy. The consultant will use information gathered under Task 2 to analyze the relationship between the region's economic performance and its transportation connections. In quantitative or qualitative terms, data will be used to establish the connection between economic performance and transportation infrastructure. The consultant may use models of transportation, economic growth, and international trade as appropriate to identify sensitivity of regional economies to changes in transportation conditions. This will provide a basis for developing more detailed and realistic directions for strategies in subtask 3B. Consultants will provide details on how they will approach this task.

Deliverable: Memo summarizing Task 3A findings on economic sensitivity to transportation conditions.

Task 3B. Identification of Alternative Strategic Directions. The overarching goal of the study is to identify opportunities to support economic growth of the region. This may include delineation and development of a new international trade corridor. It could involve coordinating a number of smaller scale improvement projects and connections among states and provinces into a seamless corridor designed to link the study area, both internally and externally to potential new markets.

A number of optional strategic directions for achieving better access to East-West markets will be identified as part of this task. The objective will be to establish the feasibility of a new multi-modal East-West Trade Corridor with seamless intermodal and international connections.

The team will develop and evaluate different strategic directions for achieving economic development goals by resolving transportation problems. Attention will be focused on East-West access. The full range of transportation modes will be evaluated including air, road, rail and shipping by sea and on inland waterways. Strategic directions can consist of "bundles" of improvements like:

- Expansion and/or enhancement of the highway network,
- Expansion and/or enhancement of the rail system,
- Expansion and/or enhancement of intermodal facilities,
- Deployment of state-of-the-art technology to resolve congestion problems at borders and other choke points,
- Standardization of freight regulations,
- Promotion of underused inland waterway and Atlantic ports,
- Reduction of costs of passenger and air freight service in the region,
- Improvement of intra-regional connections,
- Trans-shipping and small-scale, short-sea distribution of LNG and other products,
- Exploration of opportunities for the growing Canadian energy sector to fuel economic growth in the region, and
- Promotion of tourism throughout the region

Screening criteria for a "fatal flaws" analysis of strategic directions for access improvements must be developed. Solutions that do not address the needs of the region for better East-West access promoting international commerce will be eliminated. Likewise, those with adverse environmental consequences, those that would be cost-prohibitive, and those that will not create jobs can be screened out early in the process. "No build" and transportation management alternatives will be defined here and used later in Task 4 as the baseline for measuring impacts of potential strategic directions for transportation improvements.

Deliverable: Memo summarizing the findings of Task 3B on options for strategic directions.

Task 4. Predictive Analysis: Forecasting Economic and Transportation Impacts

In this task, the consultant team will apply economic and transportation forecasting tools to assess the impacts of the potential strategic directions for linking markets that were proposed under Task 3.

Task 4A: Economic Development Analysis. It is likely that the transportation improvements that will emanate from this study will be implemented because of their potential for promoting economic development. The project is about providing access to markets, not about abating traffic congestion. Improvements will be justified by their positive impacts in creating new jobs, by promoting intra- and inter-regional and international trade, and by increasing the region's competitiveness for new jobs and residents, rather than on the grounds of traffic demand. *Thus, the economic development analysis is viewed as the most critical piece of this study*. The selection panel will look for leadership by economic development professionals to guide this task.

Estimates of the regional economic impacts of each of the optional strategic directions will be developed. These forecasts will be made for major business sectors in the region, as well as for types of industries that the region is trying to attract. The forecasts should be for 20 years (2005 - 2025). An assessment of the future of the regional economy with and without transportation improvements will be included. The base case (or no-build) scenario will address the potential

for further decline of the regional economy in the absence of improvements to the transportation system.

Impacts of different strategic directions on facilitating international commerce by improving East-West connections through the study area will be evaluated. Measures of economic growth should be presented in terms easily understood by the public and should include such indicators as business costs savings, investment, new jobs created, existing jobs retained, wages, increased business output, and other economic contributions.

It is anticipated that the consultant will make use of economic tools to assess the impacts of possible strategic directions on the region's economic growth. Changes in economic competitiveness and international trade should be forecast. These same models and tools should be used to conduct sensitivity analysis, to determine how economic growth impacts may differ depending on other factors. These include factors over which the region has some control (e.g., economic development programs or transportation investments) as well as factors beyond regional control (e.g., foreign exchange rates). Data and tools developed here will be made available to the client state and provincial partners for future use and updating.

Deliverable: Memo summarizing Task 4A findings on economic impact results.

Task 4B: Transportation Analysis. Coverage of the study region by existing transportation network models is uneven. Some data are available on border crossings and international traffic. The consultant will need to develop a coherent framework to analyze the multi-modal traffic impacts of potential East-West transportation solutions. While it is understood that this could be a major modeling effort (and information from the transportation analysis is needed for the economic evaluation) the consultant should not devote a large portion of the project budget to traffic model development. Lower cost, creative solutions for East-West corridor traffic forecasting on the major corridors in the region are encouraged.

The consultant will need to identify East-West travel demand levels and supply deficiencies under different strategic options and regional growth scenarios. Since traffic choke points in the region are limited to highly localized sites, it is anticipated that few transportation investments will be justified based solely on traditional volume/capacity relationships. However, the consultant will need to identify specific locations where:

- Safety is an issue,
- Border crossings are inefficient,
- Intermodal connections are needed, and
- Traffic delays impede access and add to the region's high cost structure.

The consultant will need to forecast impacts of major alternatives on future vehicle-miles of travel (VMT), vehicle-hours of travel (VHT), operating costs, and safety impacts. Data on each of the user groups identified during the course of the market analysis conducted under Task 2 must be analyzed separately. The extent to which alternative improvements will benefit each group shall be forecasted and documented. Issues related to the reliability of the alternatives shall be identified. All forecasts shall be done for a twenty year period (2005 – 2025).

The economic and transportation analyses shall be used to develop detailed screening criteria to further refine and shorten the list of viable transportation improvement alternatives. Screening criteria may include -- but should not be limited to -- such factors as economic growth measures, transportation efficiency measures, and order-of-magnitude cost measures. The criteria shall be used to prepare a shorter list of optional strategic directions for transportation investments. It is anticipated that the short list will identify specific corridors and generalized locations for improvement.

Considering the ambitious scope of the project, improvements will need to be phased over a number of years. Therefore, strategic directions for short, intermediate, and long term implementation of improvements projects should identified.

Deliverable: Memo summarizing Task 4B findings on transportation impact results.

Task 5. Preliminary Benefit/Cost Assessment

The consultant team will conduct a preliminary benefit/cost assessment of optional strategic directions for transportation investments. The analysis will be informed by data collected during Tasks 2 and 4 (Baseline and Predictive Analyses). Preliminary cost estimates will be needed to develop rough estimates of the magnitude of capital, operating, and maintenance costs for each alternative.

Net Benefit and Benefit/Cost estimates shall be calculated for each alternative, based on traditional measures of transportation system efficiency, adjusted to include economic development and community benefits. Sensitivity analysis using alternative regional growth scenarios shall be conducted. Cost effectiveness ratios that include easily-comprehended measures like the cost-per-job created and the cost-per-dollar of income generated shall be developed. Options for improvements that would produce few jobs and those that have prohibitive costs will be screened out at this point.

Deliverable: Memo summarizing Task 5 findings on preliminary benefit/cost outcomes.

Task 6. Project Financing

The consultant shall identify a range of options for alternative funding packages sharing project financing among the states and provinces within the study area. The full range of alternative sources of financing, including possible federal, national, state, and provincial funds as well as private sector sources must be considered. Potential financing strategies, including creative financing arrangements, shall be identified. Realistic phasing for financing projects should be projected. Alternatives will be further reduced and refined based on the likelihood of financing them.

Deliverable: Memo summarizing Task 6 findings on alternative project financing packages.

Task 7: Draft and Final Report

The consultant will prepare a draft final report. This document will be developed in consultation with the project's Study Management Consultant, as cited on page 3 of this document. Upon completion of the draft report, consultants will present their findings to a meeting of Management Committee. MaineDOT will assemble comments from the Management and Steering Committees, and present them to the study team to guide revision to the report. The final report will then be produced and submitted (along with electronic files).

Deliverables: Draft and Final Reports

Future Phases of Work. After successful completion of the Phase Two Final Report, MaineDOT may decide to proceed with an additional phase of work to develop an Action Plan and supporting materials for follow-up to the report recommendations. This additional work, if it occurs, will be a separate contract not within the scope of this current RFP.

3. SUBMISSION REQUIREMENTS

Length. Both a technical proposal and a separate cost proposal are required. Technical proposals should not exceed 60 pages, including all pages between the front and back cover.

Cover Letter. Each technical proposal must include a cover letter that identifies the prime contractor and subcontractors, and the prime contractor's contact person. The cover letter should not exceed two pages.

Scope of Work. Each technical proposal must include a detailed work plan, describing the proposed technical approach for completing the scope of work specified in Section 2 of this RFP. The technical approach may be organized sequentially as presented in this RFP or rearranged by discipline. Elements may be added to or omitted from the work plan, but any additions or omissions must be noted and explained. The work plan should identify and describe all deliverables and milestones (including meetings), and should not exceed 20 pages.

Schedule. Each technical proposal must include a project schedule by task. Schedules should clearly identify deliverables, meetings and other relevant milestones. The project should be completed in a fifteen month period.

Management Plan. Each technical proposal must include a management plan that clearly identifies the prime consultant and its project manager, and their respective responsibilities. It should also identify the key individual staff members and their respective roles. (Details of the backgrounds and experience of the firms and staff members should be provided in the next section rather than in this section.) It should also include a table summarizing hours by task for senior, mid-level and junior/support staff. This should be consistent with the cost proposal that is a separate document. This management plan should not exceed 5 pages.

Team Qualifications. It is anticipated that firms or individuals with the following expertise will be included on the selected consultant team: (1) economic development, (2) international trade economics (3) border management issues (4) transportation planning for rural areas (5) financial analysis (6) cost/benefit analysis, and (7) traffic engineering. Each technical proposal must include a summary of team qualifications that demonstrates expertise in each of these areas. Individual firm qualifications should be provided, focusing on projects in which the key staff persons have themselves participated. Descriptions of project-related experience should not exceed a total of 20 pages for all firms combined. Resumes should be included only for the project manager and key individuals who will be most involved in the project. Resumes should not exceed two pages per person.

Cost Proposal. A cost proposal that is separate from the technical proposal must also be submitted. It should include the following three elements: (1) it should specify the total project cost and a breakdown of total cost by task. (2) In addition, an overall project budget (not by task) should be included that breaks down total costs for staff, subcontractors, overhead rates, direct expenses (by type of expense) and fees. (3) A table of labor hours should also be included, summarizing hours by task for the total project. If desired, bidders may also discuss options and alternatives that increase or reduce total project cost.

4. SELECTION CRITERIA

Consultant selection will be made by MaineDOT based on the judgment of its Project Management Committee. MaineDOT will not reimburse consultants for costs incurred in the preparation and submission of their bids, or their presentations. Selection criteria will include:

	Weight
Project understanding	20%
Project technical approach and methodology	25%
Key staff experience with:	
• Economic development	15%
• Transportation planning and finance	15%
• International trade and border issues	15%
Experience working in the Study Region	10%
	100%

Cost Proposal. A cost proposal that is separate from the technical proposal must also be submitted. It should include the following three, elements: (1) it should specify the total project cost and a breakdown of total cost by task. (2) In addition, an overall project budget (not by task) should be included that breaks down total costs for staff, subcontractors, overhead rates, direct expenses (by type of expense) and fees. (3) A table of labor hours should also be included, summarizing hours by task for the total project. If desired, bidders may also discuss options and alternatives that increase or reduce total project cost.

5. CONTRACT REQUIREMENTS

MaineDOT Disadvantaged Business Enterprise Program

The MaineDOT has established a DBE Program for disadvantaged business participation in the federal-aid construction program; MaineDOT contracts covered by the program include consulting, construction, supplies, manufacturing, and service contracts.

For FFY 2006 (October 1, 2005 through September 30, 2006), MaineDOT has established a DBE participation goal of 5% to be achieved through race/gender neutral means, with an additional 1.6% to be achieved through race/gender conscious contract goals.

The Consultant shall check with the Department's Civil Rights Coordinator to confirm that the business enterprise it plans to utilize as a DBE has valid, current DBE certification, or has certification pending and that the business enterprise shall be DBE certified by the time the Consultant receives the written "Notice to Proceed" with the project.

General Payment Provisions

The allowability of individual items of cost used by the Consultant to establish a total cost shall be determined by the Department under the cost principles and procedures set forth in the current revision of 48 CFR, Chapter I (Federal Acquisition Regulations). The Consultant must submit a breakdown of its costs to include as a minimum the items listed below

Direct Expenses

Direct expenses as defined by 48 CFR Chapter 1, Part 31, such as telephone, tolls, reproduction costs, per diem and approved subconsultant(s) costs shall be billed at actual cost. The reimbursable costs for per diem (lodging which requires overnight stay and meals) shall not exceed that allowed by MaineDOT's Administrative Policy Memorandum No. 191. Mileage shall be paid at the current amount allowed by the State of Maine, Title 5, M R S A § 1541. Any reproduction costs incurred for the Consultant's internal use is considered overhead expenses and not chargeable as a direct expense.

Fixed Fee/Profit

The maximum fixed-fee/profit payable for work performed shall vary according to the complexity of the assignment and the responsibilities assigned to the Consultant. For this study, the fixed-fee shall not exceed 8% of the cost of direct, indirect, and overhead. The fixed-fee/profit shall not be increased for extra work, unless a mutually agreed upon modification is entered into by the Department and the Consultant.

Overhead

The maximum allowed overhead and burden for this study is 150% of the cost of direct labor. The actual overhead and burden shall be determined by a final audit; however, payment shall not exceed the above percentage.

Maximum Hourly Rate

The maximum allowed hourly rate for individuals of the consultant and subconsultant firms engaged to perform services under this contract shall be based on actual salary paid those individuals.

Consultant Procured Insurance

All insurance coverage must be provided by an insurance company or companies licensed or approved to do business in the State of Maine by the Maine Bureau of Insurance. Consultant and subconsultant(s) shall pay all premiums and take all other actions necessary to keep required insurances in effect during such times as contract obligations exist. Certificates of Insurance shall be provided to the Department's Contracts Section upon execution of the study contract. The maximum deductible for any type of insurance required shall not exceed $10,000 00.

Additional Insureds

The Department shall be listed as an additional insured on Commercial General Liability and Railroad Protective Liability insurance policies carried by the Consultant that are applicable to the project/study.

Certificates of Insurance to Department

Consultant shall deliver to Department signed, valid, and enforceable certificates of insurance proving the coverages required by this agreement. Such certificates shall be furnished prior to commencement of Consultant services and whenever said policies are renewed thereafter during the period of the study contract.

Commercial General Liability Insurance

The Consultant shall purchase and maintain a policy of Commercial General Liability or other coverage affording equal or greater protection as determined by the Department, in an amount not less than $1,000,000 per occurrence and $2,000,000 in the Aggregate. Such policy shall include products and completed operations as well as contractual liability coverages.

Professional Liability

The Consultant shall purchase and maintain a Professional Liability insurance policy for errors and omissions that provides minimum liability coverage of $500,000 00 per claim and annual aggregate. This policy shall cover negligent acts, errors or omissions by the Consultant arising out of the rendition of services pursuant to the study contract. The Department reserves the right to adjust liability coverage on a project-by-project basis as it deems appropriate.

Automobile Liability

The Consultant shall carry Automobile Liability insurance covering the operation of all motor vehicles including any which are rented, leased, borrowed or otherwise used in connection with the study. The limit of liability under this section shall be $1,000,000 per occurrence.

Workers' Compensation Insurance

Consultant shall carry Workers' Compensation Insurance or shall qualify as a self-insurer with the State of Maine Workers' Compensation Board, all in accordance with the requirements of the laws of the State of Maine.

Subconsultants

Subcontractors and Outside Associates and Consultants

Any subcontractors, specialty firms, outside associates or consultants retained by the Consultant in connection with the services covered by the contract shall be limited to individuals or firms that were specifically identified in the study contract. The Consultant shall obtain the Department Project Manager, or his/her designee's, written consent before making any substitution for these subcontractors, associates, or consultants.

Flow Down

All subcontracts of the Consultant, and all lower tier subcontracts, shall contain or reference all applicable provisions of the Contract, including all safety, wage, prompt payment, labor, environmental, insurance, and equal opportunity provisions. The Consultant shall indemnify and hold harmless the Department against any and all claims or liabilities arising from the failure to include such flow down provisions and against damages caused by subconsultant(s).

More detailed information relative to MaineDOT’s contract requirements can be found on the Department's website at http://www.maine.gov/mdot/aco/acohome.php .