

**Request for Proposal  
Alabama State Port Authority  
Port of Mobile – Armstrong Container Yard**

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## 1.0 Introduction

The Alabama State Port Authority (the “Port”) intends to solicit proposals for a lease agreement (the “Lease Agreement”) relating to the operation of a CY (container yard) on a parcel of land owned by the Port and directly adjacent to its Intermodal Container Transfer Facility (ICTF) for the benefit of the Port. The parcel comprises approximately 35 acres (the “Property”) and is shown on the maps depicted in Section 3.2. It is anticipated the proposed Lease Agreement would commence on or about March 1, 2023. The Property is being offered on an “as-is”, “where-is”, “with all faults” basis.

The objective of the Port is to enter into an agreement with a qualified party who will operate (or cause to be operated) the Property to significantly support and enhance the containerized maritime and supply chain activity at the Port. In connection with the operation of the Property, the Lessee would be responsible for all costs and obligations related to any and all operational activities including any preapproved proposed enhancements to the property.

This Request for Proposal (“RFP”) process involves consideration of entering into a short-term Lease Agreement with the Port for the Property for a lease term of five (5) years, with the goal of best enabling the Port to achieve the following objectives:

- i) Lease the Property to Lessee on an “as-is”, “where-is”, “with all faults” basis pursuant to a Lease Agreement under which Lessee would provide for the overall operation and maintenance of the Property as a container stacking yard. It is anticipated up to 15 acres will be usable for the stated purpose of a container stacking yard.
- ii) Lease the Property to a Lessee with extensive operating experience and a business plan that enhances containerized maritime activity at the Port and supports marine terminal throughput.
- iii) Maximize the value of rent payments over the term of the Lease Agreement. The Port welcomes compensation proposals which might include – for example – both fixed and variable rent components.

## 2.0 Overview of RFP Process

This RFP provides an opportunity for prospective Proposers (defined below) to bid on entering into a Lease Agreement for the Property. Section 3 and Section 4 of this RFP provide certain introductory information about the Port and a further description of the Property. Section 5 outlines the RFP submission requirements, procedures, and evaluation criteria.

For the purposes of this RFP, “Proposer” or “Team” means an individual business entity, or a consortium of individuals and business entities interested in bidding on and entering into a Lease Agreement for the Property. Proposers and their representatives will have the opportunity to attend site tours of the Property on mutually agreed upon dates.

Based on the responses to this RFP, and on the evaluation criteria set forth in Section 5, the Port will determine the most qualified Proposer (in such capacity, the “Winning Proposer”) and enter into a lease agreement for a term of five (5) years pursuant to agreement on lease terms and conditions.

### 2.1 Timetable

- 1/20/2023 - Issuance of Request for Proposals (RFP)
- 1/31/2023 - Deadline for questions
- 2/13/2023 - Deadline for receipt of proposals
- 2/20/2023 - Issuance of notice of intent to enter into Lease Agreement

### 2.2 Submittals and Submittal Deadline

Requirements of the Submission Response are as follows:

- Proposals shall be submitted in a sealed envelope that is plainly marked “Alabama State Port Authority - Armstrong CY Proposal” and bear the proposers name and address.
- Proposals shall be delivered to the Port’s Commercial Development Division no later than 4:00 P.M., Monday, February 13, 2023. Late submissions will not be evaluated and will be considered “non-responsive”.

## 2.3 Overview of the Proposal and Bid Process

The Port expects to name the Winning Proposer not later than February 20, 2023. Any interested Proposer will have the opportunity to receive additional information concerning the Property through a process that will include:

- (i) review of all the Port's available applicable key documents concerning the Property;
- (ii) site tours and additional inspections of the Property upon Proposer's request and approval by the Port; and

The Winning Proposer shall have the right to negotiate and agree on eventual terms and conditions. The Port reserves the right to modify or terminate this process at any stage if it determines such action to be in the Port's best interest. The receipt of proposals or other documents at any stage of this process will in no way obligate the Port to enter any contract of any kind with any party.

## 3.0 PROJECT DESCRIPTION

The objective of the Port is the lease of an off-dock CY (container yard) located on Baker St. that will complement the existing container terminal and intermodal facility and maximize volume throughput. It is intended that the CY will handle and store international shipping containers for the various steamship lines currently calling the Port. The new CY will be financially self-sustaining from an operational standpoint, provide a positive return to the Port, and improve the competitive position of the Port.

Initially, the Armstrong CY would be accessed from public roads on Baker Street. It is anticipated that by the end of 2025, there could be private access directly from the container yard using a connector road/bridge into the ICTF and potentially the Armstrong site.

### 3.1 Port Overview & Container Terminal Background

The Alabama State Port Authority owns and operates the State of Alabama's deep-water port facilities at the Port of Mobile, currently the 11th largest U.S. Seaport by total trade and generating \$85 Billion in economic value statewide. The Port Authority's container, general cargo and bulk facilities have immediate access to two interstate systems, five Class 1 railroads, nearly 15,000 miles of inland waterways and air cargo connections.

The container terminal, operated by APM Terminals, began operations at the Port of Mobile in October 2008 and provides shippers access to global markets covering various trade routes to and from the Port of Mobile. The terminal features a 45-foot channel (soon to be 50-foot in

2025) and 2,400 feet of deep-water berth positioned on 135 acres. The terminal has recently begun further expansion to the north with an additional 32 acres of port-owned property which will bring the full build out of the facility to 167 acres. The terminal has a current annual throughput capacity of 650,000 TEUs, with aspirations to process 1.5M TEUs at full build-out. Since opening in 2008, the APMT-operated container terminal has added 8 weekly liner services and facilitates efficient gate and yard operations with eight gates in and six gates out of the complex. In 2021, the terminal handled 502k TEUs and 560k TEUs in 2022. The container terminal has averaged double digit y.o.y. growth since 2018.

There is an intermodal container transfer facility (ICTF) directly adjacent to the container terminal. This facility is also operated by APMT under a long-term ground lease. The facility is currently served by (1) Canadian National Railway with daily intermodal service to markets in Memphis, Chicago and Detroit, and (2) CSX Transportation intermodal service to Chicago. The ICTF is open to all the Class I railroads with service into the port. The port's short line railroad, Terminal Railway (TASD) handles all switching into and out of the intermodal container transfer facility.

3.2 Maps



## 4.0 THE PROPERTY

The Property is comprised of up to approximately 35 acres and is denoted in the maps in Section 3.2 above. It is bounded by Baker Street and I-10 to the northwest, Yeend Street to the northeast and is contiguous to the ICTF to the south and southwest.

### 4.1 UTILITIES

To be provided by Alabama Power, MAWSS, CSPire, Uniti Fiber

Alabama Power Company would be the provider of electric service to the 35-acre development located near APM container terminal and the intermodal container transfer facility. Overhead or underground distribution service is available. There are also transmission facilities available in the area. There may be an aid-to-construction cost associated with providing service depending on the service requested. Providing service to this project is contingent upon Alabama Power Company obtaining site and load plans and the necessary rights-of-way for their facilities within the project.

Mobile Area Water & Sewer Service (MAWSS) has water and sewer service available to serve the proposed area of development. MAWSS surrounds the identified sites on the west, north and east sides with multiple large water and sewer lines available to service the needs of development.

Spire Inc., providing natural gas, has multiple lines adjacent to this property. Currently, they have a 20" high pressure main and a 10" medium pressure main. They would need to evaluate each project to determine system hydraulics but are currently able to handle both capacity and pressure to the property.

## 5.0 RFP SUBMISSION REQUIREMENTS AND PROCEDURES

It is anticipated that the Port will evaluate the information and qualifications in the RFP submittals and select a private sector partner(s) with whom to enter into a lease agreement.

The Alabama State Port Authority is a public state agency subject to open records inspections, however, Alabama statute allows the Port the legal authority to protect from disclosure commercially sensitive information. Should we receive a request for information regarding these submissions, the Port will notify the proposer in writing and endeavor to redact the proposer's commercially sensitive information. We endeavor to protect these submittals from unfair competition.

One (1) original and two (2) copies of responses should be delivered in writing in a sealed envelope clearly marked "Alabama State Port Authority – Armstrong CY Proposal" by 4:00 PM CST, February 13, 2023. The response should be addressed to Mr. Parrish Lawler, Director, Trade & Development, Alabama State Port Authority, 250 N. Water Street, Mobile, Alabama 36602. Responses will not be accepted by oral communications, telephone, email or facsimile transmission.

It is solely the responsibility of the proposer to ensure that the proposer's submittal is delivered to the Port Authority on or before the stated time and date. The leasing and operation of this facility, and all terms and conditions thereof, will be subject to the RFP process, which will include negotiation with the Port staff, and the final approval of the Board of Directors of the Alabama State Port Authority.

### 5.1 Questions regarding this RFP

Questions regarding this RFP should be directed in writing to the Alabama State Port Authority and received no later than 4PM CST, January 31, 2023.

### 5.2 Submittal Requirements and Evaluation Criteria

Proposals submitted in response to this RFP will be evaluated by the Port to determine which respondent is most qualified to operate (or cause to be operated) the Container Yard. The evaluation criteria used will include the following:

- A demonstrated track record of successful yard operations or similar stevedoring operations and strong knowledge of the international shipping market.
- Robust business plan addressing operations, any improvements, and ability to finance any improvement.,
- Ability to participate in the funding and maintenance of the equipment required to operate the facility.

A submittal must include, at minimum, the following:

#### 1. **Cover Letter**

- a) Each submittal must be accompanied by a cover letter that identifies the following information concerning the Proposer: the name, title, business address, email address, and telephone numbers of the person(s) authorized to represent the Proposer in connection with the submittal and to be contacted for any clarifications throughout the evaluation and selection process; all Team members; and the key terms including base rent per acre as well as any associated throughput volume revenue to be shared with the Port or other rent schemes.

#### 2. **Proposer and Team Member Information**

- a) Provide a description of the Proposer, which outlines their market knowledge, including a description of all Team members and the anticipated legal relationship

among the Team members. Briefly outline the roles of each Team member and identify any Team member that is locally based. Proposer must identify all participants of its Team, the Team's existing relationship with the Port, if any, and the Team members that will have primary responsibility relating to the operation and maintenance of the property. The Proposer shall also provide copies of any partnership or other joint venture agreement regarding the Property.

- b) Identify the individuals or companies who hold a major or controlling interest in the Proposer and each Team member.
- c) Identify the companies and individuals who are expected to act as legal, financial, or other advisors for the Proposer.
- d) Provide a list of Proposer references. These references should be able to describe the relevant qualifications and capabilities of the Proposer in the operation and maintenance of the Property.

**3. Operational Capability**

a) Proposers must provide evidence demonstrating their ability to operate (or cause to be operated) and maintain the Property. Specifically, each Proposer must describe its and its key Team members' capabilities and experience with and/or knowledge of:

- The operation and maintenance of similar-type container yard facilities.
- Track record of successful yard operations in this or other markets
- Transportation & supply chain logistics;

**4. Financial Capability**

a) Each Proposer must completely explain key terms of its proposal and a summary of the Proposer's plan for operation and maintenance of the Property.

b) To demonstrate sufficient financial capacity, Proposers must provide copies of either their most recent audited financial statements, or other relevant financials to establish that they have the financial resources and credit quality to successfully manage, operate, and maintain property of this nature and scope. Such financial statements and/or other financial information should be attached as an appendix to the RFP submission.