



Board of County Commissioners
 Clackamas County

Members of the Board:

**Approval of Amendment #1 with Hawkins Delafield & Wood, LLP
to serve as a P3 Legal Advisor**

| | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose/Outcome | Contract will provide P3 Legal advisory services as part of a sub-team within the Technical Advisory Team (“TAT”) implementing the county strategic goal of building a new Clackamas County courthouse. Amendment #1 will allow for the future phases of work as contemplated in the published RFP to be accomplished. |
| Dollar Amount and Fiscal Impact | Amendment #1 for an amount of \$1,000,000.00 for a total contract amount of \$1,500,000.00. |
| Funding Source | County General Fund for 50% of the contract amount with 50% match from the Oregon Courthouse Construction and Improvement Fund (OCCCIF) through the Oregon Judicial Department |
| Duration | Through Phase 2 and Phase 3 |
| Previous Board Action/Review | July 7, 2020 Board Policy Session where Board directed staff to proceed with the P3 Procurement Preparation effort. May 5, 2021 Board Policy Session approved moving forward with the P3 delivery method for the Courthouse. May 20, 2021 Board approved the Resolution for exemption and authorization to use a competitive proposal process to obtain a P3 project company for the courthouse. |
| Strategic Plan Alignment | The building of a new county courthouse is one of 12 Strategic Priorities of the county and is listed under the category Build Public Trust through Good Government. The project will take advantage of the State Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF) legislation and ensure that essential court services are safe and accessible to all residents. |

| | |
|---------------------------|-------------------------------------------------|
| Counsel Review | 1. 6/3/2021 2. Counsel Initials: AN |
| Procurement Review | Was the item processed through Procurement? Yes |
| Contact Person | Gary Barth, Project Manager, 503-754-2050 |
| Contract No. | 3524 |

Background:

The Clackamas County Courthouse is home to the Fifth Circuit Court of the Oregon Judicial Department. The current courthouse was built in 1937 to house county offices and a single courtroom. The courthouse has been retrofitted over the years to its current configuration of eleven courtrooms and cannot be expanded any further to accommodate the current demand for three additional courtrooms. Due to the insufficient amount of space available in the building, services in support of the courthouse are located off-site, creating numerous operational inefficiencies. The courthouse is greater than 90 years old, requires significant seismic upgrades and is functionally obsolete for the administration and delivery of justice services.

Recognizing the need for new county courthouses, the Oregon State Legislature created the Oregon Courthouse Capital Construction and Improvement Fund (“OCCCIF”) in 2013 administered through the Oregon Judicial Department (the “OJD”). Counties that meet OCCCIF requirements and are approved will receive OCCCIF funding for 50% of the cost of a new county courthouse. Clackamas County (the “County”) applied to the OCCIF for its courthouse replacement project (the “Project”) and was approved by the state in 2017.

The County and the OJD have decided to utilize a Public-Private Partnership (“P3”) delivery approach to design, build, partially finance, operate and maintain (“DBfOM”) the Project. This determination was driven by a recently completed Value-for-Money (VFM) analysis that compared five project delivery approaches and showed the P3 Availability Model approach as providing the greatest Value-for-Money to the county and the state.

To execute the P3 procurement effort, Clackamas County has formed a Project Technical Advisory Team (“TAT”) to include representatives of the County, the OJD and external consultants with experience in the procurement and structuring of P3’s for similar social infrastructure projects. The TAT just completed Phase 1 of the P3 procurement effort and with recent Board approval is ready to execute Phase 2 and 3.

The Legal Advisor will work with County Counsel to assemble, lead, manage, and coordinate a sub-team within the TAT focused on the development of the Request for Qualifications, the Request for Proposals and the draft Project Agreement required in procuring a private-sector developer for the P3 Courthouse Project. The P3 Legal Advisor will advise the County on all legal issues associated with the successful preparation, procurement and closing of the P3 for the Clackamas County Courthouse.

Procurement Process:

This Amendment #1 is in accordance with LCRB C-047-0800(a) for an anticipated amendment. Phase 1 of the process has been completed and it’s now time to move forward with Phase 2

which will consist of the planning services including legal review and analysis of the delivery method, and Phase 3 which will engage the Contractor to help with evaluations, drafting of materials, and non-litigation services.

Recommendation:

Staff respectfully recommends that the Board approve and execute the Amendment #1 with Hawkins Delafield & Wood, LLP for the P3 Legal Advisor contract.

Sincerely,

Gary Barth
Project Manager

Placed on the BCC Agenda _____ by Procurement and Contract
Services

**AMENDMENT #1
 TO THE CONTRACT DOCUMENTS WITH Hawkins Delafield & Wood LLP.
 FOR Non-Litigation Legal Services for the Public-Private-Partnership Courthouse Project
 Contract #3524**

This Amendment #1 is entered into between Hawkins Delafield & Wood LLP ("Contractor") and Clackamas County ("County") and shall become part of the contract documents entered into between both parties on **November 25, 2020** ("Contract").

The Purpose of this Amendment #1 is to make the following changes to the Contract:

1. **Section 1.0. Purpose, Scope, Duration** is hereby amended as follows:
 The County has approved Firm providing additional non-litigation legal services related to the County's new County courthouse project ("Project"). The additional non-litigation legal services will include Phase 2 and Phase 3 of the Project, which will take the Project to completion. The additional legal services are described in Attachment "D," which is attached hereto and incorporated by this reference herein.

2. **Section 4.0, Billing and Compensation, Subsection 4.5,** is hereby amended as follows:
 Additional compensation is authorized for non-litigation legal services related to Phase 2 and Phase 3 of the Project, as described in Attachment D. Additional compensation authorized by this Amendment #1 shall not exceed the sum of \$1,000,000.00. The maximum compensation authorized under the Contract, including this Amendment #1, shall not exceed \$1,500,000.00.

| | |
|-------------------------------|------------------------|
| ORIGINAL CONTRACT | \$ 500,000.00 |
| AMENDMENT #1 | \$ 1,000,000.00 |
| TOTAL AMENDED CONTRACT | \$ 1,500,000.00 |

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this Amendment #1, effective upon the date of the last signature below.

Hawkins Delafield & Wood, LLP

Eric S Petersen May 26, 2021
 Authorized Signature Date
ERIC S PETERSEN
 Printed Name

Clackamas County

 Chair Date

 Recording Secretary

Approved as to Form
[Signature] 06/07/2021
 County Counsel



PHONE: 212-820-9300
FAX: 212-514-8425

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LOS ANGELES
SACRAMENTO
SAN FRANCISCO
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ANN ARBOR

Writer's direct contact:
Phone: 212-820-9401
E-mail: epetersen@hawkins.com

February 25, 2021

VIA EMAIL

To: Gary Barth, Courthouse Project Manager
gbarth@clackamas.us

Cc: Nate Boderman, Assistant County Counsel
nboderman@clackamas.us

Re: Clackamas County Courthouse Replacement Project P3 Legal Advisor Budget Estimate for Phases 2 and 3

Dear Mr. Barth:

As requested, this letter sets forth our proposed budget for legal services that we expect to render as special counsel to Clackamas County in connection with the Clackamas County Agreement for Legal Services, Contract #3524 during Phase 2 (Procurement) and Phase 3 (Selection of Preferred Bidder to Financial Close) for the Clackamas County Courthouse Replacement Project. Our Phase 1 budget is \$500,000, which we do not expect to exhaust until May 2021 when the Board of County Commissioners approves the P3 procurement and the Request for Qualifications is issued.

ESTIMATED BUDGET FOR PHASES 2 AND 3 OF THE PROJECT

Our estimate of time that may reasonably be expected to be necessary to diligently provide the professional legal services required in connection with Phases 2 and 3, as further described below, is approximately 2,000 total attorney hours. This estimate of hours is based on an assessment of our efforts to date, as well as our past experience with this project and similar projects, including in particular Howard County. Based on our hourly rates (\$200 to \$600 in 2021, escalated at 3% annually commencing on January 1, 2022), our budget for professional legal services for Phases 2 and 3 would be approximately \$1,000,000.

Accordingly, we respectfully request a total Phase 2 and 3 budget allocation of \$1,000,000.

PHASE 2 AND 3 WORKPLAN

The work we expect to have completed upon the commencement of Phase 2 in May or June of 2021 consists of planning phase services including legal review and analysis, project

planning and delivery method selection; and preliminary transaction phase services, including RFQ preparation and issuance, and substantial advancement of the RFP, draft Project Agreement and State funding issues. As a result, the expected work plan for the remaining work is as follows:

RFQ Evaluation and Finalization of State Grant Funding Agreement

- Advising regarding evaluation issues
- Assisting in preparation of correspondence with respondents, including correspondence advising of the results of the RFQ evaluation
- Assisting in drafting and negotiating the State Grant Funding Agreement following authorization from the State legislature to issue the Article XI-Q Bonds

Finalization of RFP and Draft Project Agreement

- Finalizing the draft project agreement, all appendices and related transaction forms for release with the RFP, including:
 - Receiving, discussing and incorporating comments from the project team
 - Identifying areas where further consideration and input is necessary
 - Coordinating input from the various content providers and specialists, including other consultants and advisors
 - Incorporating the preferred risk and responsibility allocation
 - Assuring consistent drafting and minimizing redundancy
- Finalizing the RFP and proposal forms, including proposal requirements
- Advising regarding commercial issues that have arisen in other similar alternative delivery and public private partnership projects
- Participating in discussions and decisions regarding interface issues between the project and other components of the infrastructure system and reflecting those decisions in the RFP and draft project agreement

Proposal Development Period and Individual Meetings with Proposers

- Reviewing and advising on proposer inquiries
- Reviewing and advising on proposer comments on the draft project agreement
- Attending individual meetings with Proposers at which commercial and technical matters relating to the project agreement are discussed
- Preparing revised drafts of the project agreement, including a final draft for issuance one month before submission deadline

Proposal Evaluation

- Advising regarding evaluation process and issues, and selection criteria
- Reviewing legal confidentiality requirements and proposer responsiveness
- Assistance in conducting pre-selection proposal clarifications and negotiations
- Participating in collaborative dialogue meetings for multiple sessions with each proposer
- Reviewing and commenting on the proposal review and evaluation report
- Assisting in preparation of correspondence with proposers, including correspondence advising of the results of the proposal evaluation

Contract Negotiations

- Assistance in developing the negotiating strategy and negotiating the final project agreement, appendices and related agreements
- Coordinating with the project team regarding ongoing developments and strategies
- Legal review of the financing documents
- Incorporating the technical and financial proposals in the project agreement and appendices
- Legal review of the project agreement, appendices and other agreements
- Participating in presentations concerning the procurement process and the resulting project agreement
- Assisting in any state master lease agreement negotiations

Closing

- Identifying tasks required to close, including final amendments to the project agreement
- Working with preferred proposer's legal counsel to confirm closing requirements, closing agenda and closing process
- Working with the owner's financial and technical advisors to finalize financial close arrangements
- Conducting a due diligence review of, and commenting on as appropriate, the project company's subcontract and financing documents
- Preparing closing documents
- Attending to closing

Post-Contract Execution

- Addressing issues of contract application, implementation, and administration that arise following commercial and financial close
- Drafting contract administration memoranda and amendments to the project agreement, as necessary

FACTORS AFFECTING THE PHASE 2 AND 3 BUDGET ESTIMATE

The magnitude of the actual budget for counsel services for Phases 2 and 3 will be primarily influenced by the total duration of the project (the time frame can sometimes be fairly extended due to the nature of the process); the nature of the transaction Clackamas County elects to pursue; the extent to which issues are repeatedly reconsidered as a consensus client decision is reached; whether complex regulatory, environmental or labor issues arise; unexpected litigation or regulatory delays; the number and nature of proposals or bids received; and the negotiating style of the selected proposers. For large, complex, long-term transactions, the negotiations are sometimes extended and, like litigation, their duration is sometimes difficult to predict. We are prepared to help expedite this process to the greatest extent practicable.

Hawkins has significant and preeminent national expertise and experience in alternative project delivery and public-private partnership programs. This expertise and experience allows our firm to render legal services more efficiently, economically, and quickly than many other law firms that may not have our depth of experience in public sector client procurement representation.

Hawkins constantly monitors its effectiveness in delivering services to its clients on a cost-effective and efficient basis. Each transaction is administered by a billing partner whose tasks include assigning associate support to implement each transaction. While it is difficult to identify objective standards to establish the effectiveness of a law firm, Hawkins has demonstrated that it is highly competitive in billing rates, transaction staffing, schedule management, and milestone compliance. Hawkins keeps careful records of each transaction by means of a central computerized billing system. Computer-generated billing information memoranda are generated to provide clients with a detailed description of attorney time and all costs. Attorneys keep detailed time records which are submitted to the central computerized billing system daily.

Our hours projection and proposed fee are based on the following assumptions:

- There will be a limited number of changes in the length, extent, nature or terms of the procurement or project structure currently envisioned
- There will be a limited number of review and edit cycles of the project agreement
- Hawkins will hold the master for the project agreement
- The specifications will be well-drafted by design and other professionals and legal review and revision time will be limited
- Our role with respect to the technical specifications will be limited to a legal-monitoring function and we will not be required to attend all related technical meetings or do significant re-drafting of technical appendices.

It is our hope that all of the development work on the RFQ, RFP and draft project agreement during Phase 1 of the Project will have advanced the process sufficiently so as to lessen the scope and duration of the contract negotiations. Nonetheless, the period in which the successful proposer is selected and the project agreement negotiated can be expected to involve a large amount of concentrated work. We are very much looking forward to working with Clackamas County toward the successful completion of the courthouse project and continuing our strong working relationship for years to come.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eric S. Petersen". The signature is fluid and cursive, with a prominent loop at the end.

Eric S. Petersen



Board of County Commissioners
 Clackamas County

Members of the Board:

**Approval of Amendment #1 with WTP America, LLC dba WT Partnership
to serve as a P3 Technical Advisor**

| | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose/Outcome | Contract will provide P3 Technical advisory services as part of a sub-team within the Technical Advisory Team (“TAT”) implementing the county strategic goal of building a new Clackamas County courthouse. Amendment #1 will allow for the future phases of work as contemplated in the published RFP to be accomplished. |
| Dollar Amount and Fiscal Impact | Amendment #1 for an amount of \$2,071,125.00 for a total contract amount of \$2,564,625.00. |
| Funding Source | County General Fund for 50% of the contract amount with 50% match from the Oregon Courthouse Construction and Improvement Fund (OCCCIF) through the Oregon Judicial Department |
| Duration | Through Phase 2 and Phase 3 |
| Previous Board Action/Review | July 7, 2020 Board Policy Session where Board directed staff to proceed with the P3 Procurement Preparation effort. May 5, 2021 Board Policy Session approved moving forward with the P3 delivery method for the Courthouse. May 20, 2021 Board approved the Resolution for exemption and authorization to use a competitive proposal process to obtain a P3 project company for the courthouse. |
| Strategic Plan Alignment | The building of a new county courthouse is one of 12 Strategic Priorities of the county and is listed under the category Build Public Trust through Good Government. The project will take advantage of the State Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF) legislation and ensure that essential court services are safe and accessible to all residents. |

| | |
|---------------------------|-------------------------------------------------|
| Counsel Review | 1. 6/7/2021 2. Counsel Initials: AN |
| Procurement Review | Was the item processed through Procurement? Yes |
| Contact Person | Gary Barth, Project Manager, 503-754-2050 |
| Contract No. | 3376 |

Background:

The Clackamas County Courthouse is home to the Fifth Circuit Court of the Oregon Judicial Department. The current courthouse was built in 1937 to house county offices and a single courtroom. The courthouse has been retrofitted over the years to its current configuration of eleven courtrooms and cannot be expanded any further to accommodate the current demand for three additional courtrooms. Due to the insufficient amount of space available in the building, services in support of the courthouse are located off-site, creating numerous operational inefficiencies. The courthouse is greater than 90 years old, requires significant seismic upgrades and is functionally obsolete for the administration and delivery of justice services.

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The County and the OJD have decided to utilize a Public-Private Partnership (“P3”) delivery approach to design, build, partially finance, operate and maintain (“DBfOM”) the Project. This determination was driven by a recently completed Value-for-Money (VFM) analysis that compared five project delivery approaches and showed the P3 Availability Model approach as providing the greatest Value-for-Money to the county and the state.

To execute the P3 procurement effort, Clackamas County has formed a Project Technical Advisory Team (“TAT”) to include representatives of the County, the OJD and external consultants with experience in the procurement and structuring of P3’s for similar social infrastructure projects. The TAT just completed Phase 1 of the P3 procurement effort and with recent Board approval is ready to execute Phase 2 and 3.

The Technical Advisor will lead, manage, and coordinate a sub-team within the TAT focused on the technical requirements of the new courthouse facility and ensuring that proposals from P3 developers meet the technical requirements. Those requirements include but are not limited to meeting the defined space needs by functional area, incorporating room data sheet requirements for every functional area and a proposed moveable Furniture, Fixture and Equipment (FF&E) register for all functional areas. The technical requirements will be included in the Request for Proposals and the draft Project Agreement required in procuring a private-sector developer for the P3 Courthouse Project. The P3 Technical Advisor will assist the County on all technical design and build issues associated with the successful preparation, procurement and closing of

the P3 for the Clackamas County Courthouse and working with the preferred proposer to complete the final building design and construction documents required for Phase 4 construction.

Procurement Process:

This Amendment #1 is in accordance with LCRB C-047-0800(a) for an anticipated amendment. Phase 1 of the process has been completed and it's now time to move forward with Phase 2 which will consist of the planning services including legal review and analysis of the delivery method, and Phase 3 which will engage the Contractor to help with evaluations, drafting of materials, and non-litigation services.

Recommendation:

Staff respectfully recommends that the Board approve and execute the Amendment #1 with WTP America, LLC dba WT Partnership to serve as a P3 Technical Advisor.

Sincerely,

Gary Barth
Project Manager

Placed on the BCC Agenda _____ by Procurement and Contract Services

AMENDMENT #1
TO THE CONTRACT DOCUMENTS WITH WTP America, LLC dba WT Partnership
FOR P3 Technical Advisory Services
Contract #3376

This Amendment #1 is entered into between WTP America, LLC dba WT Partnership (“Contractor”) and Clackamas County (“County”) and shall become part of the Contract documents entered into between both parties on **October 29, 2020** (“Contract”).

The Purpose of this Amendment #1 is to make the following changes to the Contract:

1. **ARTICLE I, Item 1. Effective Date and Duration** is hereby amended as follows: The Contract expiration date is hereby changed from June 30, 2021 to June 30, 2025 or completion of the Project, defined below, whichever is sooner.

2. **ARTICLE I, Item 2. Scope of Work** is hereby amended as follows:
 The County has approved Contractor providing additional P3 Technical advisor services related to the County’s new County courthouse project (“Project”). The additional services will include Phase 2 and Phase 3 of the Project which will take the Project to completion. The additional technical services are described in Attachment “D,” which is attached hereto and incorporated by this reference herein.

3. **ARTICLE I, Item 3. Consideration** is hereby amended as follows:
 Additional Compensation is authorized for the financial and transactional services related to Phase 2 and Phase 3 of the Project, as described in Attachment D. Additional compensation authorized by this Amendment #1 shall not exceed \$2,071,125.00. The maximum compensation authorized under this Contract, including Amendment #1, shall not exceed \$2,564,625.00.

| | |
|-------------------------------|-------------------------------|
| ORIGINAL CONTRACT | \$ 493,500.00 |
| <u>AMENDMENT #1</u> | <u>\$ 2,071,125.00 + Time</u> |
| TOTAL AMENDED CONTRACT | \$ 2,564,625.00 |

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this Amendment #1, effective upon the date of the last signature below.

WTP America, LLC dba WT Partnership

Tom Kness 6/2/22
 Authorized Signature Date

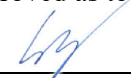
Tom Kness
 Printed Name

Clackamas County

 Chair Date

 Recording Secretary

Approved as to Form

 06/07/2021
 County Counsel



March 1, 2021

Gary Barth
Courthouse Project Manager
Office of the County Administrator
Public Services Building
2051 Kaen Road, Oregon City, OR 97045

Dear Gary,

WT Partnership, along with our partners WRNS Studio and Atelier Ten, are pleased to submit our proposed fees for Phases II and III of the Clackamas County Courthouse Replacement Project. Phase II fees assume a 12-month procurement period. Phase III fees assume a 6- to 9-month design review period (post financial close) ending with approval of the final construction drawings.

Phase II Budget Narrative

Task Category One – Project Management and Administration

1. Project Meetings:
 - a. Internal Management and Coordination Meetings.
 - b. Client Update Meetings.
 - c. TAT Meetings.
2. For all Management and Update Meetings:
 - a. Coordination of Meeting Calendars.
 - b. Drafting of Agendas
 - c. Drafting of Meeting Minutes
 - d. Preparation of Support Materials as required.
3. Quality Control / Quality Assurance Activities.
4. Document Management and Control Activities.

Task Category One Fee: \$375,500

Task Category Two – Stakeholder Management

1. Regular Stakeholder Update Meetings: update stakeholder on procurement progress.
2. Stakeholder Working Group Meetings: obtain stakeholder feedback in regards to Proposers' Requests for Information (RFIs) and proposed changes to Technical Requirements.
3. For all Stakeholder Meetings:
 - a. Coordination of Meeting Calendars.
 - b. Drafting of Agendas
 - c. Drafting of Meeting Minutes
 - d. Preparation of Support Materials as required.
4. Quality Control / Quality Assurance Activities.
5. Document Management and Control Activities.

Task Category Two Fee: \$83,000



Task Category Three – Procurement Initiation Phase

1. Industry Day:
 - a. Industry Day Preparation: developing technical materials, narratives, presentation decks, etc., in support of the Industry Day.
 - b. Industry Day Attendance: attendance and support at Industry Day activities.
2. Data Room Setup:
 - a. Collaborating with Procurement Management Advisors in developing a folder structure, testing, and populating the Data Room.
3. RFI System Setup:
 - a. Developing RFI Management Procedures, database (xlsx format), and system.

Task Category Three Fee: \$43,000

Task Category Four – RFQ and Shortlisting Phase

1. RFQ Issuance Support:
 - a. RFQ Issuance Preparation.
 - b. RFQ Upload to Data Room Support and Verification.
2. Management of Proposers' Requests for Information (RFIs) during the RFQ Phase:
 - a. Receiving and Distributing RFIs to appropriate parties (technical, financial, commercial, legal, etc.).
 - b. RFI Response Management: ensuring the assigned Subject Matter Expert (SMEs) responds within the prescribed timeframe.
 - c. Reviewing RFI Response to ensure coordination with RFQ document.
 - d. Supporting upload and distribution of RFIs to RFQ Participants.
3. Provide Technical Input on RFQ Revisions based on RFQ Participants' RFIs and Feedback, as needed.
4. Statement of Qualifications (SOQ) Evaluation Support:
 - a. Preparation of SOQ Evaluation Forms.
 - b. Developing and Distributing SOQ Evaluation Manual.
 - c. Holding SOQ Evaluation Workshop.
 - d. Conducting Completeness and Compliance Reviews of SOQs.
 - e. Distribution of SOQs to Evaluation Team and Selection Committee.
 - f. Facilitation of SOQ Evaluation Process.
 - g. Evaluation of submitted SOQs.
 - h. Preparation of SOQ Evaluation Report (to include SOQ Evaluation Forms completed by each Evaluator).
 - i. Preparation of SOQ Evaluation Presentation for Selection Committee.
 - j. Providing Support during SOQ Evaluation Presentation to Selection Committee.
 - k. Shortlisting Support (as/if required).
 - l. Debriefing Sessions Support.

Task Category Four Fee: \$58,000

Task Category Five – RFP Phase

1. RFP Issuance Support:
 - a. RFP Issuance Preparation.
 - b. RFP Upload to Data Room Support and Verification.
2. Management of Proposers' Requests for Information (RFIs) during the RFP Phase:
 - c. Receiving and Distributing RFIs to appropriate parties (architectural, site, utilities, building systems, financial, commercial, legal, etc.).



- d. RFI Response Management: ensuring the assigned SMEs responds within the prescribed timeframe.
- e. Reviewing RFI Response to ensure coordination with Project Agreement and Technical Requirements.
- f. Supporting upload and distribution of RFIs to Proposers.
3. One-on-One Meetings Coordination, Management and Attendance:
 - a. Four One-on-One Meetings:
 - i. Project Initiation Meeting
 - ii. First One-on-One Meeting
 - iii. Second One-on-One Meeting
 - iv. Third One-on-One Meeting
 - b. Managing Calendar and Invitations for One-on-One Meetings.
 - c. Preparation of Materials (as required) for One-on-One Meetings.
 - d. Attending all One-on-One Meetings and Active Participation.
 - e. Taking Notes and Preparing Meeting Minutes.
 - f. Internal Distribution of Notes and Minutes.
4. Revisions to RFP and Technical Requirements based on Proposer Feedback (as needed), after each One-on-One Meeting.
5. Reviewing / Evaluating Interim Submittals from Proposers.
6. Evaluation of Alternative Technical Concepts (ATCs) as needed (assume two ATCs per Proposer).

Task Category Five Fee: \$293,500

Task Category Six – Proposal Evaluation and Selection Phase

1. Technical Proposal Evaluation Support:
 - a. Preparation of Proposal Evaluation Forms.
 - b. Developing and Distributing Proposal Evaluation Manual.
 - c. Holding Proposal Evaluation Workshop.
 - d. Conducting Completeness and Compliance Reviews of Proposals.
 - e. Distribution of Proposals to Evaluation Team and Selection Committee.
 - f. Facilitation of Proposal Evaluation Process.
 - g. Evaluation of submitted Proposals.
2. Financial Proposal Evaluation Support:
 - a. Reviewing Financial Models to ensure reasonable assumptions for OPEX Projections, Lifecycle Replacements, and Maintenance Activities.
3. Proposers' Technical Presentations Coordination, Assistance, and Attendance.
4. Selection Committee Presentation Support.
 - a. Preparation of Proposal Evaluation Report (to include Proposal Evaluation Forms completed by each Evaluator).
 - b. Preparation of Proposal Evaluation Presentation for Selection Committee.
 - c. Providing Support during Proposal Evaluation Presentation to Selection Committee.
5. Assistance Post-Selection of Preferred Proposer:
 - a. Proposal Extracts and Commitments.
 - b. Debriefing Session Support and Attendance.

Task Category Six Fee: \$222,000



Task Category Seven – Board of County Commissioners Presentation

- a. Assistance with Presentation to Board of County Commissioners (as/if required).

Task Category Seven Fee: \$2,500

Total Phase II Fee: \$1,077,500

Total Materials Fee (5%): \$ 53,875

Total Fee – Phase II: \$1,131,375

Phase III Budget Narrative

Task Category One – Project Management and Administration

1. Project and Document Management:
 - a. Overall project management of design development / review process (9 months).
 - b. Document workflow management (design packages and submittals).
 - c. RFI routing, compilation of comments and response.
 - d. Design change management.
2. Design Compliance Review:
 - a. Contract / constructability compliance review.
 - b. Design review comment compilation and contract review.
3. Stakeholder Management:
 - a. Stakeholder design review management.
 - b. Stakeholder shoulder to shoulder sessions.
4. Reporting:
 - a. Monthly reporting.
5. Project Meetings:
 - a. Meeting scheduling, agendas, and minutes.

Task Category One Fee: \$370,000

Task Category Two – Design Management & Review (100% Schematic Design)

1. Architectural Design Review:
 - a. Architectural design development management and oversight.
 - b. Architectural design review (building, landscaping, acoustic, specialist, masterplan).
 - c. Architectural design verification (Program verification, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
2. Engineering Design Review:
 - a. Engineering design development management and oversight.
 - b. Engineering design review (mechanical, electrical, plumbing, security/IT/AV).
 - c. Engineering design verification (Program, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
5. Stakeholder Management:
 - a. Stakeholder shoulder to shoulder design review sessions.

Task Category Two Fee: \$116,000



Task Category Three – Design Management & Review (100% Design Development)

1. Architectural Design Review:
 - a. Architectural design development management and oversight.
 - b. Architectural design review (building, landscaping, acoustic, specialist, masterplan).
 - c. Architectural design verification (Program verification, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
2. Engineering Design Review:
 - a. Engineering design development management and oversight.
 - b. Engineering design review (mechanical, electrical, plumbing, security/IT/AV).
 - c. Engineering design verification (Program, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
3. Stakeholder Management:
 - a. Stakeholder shoulder to shoulder design review sessions.

Task Category Three Fee: \$171,000

Task Category Four – Design Management & Review (50% Construction Documentation)

1. Architectural Design Review:
 - a. Architectural design development management and oversight.
 - b. Architectural design review (building, landscaping, acoustic, specialist, masterplan).
 - c. Architectural design verification (Program verification, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
2. Engineering Design Review:
 - a. Engineering design development management and oversight.
 - b. Engineering design review (mechanical, electrical, plumbing, security/IT/AV).
 - c. Engineering design verification (Program, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
3. Stakeholder Management:
 - a. Stakeholder shoulder to shoulder design review sessions.

Task Category Four Fee: \$119,000

Task Category Five – Design Management & Review (100% Construction Documentation)

1. Architectural Design Review:
 - a. Architectural design development management and oversight.
 - b. Architectural design review (building, landscaping, acoustic, specialist, masterplan).
 - c. Architectural design verification (Program verification, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
2. Engineering Design Review:
 - a. Engineering design development management and oversight.
 - b. Engineering design review (mechanical, electrical, plumbing, security/IT/AV).



- c. Engineering design verification (Program, TR's, Contract, Best Practices).
 - d. Design commentary compilation and review.
 - e. Design change optionality.
3. Stakeholder Management:
- a. Stakeholder shoulder to shoulder design review sessions.

Task Category Five Fee: \$119,000

| | |
|----------------------------------|-------------------|
| Total Phase III Fee: | \$ 895,000 |
| Total Materials Fee (5%): | \$ 44,750 |
| Total Fee - Phase III: | \$ 939,750 |

Total Not to Exceed Fee for Phases II and III: \$2,071,125

The above proposal and associated fees are governed by the terms and conditions of the Personal Services Contract #3376 between WT Partnership and Clackamas County

Yours sincerely,

WT PARTNERSHIP

A handwritten signature in blue ink that reads 'Tom Kness'.

Tom Kness,
Vice President
P3 Advisory



Board of County Commissioners
Clackamas County

Members of the Board:

**Approval of Amendment #1 with IMG Rebel Advisory, Inc.
to serve as a P3 Financial and Transactional Advisor**

| | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose/Outcome | Contract will provide P3 Financial and Transactional advisory services as part of a sub-team within the Technical Advisory Team (“TAT”) implementing the county strategic goal of building a new Clackamas County courthouse. Amendment #1 will allow for the future phases of work as contemplated in the published RFP to be accomplished. |
| Dollar Amount and Fiscal Impact | Amendment #1 for an amount of \$900,000.00 for a total contract amount of \$1,200,000.00. |
| Funding Source | County General Fund for 50% of the contract amount with 50% match from the Oregon Courthouse Construction and Improvement Fund (OCCCIF) through the Oregon Judicial Department |
| Duration | Through Phase 2 and Phase 3 |
| Previous Board Action/Review | July 7, 2020 Board Policy Session where Board directed staff to proceed with the P3 Procurement Preparation effort. May 5, 2021 Board Policy Session approved moving forward with the P3 delivery method for the Courthouse. May 20, 2021 Board approved the Resolution for exemption and authorization to use a competitive proposal process to obtain a P3 project company for the courthouse. |
| Strategic Plan Alignment | The building of a new county courthouse is one of 12 Strategic Priorities of the county and is listed under the category Build Public Trust through Good Government. The project will take advantage of the State Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF) legislation and ensure that essential court services are safe and accessible to all residents. |

| | |
|---------------------------|-------------------------------------------------|
| Counsel Review | 1. 6/3/2021 2. Counsel Initials: AN |
| Procurement Review | Was the item processed through Procurement? Yes |
| Contact Person | Gary Barth, Project Manager, 503-754-2050 |
| Contract No. | 3378 |

Background:

The Clackamas County Courthouse is home to the Fifth Circuit Court of the Oregon Judicial Department. The current courthouse was built in 1937 to house county offices and a single courtroom. The courthouse has been retrofitted over the years to its current configuration of eleven courtrooms and cannot be expanded any further to accommodate the current demand for three additional courtrooms. Due to the insufficient amount of space available in the building, services in support of the courthouse are located off-site, creating numerous operational inefficiencies. The courthouse is greater than 90 years old, requires significant seismic upgrades and is functionally obsolete for the administration and delivery of justice services.

Recognizing the need for new county courthouses, the Oregon State Legislature created the Oregon Courthouse Capital Construction and Improvement Fund (“OCCCIF”) in 2013 administered through the Oregon Judicial Department (the “OJD”). Counties that meet OCCCIF requirements and are approved will receive OCCCIF funding for 50% of the cost of a new county courthouse. Clackamas County (the “County”) applied to the OCCIF for its courthouse replacement project (the “Project”) and was approved by the state in 2017.

The County and the OJD have decided to utilize a Public-Private Partnership (“P3”) delivery approach to design, build, partially finance, operate and maintain (“DBfOM”) the Project. This determination was driven by a recently completed Value-for-Money (VFM) analysis that compared five project delivery approaches and showed the P3 Availability Model approach as providing the greatest Value-for-Money to the county and the state.

To execute the P3 procurement effort, Clackamas County has formed a Project Technical Advisory Team (“TAT”) to include representatives of the County, the OJD and external consultants with experience in the procurement and structuring of P3’s for similar social infrastructure projects. The TAT just completed Phase 1 of the P3 procurement effort and with recent Board approval is ready to execute Phase 2 and 3.

The Financial and Transactional Advisor will lead, manage, and coordinate a sub-team within the TAT focused on the development of a project Affordability Ceiling for inclusion in the procurement of a private-sector developer for the P3 Courthouse Project. They will also complete a project Risk Transfer analysis as well as a Payment Mechanism structure to be memorialized in the final Project Agreement. Further, they will assist the county as owner’s representative in the financial and commercial close of the Project Agreement with the preferred P3 proposer

Procurement Process:

This Amendment #1 is in accordance with LCRB C-047-0800(a) for an anticipated amendment. Phase 1 of the process has been completed and it’s now time to move forward with Phase 2

which will consist of the planning services including legal review and analysis of the delivery method, and Phase 3 which will engage the Contractor to help with evaluations, drafting of materials, and non-litigation services.

Recommendation:

Staff respectfully recommends that the Board approve and execute the Amendment #1 with IMG Rebel Advisory, Inc. for the P3 Financial and Transactional Advisor contract.

Sincerely,

Gary Barth
Project Manager

Placed on the BCC Agenda _____ by Procurement and Contract Services

**AMENDMENT #1
TO THE CONTRACT DOCUMENTS WITH IMG Rebel Advisory, Inc.
FOR Financial and Transactional Advisor Services
Contract #3378**

This Amendment #1 is entered into between IMG Rebel Advisory, Inc. (“Contractor”) and Clackamas County (“County”) and shall become part of the Contract documents entered into between both parties on **October 29, 2020** (“Contract”).

The Purpose of this Amendment #1 is to make the following changes to the Contract:

1. **ARTICLE I, Item 1. Effective Date and Duration** is hereby amended as follows: The Contract expiration date is hereby changed from June 30, 2021 to June 30, 2025 or completion of Project, defined below, whichever is sooner.
2. **ARTICLE I, Item 2. Scope of Work** is hereby amended as follows:
The County has approved Contractor providing additional financial and transactional advisor services related to the County’s new County courthouse project (“Project”). The additional services will include Phase 2 and Phase 3 of the Project which will take the Project to completion. The additional financial and transactional services are described in Attachment “D,” which is attached hereto and incorporated by this reference herein.
3. **ARTICLE I, Item 3. Consideration** is hereby amended as follows:
Additional Compensation is authorized for the financial and transactional services related to Phase 2 and Phase 3 of the Project, as described in Attachment D. Additional compensation authorized by this Amendment #1 shall not exceed \$900,000.00. The maximum compensation authorized under this Contract, including Amendment #1, shall not exceed \$1,200,000.00.

| | |
|-------------------------------|-----------------------------|
| ORIGINAL CONTRACT | \$ 300,000.00 |
| <u>AMENDMENT #1</u> | <u>\$ 900,000.00 + Time</u> |
| TOTAL AMENDED CONTRACT | \$ 1,200,000.00 |

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this Amendment #1, effective upon the date of the last signature below.

IMG Rebel Advisory, Inc.

Clackamas County




 Authorized Signature Date

 Chair Date

Marcel Ham, Principal

 Printed Name

 Recording Secretary

Approved as to Form


 County Counsel 06/07/2021

Exhibit D

Clackamas County Courthouse P3 Financial and Transactional Advisor

Phases 2 & 3 Proposal from IMG Rebel Advisory Inc.

May 31, 2021

The logo for Rebel Advisory Inc. features the word "REBEL" in a bold, red, sans-serif font. The letter 'R' is stylized with a unique, blocky design.

IMG Rebel Advisory Inc.

1015 15th St. NW

Suite #600

Washington, DC 20005

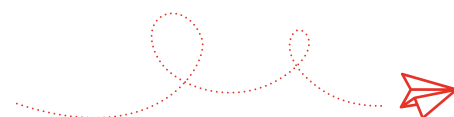
+1 (301) 907 2900

www.rebelgroup.com

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May 31, 2021

Attn: Ryan Rice, Interim Procurement Officer
Clackamas County Public Services Building
2051 Kaen Road
Oregon City, OR 97045

RE: Clackamas County Courthouse P3 Financial and Transactional Advisor

Dear Mr. Rice:

IMG Rebel Advisory Inc., ("Rebel"), along with its subcontractor Phoenix Infrastructure, (together "The Rebel Team") is pleased to present this proposal to continue to serve as the County's P3 Financial and Transactional Advisor for phases 2 and 3 of the Courthouse Project.

If you have any questions regarding our submission or need further information, please do not hesitate to contact us at Marcel.Ham@rebelgroup.com | (240) 240-2682.

We look forward to hearing from you.

Yours sincerely,

Marcel Ham



President
IMG Rebel Advisory, Inc.

1. Scope of Work

1.1 Phase 2: Procurement

The procurement process will move through three key phases:

- Industry Day / Market Announcement – in which the transaction is announced to the market in detail, bidding groups begin to form, and early stage documents are released for comment;
- Request for Qualifications (RFQ) – in which the bidding groups form and provide their qualifications and preliminary approach to the project, resulting in a short-list of bidders; and,
- Request for Proposal (RFP) – in which the shortlisted bidders interact with the County and respond to the RFP with firm bids and financing structures, resulting in a preferred bidder.

Throughout Phase 2, it is important to continually focus on:

- Structuring the right incentives;
- Developing a fair and efficient risk allocation;
- Developing a predictable and clear procurement process (to all stakeholders)
- Aligning public and private interests;
- Striking a balance between agency/end user value, certainty, and bankability; and
- Reducing transaction costs through manageable settlement mechanisms.

Achieving these aims requires significant effort and experience successfully closing similar transactions. We will use our deep experience with other procuring agencies and their projects in addition to engaging closely with the County and its other advisors to tailor strategies and procurement documents for the unique requirements of this innovative project. The Team will work in tandem with your staff and other advisors, explaining the relevance of key decision points, proposing practical alternatives, and discussing all considerations.

Specifically, for Phase 2, we anticipate:

- **Review and Comment on Draft RFP.** In our P3 transactions, we work closely with the agency's legal and technical team on the development of draft procurement documents early in the process – including the *RFQ*, *RFP* and *Project Agreement* – because we strongly believe that the development of excellent documents requires a seamless coordination within a multidisciplinary team. This is a differentiator from the process utilized by other financial advisors, and we think fits well with the County's proposed Phase 1 scope. While other P3 processes have focused first on developing the RFQ to get quickly to the RFP phase, we find that taking time upfront to develop drafts of all three key documents leads to a more efficient process and more competitive bids. This is because the process of developing the RFP and the Project Agreement has the effect of assisting in crystalizing the Project and performance characteristics in a way that simply doesn't occur otherwise. Ironically, "working backwards" from the Project Agreement to the RFP to the RFQ produces the best documents and P3 process in our experience.

Key elements that the Team would expect to contribute significantly to include: the selection and evaluation criteria, the payment mechanism, general risk allocation, and more specifically the compensation mechanisms for supervening events and for early termination. The Team would propose to develop the RFQ and RFP and draft Project Agreement in parallel, based on existing templates, with key structural and risk elements defined before the release of the RFQ.

- **Structure Submission Requirements and Evaluation Criteria.** In our experience, setting objective and transparent submission requirements and evaluation criteria is another key step in any successful procurement process. The shortlist should be selected based on a clear set of criteria including their experience and financial strength, among others. The preferred bidder should be selected based on the principle of “best value”, taking into consideration cost, quality, timing, and other County objectives. “Best value” procurements allow private bidders to differentiate themselves in ways other than price, allowing for greater innovation, including the potential for alternative technical concepts, and benefiting both the County and the bidders. In this phase the Rebel Team typically focuses on developing the financial evaluation criteria, but gets involved in developing the overall evaluation framework, as this is one of the most complicated and important components of the procurement.
- **Recommendations on All Key Commercial Issues (RFP and Project Agreement).** We will work with the County to determine potential commercial issues that will be used to populate the RFP and the term sheet and key risk and business items in the Project Agreement.
- **Review and Comment on Draft Project Agreement.** Our team is highly familiar with all aspects of P3 contracting, having developed the “Availability Payment Concessions P3 Model Contract Guide” for the Federal Highway Administration, as well as having developed and negotiated P3 agreements for several US social infrastructure P3s. During this stage of the procurement, we will collaborate closely with the County and its legal advisors to develop the key commercial terms of the Project Agreement, including the risk allocation, supervening events (and other relief event) clauses, termination clauses, handback, refinancing, insurance, and payment mechanism details.
- **General Advisory and Preparation for Stakeholder Interactions.** Critical to the success of any P3 process is ensuring alignment among all key stakeholders involved throughout the process. To improve the likelihood of project success, stakeholder views will need to be addressed and incorporated to the extent possible in the project evaluation and execution process. For example, in the recent decision making on the Howard County courthouse, the Team had numerous working sessions with County staff from various divisions, including: the County Executive, Finance, Office of Purchasing, Department of Public Works, an information session with the County Council and three working sessions with a public Spending Affordability Advisory Committee. Incorporating their feedback early allowed the project to proceed smoothly. The Team would be available in its financial advisory capacity to perform any additional internal or external stakeholder alignment as necessary throughout the scoping and procurement process.
- **Preparing and Managing a Pre-Bid Industry Day.** The Rebel Team has organized various early stage industry days and road shows, typically a gathering at which the public agency presents the initiative, vision, and ideas about the project structuring. In addition, we would anticipate having the option for one-on-one informational meetings with individual bidding groups as a part of this forum. While COVID-19 travel restrictions have complicated these events, we believe we can still accomplish the same goals through a well-executed video conference with appropriate interaction and “breakout” sessions. A well-prepared industry day at which the procuring agency

communicates clearly that it knows what it wants, understands exactly what it is getting into and has a structured process laid out, is a crucial tool in generating robust market interest in a P3. Our well-attended industry day for the Howard County Courthouse project with convincing statements from all key project stakeholders led to expressions of interest from nine P3 bidding teams.

- **Assisting During the RFQ Process, Including Shortlisting.** After the release of the RFQ, we will assist the County in responding to bidder questions and clarifying issues associated with the RFQ and Project. Once responses are received, we will assist the County in analyzing the responses in light of the selection criteria and providing input into the experience and qualifications of the bidding groups. This will enable us to identify and eliminate respondents with little or no relevant experience or without the financial means and stability to comfortably execute the project, which reduces transaction time and cost, and can lead to an increase in the overall quality of the final proposals that the agency will receive.

We recommend shortlisting three potential bidders to maximize the competitive tension associated with RFP stage, while also encouraging innovation and giving flexibility to the County. This is because the cost to the private sector bidders of developing a detailed proposal is significant and measured in the millions of dollars. Therefore, bidders typically prefer to compete among a handful of highly qualified shortlisted teams. This smaller pool of competitors increases the bidders' probability of succeeding at the RFP stage, which motivates them to invest the required resources in developing a high-quality bid. The shortlisting of qualified bidders through an RFQ is considered standard practice for any complex procurement and is particularly important for P3 procurements.

- **Reviewing and Advising on Proposer Inquiries and Other Interactions.** Our *Consultative Draft RFP* process focuses on both responding to proposer questions and proactively conducting a series of one-on-one meetings throughout the RFQ/RFP process in which we attempt to clarify areas that may be unclear to bidders and enable an environment that can receive innovative concepts without compromising bidders' confidentiality. This enables bidders to share their early stage ideas about their responses to the RFP and more specifically the conceptual design of the courthouse and to receive initial feedback from the County, creating a great opportunity to make sure that the County will eventually get the courthouse that meets its objectives and requirements. We assist in responding to bidder questions, helping the County understand the reasons that bidders may be asking a particular question, and drafting responses that are designed to be clear and helpful. The interactive nature of the Industry Day, the one-on-one meetings, and the Q&A process enables us to continue to evolve and adapt the P3 documents and transaction, facilitate preferred bidder selection, minimize post-selection negotiations, and accelerate financial close.
- **Reviewing and Advising on Proposer Comments on RFP and Draft Project Agreement.** As described above, our *Consultative Draft RFP* approach centers around a proactive and iterative process of engaging bidders on the documents during the RFP process so that – by the time final bids are due – the Project Agreement is substantially final, and the proposals can be fully committed and unconditioned and there are no issues left to negotiate with the preferred bidder. This leads to the most competitive bids, as bidders are all looking at the same, very clear documents. During this process, we will focus on providing the County with advice on evolving the Project Agreement in a manner that clarifies the bidders' questions and creates a document that produces competitive, innovative bids that meet the County's objectives and are not skewed to

any bidder's particular solution. Our financial advisory work for both the Howard County Courthouse P3 and Miami-Dade County Courthouse P3 transactions featured this process.

- **Developing Negotiating Strategy and Supporting Negotiations.** While the team has extensive experience assisting clients in negotiating P3 agreements, our *Consultative Draft RFP* process results in final bids that do not require an extended negotiations phase, as everyone is bidding against the agreed substantially final Project Agreement. Instead, the activities after awarding the preferred bidder include finalizing the project agreement by incorporating the relevant sections of the proposal, validating design, and addressing any remaining unclarities. Instead, the activities that are often done as negotiations after preferred bidder is selected are completed during the RFP phase through the information gathered in discussions with all the bidders. This enables us to maintain maximum competitive tension throughout the process, resulting in the best value to the County.
- **Attending Collaborative Meetings on Commercial and Financial Matters.** In addition to the bidder meetings discussed above, there will be regular (at least weekly, often more) meetings of the County's internal deal team of County stakeholders and its technical, legal, and financial advisors. While there may be situations that call for smaller groups of a specialized subset of this team to deal with an arcane issue, we believe that having all of these groups represented in discussions of material issues results in better and more efficient decisions, as all key perspectives are represented in these meetings.
- **Advising on Evaluation Process and Issues, and Selection Criteria.** Having assisted the County and its team on the development of the evaluation criteria, framework, and process in Phase 1, we will focus primarily on assisting the team with the evaluation of the financial proposals in Phase 2. In addition, to the extent there is some refinement or interpretation of the evaluation criteria necessary during Phase 2, we will work with you to accomplish this so that the most consistent, comparable, and compliant bids are received. For Clackamas, we recommend sharing a ranking model with the bidders before bid submission to avoid any confusion about the interpretation of the net present value calculation and the associated affordability ceiling.
- **Leading Financial Evaluation Process.** As your financial advisor, we view one of our primary duties as being assisting you in the financial evaluation process. As we believe that P3s should generally be selected based on a "best value" criteria, this evaluation goes beyond a simple analysis of who is the "low bid", but also includes analysis of differences in risk associated with the particular bid and bidder, quality of the asset, and balance and structure of the availability payment to meet the needs of the County. We will work closely with all County stakeholders to provide an evaluation that is clear, comprehensive, and helps in your decision-making.

In particular, we recommend leaving the ranking of the financial proposals (beyond the threshold question of if it is within the affordability threshold) to the last step of the evaluation, to make sure that the financial ranking does not impact the scoring of the technical proposals.

In addition to the ranking of the financial proposals using the ranking model, we will check the financial models for internal consistency and the financial proposals as a whole for their robustness.

Finally, we are expecting to ask clarification questions about the financial and technical proposals. While we will leave the final ranking of the financial proposals until the last step, we recommend starting the clarification process early. This will keep the evaluation process moving expeditiously

and allow time for multiple rounds of clarification questions, as some responses will require further follow-up clarification.

On the Howard County Courthouse project, we were able to do the entire bid evaluation in three weeks, allowing the County to reach a decision on the selection of the preferred bidder well ahead of the formal schedule. This allowed us to spend the time we needed on the finalization of the documentation, prior to closing the project before the elections. The Team will also assist the County in formulating appropriate rubrics for bid evaluation and other ad-hoc support as needed to properly assess and communicate essential details to all relevant stakeholders.

- **Drafting Procurement Reports.** We anticipate preparing multiple reports and memos summarizing our analysis or opinions on key commercial/financial items throughout the process that will be designed to be shared with key relevant County stakeholders.
- **Participating in Presentations and Meetings with Preferred Bidder.** Once the preferred bidder is selected, a series of meetings will occur to attempt to move rapidly from their selection to commercial and then financial close. As discussed below, we anticipate this could be rapid because we have used the *Draft Consultative RFP* process, but some issues inevitably will need to be finalized. We are active participants in those meetings and would prepare and update presentations and analyses to move the process forward.

1.2 Phase 3: Selection of Preferred Bidder to Financial Close

The Team will support the agency in reaching commercial and financial close. The Team has experience in closing a variety of transactions, including those involving equity, commercial bank debt, private placements, subordinated debt, public taxable and tax-exempt bonds, and private placements. While the burden of the closing process largely lies with the preferred bidder, the Team will protect the agency's interest and ensure a transparent and competitive pricing of interest rates and credit spreads, as well as an uneventful finalization of the Project Agreement. As we found in the Howard County courthouse closing, our anticipation of the fiscal consequences of interest rate movements was crucial for County Council in its decision making, as was preparing for material interest rate increases. Following the robust closing checklist that we had developed in collaboration with the legal team and the County and participating in several closing dry-runs allowed us to deal with any unexpected difficulties and helped ensure a smooth closing process.

During Phase 3, we will do the following:

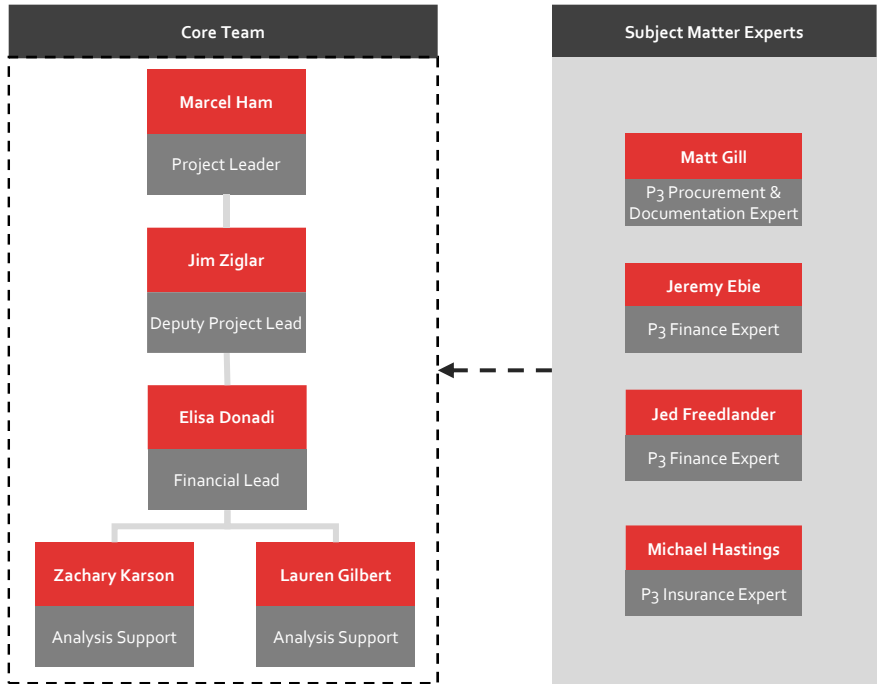
- **Identify Tasks Required for Financial Close.** We will work closely with the County, its legal advisor, and the bidder and its advisors to develop a comprehensive "closing checklist" that identifies all key actions, documents, and milestones necessary to reach financial close, and will continue to support updating that document through close.
- **Review All Closing Documents.** We will focus on the key commercial/financial terms in the document to ensure that the documents and the financial model are in accord with one another.
- **Address Final Amendments to the Project Agreement.** While our process is designed to minimize amendments to the Project Agreement during Phase 3, sometimes some changes are necessary, and we will assist the County in executing those. On the Howard County Courthouse P3 project, we were successful in minimizing contractual negotiations, but we went through an

additional “design validation” process after the selection of the preferred bidder that was designed to minimize changes after financial close. We would consider a similar approach for the County

- **Prepare for Financial Close.** We will collaborate closely with all parties to analyze the impact of any material movements in market rates, update the VfM and other analyses, assist in ensuring that all documents and items necessary for financial close are available, and participate in a “dry run” of financial close during a pre-close exercise.
- **Support Financial Close.** On closing day, we will be available to assist in any last-minute analyses or updates that need to occur.

2. Team Organization and Management

The organization chart below summarizes how the team will marshal its resources to meet the County’s requirements and deliver the scope of work.



The combined Rebel team along with our specialist subcontractors ensures that there is no gap in expertise, experience, or resources for this Project.

The Team’s organization is structured to ensure that work product and advice are delivered effectively and the Project is progressed in a timely and efficient manner; the Rebel Team places a particular emphasis on senior level staffing in order to accelerate delivery and, ultimately, to reduce client costs. The Team’s resourcing strategy is intended to ensure that there is no single point of failure, with resources purposefully deputized across all key functions.

Our team has the knowledge and experience to lead the financial and commercial aspects of this transaction, but we also know that a close partnership and constant collaboration with the County is essential to achieving best results for the people of Clackamas. Our team and the management approach we lay out below are structured to involve County decision makers, OJD, and their technical and legal advisors at all critical junctures of the project. Our team includes people who are attorneys, engineers, and have served in multiple roles in P3 transactions, allowing us to seamlessly coordinate with you at all stages.

Overall, the Team roles are structured as follows:

Marcel Ham, Project Leader: Marcel will lead Rebel’s engagement with the County. He will be responsible for managing the relationship with County staff, OJD, and other advisors and stakeholders. He will provide thought leadership, guidance, and oversight of work performed at all stages of the transaction, but with a particular focus on establishing the proper procurement strategy, risk allocation and evaluation criteria.



Jim Ziglar, Deputy Project Lead: Jim will provide high level advisory and financial structuring support to the team on the key tasks outlined in the scope of work below, and ensure that the Team's resources are being utilized efficiently and effectively throughout the engagement. He will also serve as a day-to-day contact for the County, and during Phases 2 and 3 will lead most of the efforts associated with engaging the marketplace and analyzing the impact of feedback. In addition, he will liaise with the subject matter experts and draw in their expertise and resources where necessary.

Elisa Donadi, Financial Lead: Elisa will be responsible for the execution of all deliverables related to the commercial and financial elements of the transaction. She will work closely with the Project Manager and Project Leader to develop the financial feasibility analysis, risk allocation, procurement documentation, proposal review and other key tasks.

Zachary Karson and Lauren Gilbert, Analysis Support: Zachary and Lauren will support the Team in the execution and analysis as part of the core project team. They will assist in the review of relevant project documents confirming consistency and accuracy of commercial and financial details, terms, and inputs.

Matt Gill, Jeremy Ebie, Jed Freedlander, Michael Hastings, Subject Matter Experts: Matt, Jeremy and Jed will provide additional as-needed knowledge and expertise to assist the core project team in the execution of the scope of work. Their deep experience will be leveraged particularly in developing the various procurement documents, including key terms and conditions, risk allocation, performance standards, and analyzing feedback from bidding consortia. Rebel will enter into a subcontracting agreement with independent insurance advisor Michael Hastings. Michael has 30 years of experience in the insurance industry and is specialized in infrastructure P3s. His efforts will focus on the insurance requirements in the RFP and Project Agreement and the insurance packages as offered by the proposers.

3. Financial proposal

3.1 Rates

Rebel proposes to bill the County monthly at the rates in the table below. These rates reflect our commitment to the County and the quality and level of services we bring to P3 transactions. Please note that the rates below do not include a rate for administrative support, as we typically include it in our fully loaded rates. The rates below also do not include travel and other direct expenses, which would be billed separately.

| Title | Hourly Rate |
|----------------------------------|-------------|
| Principal | \$395 |
| Director / Senior Manager | \$340 |
| Manager | \$300 |
| Senior Consultant | \$260 |
| Consultant | \$220 |
| | |
| Insurance expert | \$622 |

3.2 Phase 2 Level of Effort and Budget

Based on our recent experience with the Howard County Courthouse and the Miami-Dade Courthouse projects, we anticipate expending roughly 2,220 hours of effort and propose a not-to-exceed cap of \$800,000 for Phase 2, including travel and other reimbursable expenses. Below, we provide an indicative level of effort and estimated cost for each Phase 2 activity. We would be happy to provide more detail upon request:

| Activity | Hours | \$ Amount |
|-----------------------------------------------------------------------------------|-------|------------|
| 1. Review and Comment on Draft RFQ and RFP | 128 | \$ 45,080 |
| 2. Structure Submission Requirements and Evaluation Criteria | 64 | \$ 21,360 |
| 3. Recommendations on Commercial Issues | 88 | \$ 32,120 |
| 4. Review and Comment on Draft Project Agreement | 152 | \$ 52,840 |
| 5. General Advisory for Stakeholder Interactions | 184 | \$ 67,760 |
| 6. Preparing and Managing a Pre-Bid Industry Day | 40 | \$ 14,600 |
| 7. Assisting During the RFQ Process, Including Shortlisting | 136 | \$ 49,240 |
| 8. Reviewing and Advising on Proposer Inquiries and Other Interactions | 192 | \$ 68,740 |
| 9. Reviewing and Advising on Proposer Comments on RFP and Draft Project Agreement | 280 | \$ 100,200 |
| 10. Developing Negotiating Strategy and Supporting Negotiations | 88 | \$ 32,560 |
| 11. Attending Collaborative Meetings on Commercial and Financial Matters | 280 | \$ 102,400 |
| 12. Advising on Evaluation Process and Issues, and Selection Criteria | 40 | \$ 14,480 |
| 13. Leading Financial Evaluation Process | 372 | \$ 117,580 |
| 14. Drafting Procurement Reports | 88 | \$ 30,960 |

| Activity | Hours | \$ Amount |
|-----------------------------------------------------------------------|-------------|-------------------|
| 15. Participating in Presentations and Meetings with Preferred Bidder | 88 | \$ 30,080 |
| Reimbursables | | \$ 20,000 |
| Total | 2220 | \$ 800,000 |

The insurance advisor will contribute to activities 1, 2, 4, 9, 11, 13, focusing on 1) developing insurance requirements in the draft Project Agreement and RFP, 2) responding to proposer inquiries, 3) evaluating the insurance sections of the proposals and 4) finalizing the insurance package with the preferred bidder. We are expecting that the insurance advisor’s level of effort will fit within the overall not to exceed budget.

3.3 Phase 3 Level of Effort and Budget

We anticipate expending roughly 272 hours of effort and propose a not-to-exceed cap of \$100,000 for Phase 3, including travel and other reimbursable expenses. Below, we provide an indicative level of effort and estimated cost for each Phase 3 activity. We would be happy to provide more detail upon request:

| Activity | Hours | \$ Amount |
|------------------------------------------------------|------------|-------------------|
| 1. Identify Tasks Required for Financial Close | 64 | \$ 22,440 |
| 2. Review All Closing Documents | 40 | \$ 14,160 |
| 3. Address Final Amendments to the Project Agreement | 48 | \$ 17,640 |
| 4. Prepare for Financial Close | 80 | \$ 29,400 |
| 5. Support Financial Close | 40 | \$ 14,160 |
| Reimbursables | | \$ 2,200 |
| Total | 272 | \$ 100,000 |





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