



**INFORMATION MEETING**  
**SEPTEMBER 13, 2011**  
**ARUBA**

# Agenda

## 08:30 Welcome

08:40 Scope of the project

08:50 Tender procedure

09:20 DBFM Contract

09:30 Coffee Break

10:00 Q&A Session

11:30 Closing

– Mrs. Isella Wernet

– Mr. Marlon Croes

– Mrs. Isella Wernet

– Mrs. Isella Wernet

– Mrs. Isella Wernet



Mrs. Isella Wernet of the Ministry of Infrastructure and Project  
Manager of the Green Corridor project

**WELCOME**

# Welcome – Rules of the game

- Information Meetings:
  - Solely for information purposes
  - Formalization via Information Memorandum (Nota van Inlichtingen)
- All questions and information shall be distributed integrally via Information Memorandum(s) to all registered candidates.
- Possibility to postpone answer on question, answers will be submitted via Information Memorandum.
- Prefer to receive questions upfront as much as possible.
- Dutch language is legally binding, English for information purposes only.

# Welcome

- Objective of today:
  - Provide insight in the tender planning
  - Provide insight in the tender procedure:
    - Selection phase
      - Common exclusion grounds
      - Expertise
      - Business plan
    - Dialogue and Final submission phase
      - Deliverables
  - Q&A
    - Focus on Selection phase

# Welcome

- Introduction of panel

- Isella Wernet            Project Manager of Green Corridor
- Marlon Croes            Deputy director of the department of Public Works (DOW)
- Swinda Dijkhoff        Technical Advisor of the department of Public Works (DOW)
- Ruben Goedhoop        Transaction Advisor of Green Corridor (PwC)
- Max ten Cate            Transaction Advisor of Green Corridor (PwC)
- Shelby Maduro         Project Secretary of Green Corridor (PwC)

- Introduction of candidates

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Mr. Marlon Croes, deputy director of the department of Public Works (DOW) of the Ministry of Infrastructure

## **SCOPE OF THE PROJECT**

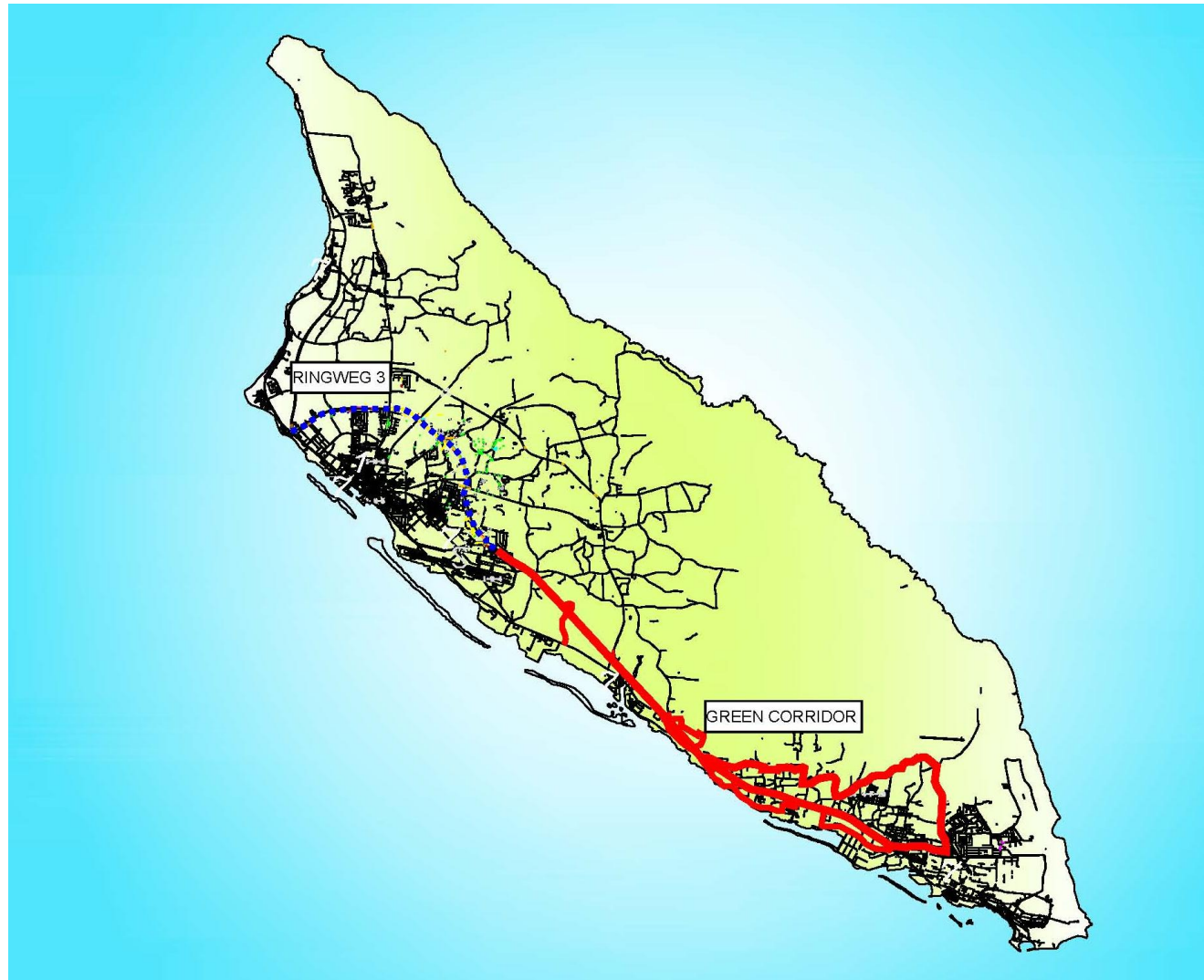


## Detailed project objectives

Provide a solid and sustainable solution that:

- Improves traffic flows and shortens travel times
- Improves safety conditions for the road users
- Possibly can contribute to social-economic development of the south-eastern part of Aruba
- Improves the quality of life within residential areas

# The Green Corridor



# The Green Corridor: the scope

*Build*

*Design*

*Maintain*

*Finance*

- Widening 7 km (2x1 → 2x2)
- Renewal of 24 km
- New infrastructure 5 km
- Bike road 13 km
- Construction of 4 civil structures
- Including all designs
- Maintenance (regular, renewals, repairs)
- And financing

- Single DBFM-contract
- Contract period approx. 20 years (construction period + maintenance period 18 yr)
- Estimated construction period under 2½ years

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# **TENDER PROCEDURE**

## Outline tender procedure

- Procedure used will be Competitive Dialogue
  - Start with question, no fixed answer
  - Candidates present best solutions
  - Candidates and principal discuss and negotiate, in dialogue, optimisation of solution

# Competitive Dialogue indicative timeline

<b>Selection phase (# bidders)</b>	
Announcement	September 9, 2011
Information session 1	September 13, 2011
Information session 2	September 27, 2011
Information session 3 (Tentative)	October 4, 2011
Last day to submit requests for clarification	October 7, 2011
Last day to supply General Clarification	October 14, 2011
Receipt of Letters of Interest	October 21, 2011
Selection	November 4, 2011
<b>Dialogue phase (3 bidders)</b>	
Invitation to selected tenders for the dialogue	November 22, 2011
Dialogue meetings	End November – End March
Receipt of bids, start evaluation and ranking of bids	April 23, 2012
<b>Closing (1 preferred bidder)</b>	
Announcement of preferred bidder	May 28, 2012
Contract Close	June 27, 2012
Financial Close	July / August 2012
<i>* The dates are provisional and may be changed in the course of the tender procedure</i>	

# Tender procedure – Selection Phase

- **Qualification criteria:**

- Pre-qualification:**

- Common exclusion grounds (§ 3.11)
    - Capability of providing sufficient equity/junior debt (§ 3.12)
    - Project construction experience (§ 3.13.1)
    - Project management experience (§ 3.13.2)
    - Project finance experience (§ 3.13.3)

- Shortlist criteria:**

- Business plan Green Corridor (§ 3.14)



## Tender procedure – Capability of providing sufficient equity/junior debt

- The Candidate must demonstrate that the Shareholders are willing and able to make an amount of at least AWG 15,000,000 available to the Candidate for the funding of the Project.
- The prove must be signed by an authorised representative of a financial institution governed by the supervisory body in the Candidate's country of origin.
  - This financial institution must have a long-term issue credit rating of at least BBB from Standard & Poor's, Baa2 from Moody's or BBB from Fitch, or else a comparable credit rating issued by a similar internationally recognised independent rating institution;
- This declaration need only pertain to the Candidate and not to other parties whose experience the Candidate wishes to call in for the purposes of selection.

# Tender procedure – Technical experience

The Candidate must show the following recent (last 5 years) technical experience:

- a. integral performance of the design and construction work carried out under certified quality assurance (based on ISO-9001 or equivalent);
- b. the total value of the design and construction work referred to under a. must amount to at least AWG 50,000,000.- (excluding turnover tax);
- c. the construction work must have been completed to the satisfaction of the relevant client at the time of submitting the request to participate.

# Tender procedure – Project management experience

The Candidate must show the following recent (last 5 years) project management experience:

- a. integral performance of the design and construction work carried out under certified quality assurance (based on ISO-9001 or equivalent);
- b. the total value of the design and construction work referred to under a. must amount to at least AWG 50,000,000.- (excluding turnover tax);
- c. the construction work must have been completed to an extent of 25% and to the satisfaction of the relevant client at the time of submitting the request to participate.

Projectmanagement implies **all** of the following:

1. the day-to-day management of the work;
2. risk management;
3. quality management;
4. financial management;
5. scheduling; and
6. implementation of modifications.

# Tender procedure – Project financing experience

The Candidate must have played an important role in one project :

- with a contract value to be paid by the client, of at least AWG 50,000,000.- (excluding turnover tax) in the conclusion of the financing agreement(s) for project financing between a project company and providers of external debt,
  - whereby the facilities made available to the project company had a combined value of at least 50% of the contract value referred to above.

# Tender procedure – Business plan Green Corridor

- **Qualification criterion:**
  - Business plan (10 pages max)
  - Aimed at added value for the Aruban economy:
    - Materials procured in Aruba
    - Import levy on materials
    - Gross salary cost of workers, who are registered in Aruba today
    - Payroll tax other workers
  - Input for Dialogue product: Quality of Partnership (Schedule 4, § 2)
- Shortlist of 3 tenderers – to be invited for the next phase
  - 3 Candidates with highest score shall be invited to next phase

# Tender procedure – Business plan Green Corridor(2)



## Advisory panel Selection phase

- DOW (Chair)
- DWJZ (Secretary)
- Central Bank of Aruba
- DEZHI
- SIAD
- PwC
- Rijkswaterstaat (General Advisor)

# Tender procedure – Business plan Green Corridor – Example Shortlist procedure

Sub-criterion Financial-economic added value	Assesment
Materials procured in Aruba	
Import levy on materials	
Gross salary cost of labourers, who are registered in population register of Aruba	
Payroll tax other labourers	
Score	3

Sub-criterion Feasibility and plausibility	Assesment
Feasibility and plausibility	
Score	0,8

**Total score:  $3 * 0,8 = 2,4$**

# Tender procedure – Dialogue phase and Final Submission phase

- **Dialogue products:**
    - *Quality of Design;*
      - Approach to integration & design
      - Design vision
    - *Quality of Partnership;*
      - Business plan
      - Basis Management plan
    - Project planning;
    - Original Financial Model, and
    - Financing plan.
  - **Additional deliverables:**
    - (quarterly) availability fee;
    - Indexation formula;
- shareholder support letter(s);
  - senior lender support letter(s);
  - financial advisor support letter(s);
  - Afl. 2 million bid bond (Financial Close Guarantee);
  - model K statement(s) from the managing director(s) of the Tenderer;
  - and
  - 'Certificate of good conduct' (VOG) or a similar statement or decision from the country of origin relating to the current situation of the Tenderer.



# Tender procedure – Contract close & Financial close

- Contract close: June 27, 2012
- Financial close: July / August 2012
- Financial compensation for bidders with valid final submission ranking 2nd and 3rd – Afl. 1.000.000 each.

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**DBFM-CONTRACT**

# DBFM contract

- 1. Definitions
- 2. Key obligations and term
- 3. Financing
- 4. Infrastructure
- 5. Cables and Conduits
- 6. Handback
- 7. Quality assurance
- 8. Supervening Events
- 9. Early termination
- 10. Defaults
- 11. Liability and indemnity
- 12. Changes
- 13. Insurance
- 14. Shareholders
- 15. Subcontractors
- 16. Intellectual property

- 17. Miscellaneous provisions:
  - Regulations
  - Occupational health and safety
  - Permits
  - (Traffic) safety
  - Traffic accidents and non-standard transport
  - Cost of public utilities
  - Ownership released materials
- 18. Indexation
- 19. Dispute resolution
- 20. Communication
- 21. Confidentiality
- 22. Final provisions

Schedule 1: Definitions

Schedule 2: Payment mechanism

Schedule 3: Compensation for Supervening Events

Schedule 4: Compensation for Early Termination

Schedule 5: Changes

Schedule 6: Direct Agreement

Schedule 7: Models

Schedule 8: Management Plan

Schedule 9: Programme of Requirements

Schedule 10: Financial Model Adjustment Guideline

Schedule 11: Insurance

Schedule 12: Information Furnished

Schedule 13: Cables and Pipelines

Schedule 14: Rights of third parties to access the Area during the Development period

# DBFM contract – Technical Sections

- 1. Definitions
- 2. Key obligations and term
- 3. Financing
- 4. Infrastructure**
- 5. Cables and Conduits**
- 6. Handback
- 7. Quality assurance**
- 8. Supervening Events
- 9. Early termination
- 10. Defaults
- 11. Liability and indemnity
- 12. Changes
- 13. Insurance
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- 17. Miscellaneous provisions:**
  - **Regulations**
  - **Occupational health and safety**
  - **Permits**
  - **(Traffic) safety**
  - **Traffic accidents and non-standard transport**
  - **Cost of public utilities**
  - **Ownership released materials**
- 18. Indexation
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Schedule 1: Definitions

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Schedule 11: Insurance

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**Schedule 13: Cables and Pipelines**

Schedule 14: Rights of third parties to access the Area during the Development period

# DBFM contract – Financial sections

- 1. Definitions
- 2. Key obligations and term
- 3. Financing**
- 4. Infrastructure
- 5. Cables and Conduits
- 6. Handback
- 7. Quality assurance
- 8. Supervening Events
- 9. Early termination
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# DBFM contract – Legal Sections

- 1. Definitions**
- 2. Key obligations and term**
- 3. Financing
- 4. Infrastructure
- 5. Cables and Conduits
- 6. Handback**
- 7. Quality assurance
- 8. Supervening Events**
- 9. Early termination**
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- 21. Confidentiality**
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## Schedule 1: Definitions

Schedule 2: Payment mechanism

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**COFFEE BREAK – 30 MIN**



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## **Q&A SESSION**

## Next steps

- Submission of Information Memorandum (Nota van Inlichtingen) of this meeting
- Next information meeting: 27 September 2011
- Please visit

[http:// www.p3aruba.com](http://www.p3aruba.com)