

# REQUEST FOR QUALIFICATIONS AND SUBSEQUENT PROPOSAL

## Management and Operations of the Cumberland Gap Tunnel

Initial Proposals for Qualification Due

4:30 p.m.  
Eastern Time  
November 12, 2009

### PROJECT SCHEDULE

October 13, 2009	RFQ Posted on Division of Professional Services Website
November 12, 2009	Consultants' Initial Qualifications Filing Due
December 1, 2009	Selection Committee Meeting to Determine Qualified Consultants
Tentative	Qualified Consultants' Pre-Proposal Conference (Required) Second week of December 2009
Tentative	On-Site Visit (To coincide with Pre-Proposal Conference)
January 8, 2010 (Tentative)	Qualified Consultants' Proposals Due
January 28, 2010 (Tentative)	First Selection Committee Meeting
To be determined if needed	Second Selection Meeting (Interviews if Conducted)
To be determined if needed	Third Selection Committee Meeting (If needed)

Mr. Michael L. Hill, PE, Director  
Division of Professional Services  
Kentucky Transportation Cabinet  
200 Mero Street, 3<sup>rd</sup> Floor West  
Frankfort, KY 40622  
E-Mail: [Michael.Hill@ky.gov](mailto:Michael.Hill@ky.gov)

## TABLE OF CONTENTS

Cover Page	Page	1
Table of Contents	Page	2
Overview	Pages	3-5
Purpose of Request for Proposal	Page	3
Commitment of the Lead State	Page	3
Questions Regarding this RFP	Page	3
Transition Period	Page	3
Definitions	Pages	3-5
Contacts	Page	5
Pre-Qualification of Consultants	Pages	5-7
Qualified Consultants Pre-Proposal Conference and Site Visit	Page	7-8
Facility Overview and Operation	Page	8
Scope of Work	Pages	8-18
Manager Responsibilities under Task #1	Page	9-15
Manager Responsibilities under Task #2	Page	15-16
Manager Responsibilities under Task #3	Page	16-17
Manager Responsibilities under Task #4	Page	17
Manager Responsibilities under Task #5	Page	17-18
Terms and Conditions	Pages	18-22
Selection Committee Evaluation Criteria	Pages	22-24
Innovative Approaches for Engaging DBE Firms, Minority-Owned Businesses, Small Businesses, and Recognized Minority Organizations	Pages	22-23
Evaluation Criteria	Pages	23-24
Selection Committee Members	Page	24

## OVERVIEW

### Purpose of Request For Qualifications and Subsequent Proposal

The purpose of this Request for Qualifications and Subsequent Proposal is to solicit proposals from qualified management entities to manage and operate the Cumberland Gap Tunnel facility. The Kentucky Transportation Cabinet (hereinafter referred to as “KYTC”), in conjunction with the Tennessee Department of Transportation (hereinafter referred to as “TDOT”), issues this Request for Qualifications and Subsequent Proposal. Additionally, system integration, equipment, Agreement administration, future procurement, procurement recommendations, specifications, equipment installation, implementation supervision, preventive maintenance, repairs, etc., for the regional system are to be provided.

### Commitment of KYTC/TDOT

The issuance of this Request for Qualifications and Subsequent Proposal constitutes neither a commitment by KYTC/TDOT to award an Agreement, nor a commitment to pay any costs incurred in the preparation of a response to this Request for Proposal. Costs of proposal preparation are not reimbursable, even for the selected Manager.

### Questions Regarding this RFP

All questions regarding this RFQ shall be directed to:

Mr. Michael L. Hill, PE, Director  
Division of Professional Services  
Kentucky Transportation Cabinet  
200 Mero Street, 3<sup>rd</sup> Floor West  
Frankfort, KY 40622  
E-Mail: [Michael.Hill@ky.gov](mailto:Michael.Hill@ky.gov)

### Transition Period

The Manager may be allowed a Transition Period of up to sixty (60) days prior to the actual beginning date-of-work, expected to be July 1, 2010. This Transition Period is to allow the Manager's work force time to receive training and certification for the required skills needed to manage and operate the Tunnel. This Transition Period is to also allow the Manager's work force time to acquire the necessary on-the-job skills. The cost of the Transition Period will be borne by the Manager.

### Definitions

1. "States" means the Tennessee Department of Transportation (TDOT) and the Kentucky Transportation Cabinet (KYTC).
2. It shall be understood that the Kentucky Transportation Cabinet (KYTC) is acting on behalf of, and in cooperation with, the Tennessee Department of Transportation (TDOT) in this solicitation.
3. "FHWA" means the Federal Highway Administration, a unit of the United States Department of Transportation.
4. "In writing" when referring to the method of communication shall also include e-mail.
5. "CGT" or "Tunnel" means Cumberland Gap Tunnel. The CGT facility is located on US 25-E at Middlesboro, Kentucky 40965. The Geographic Coordinates are Latitude - 36° 35' 56" North and Longitude - 83° 40' 41" West. CGT may refer to the "facility", "system", "activity", or all three (3). The Tunnel is an on-going activity of KYTC and TDOT.
6. "Activity" when referring to or with the Tunnel means the on-going pursuit or work of traffic and incident management, as well as the movement and management of traffic through the Tunnel.
7. "Facility" or "Control Center" means the CGT physical facility located on the second floor of the Kentucky portal building at the Tunnel.
8. "Consultant", "Vendor", or "Firm" means the firm or combination of firms responding to the Request for Proposal.
9. "Manager" refers to the Vendor engaged by KYTC/TDOT to provide management services for this Request for Proposal.
10. "System" means any or all of the various coordinated or individual mechanical, electrical, or electronic systems/equipment at the facility or in the field and generally described herein.
11. "Operations" means all actions necessary for the proper functioning of the Tunnel.

12. "Response Maintenance" or "Demand Maintenance" means actions performed on an as-needed basis. Upon detection or notification, a timely dispatch of repair person/team to secure the site, diagnose the problem, perform the repairs, and record the activities is required.
13. "Preventive Maintenance" means actions performed on a regularly scheduled basis using a set of procedures to preserve the system.
14. "Management" means the allocation of resources for the proper functioning of the system.
15. "Design Modifications" means actions invoked to correct a recurring problem, to accommodate changes in conditions, or to update the system to current standards.
16. "Advisory Committee" means the Committee created through an Interstate Agreement between KYTC and TDOT dated January 20, 1995. This Committee is composed of five (5) members. TDOT and KYTC appoint two (2) representatives each from their respective states, and the National Park Service appoints one (1) ex-officio representative from its organization. The Advisory Committee was established to oversee tunnel operations and maintain facilities specific to tunnel operations in accordance with the Interstate Agreement.

### **Contacts**

1. This Request for proposal is being issued by the:  
  
Kentucky Transportation Cabinet  
Division of Professional Services  
200 Mero Street, 3<sup>rd</sup> Floor West  
Frankfort, KY 40622
2. Requests for information regarding the procurement procedures shall be made to Michael L. Hill, PE
3. Except for the Manager's Pre-Proposal Conference described herein, no contacts should be made to KYTC, TDOT, National Park Service ("NPS"), or FHWA regarding any additional details of this Request for Proposal or the current management and operations of the Tunnel. Telephone calls shall be accepted only by Michael L. Hill, PE at 502-564-4555.

4. Except for the possible Transition Period, work is expected to begin on this Agreement July 1, 2010.

### **Pre-Qualification of Consultants**

There is currently no specific Prequalification for an Activity of this type. Therefore, the selection will be a two-part process. Interested Consultants will initially file a Statement of Qualifications. The current operator of the Tunnel is not precluded from submitting a Proposal in response to this RFQ/RFP.

This filing should be in sufficient detail to evidence that the Consultant is qualified to perform the multiple functions required to operate and manage the Tunnel Activity. The Filing should be made in accordance with the guidelines for responding to Project Bulletins,

[http://transportation.ky.gov/progperform/instructions\\_for\\_response\\_to\\_kentucky\\_transportation\\_cabinet\\_6-9-09.pdf](http://transportation.ky.gov/progperform/instructions_for_response_to_kentucky_transportation_cabinet_6-9-09.pdf)

Responding Consultants will not be required **at this time** to provide the following information required in the subject instructions:

**Page 1: Basic Project Information:** “Certification that the Firm is currently licensed with the Commonwealth of Kentucky in accordance with KRS 322.060...Number” is not required for the initial response.

**Page 3: Project Team Organizational Chart:** Not required for this response.

**Page 6: Relative Experience of Proposed Team:** Provide Project information only for Projects of the same or similar nature as the Tunnel Activity, and/or that would have direct applicability to this type of Activity. A minimum of two (2) years of directly applicable experience is required.

**Page 7(A-C): Project Approach:** Not required for the initial response.

Interested Consultants should additionally review the Division of Professional Services Website <http://transportation.ky.gov/progperform/> for other filing requirements, such as “NOTICE - There has been a change in KRS 121.330”. There are no specific scoring criteria for this portion

of the Selection Process. The Selection Committee will determine which Consultant(s) is/are qualified to prepare Proposals. Those selected as qualified will then submit the required additional information to complete their Proposals. In order to assist interested Consultants in determining the Scope of Work, a copy of the Cumberland Gap Tunnel Authority Annual Reports for Fiscal Year 2007-2008 and 2008-2009 are available at:

<http://transportation.ky.gov/traffic/Download%20Files/CGT%20-%20FY08.pdf>

<http://transportation.ky.gov/traffic/Download%20Files/CGT%20-%20FY09.pdf>

The subject Annual Reports illustrate the typical functions performed in managing and operating the Tunnel Activity, but is not represented to be all-inclusive.

The Consultant is to obtain and maintain National Incident Management Systems (NIMS) certification for employees, except for administrative and non-field support employees, who will be working on this Agreement. Certification is obtained by completing several on-line training courses that typically take less than two (2) hours each to complete. Manager team personnel required to complete this training should have sufficient time to complete same prior to signing an Agreement for services. Detailed information on the course requirements and certification process can be obtained by contacting:

Mr. Thomas H. Arnold  
Director of Training Programs and State NIMS Compliance Officer  
[Tom.Arnold@ky.gov](mailto:Tom.Arnold@ky.gov)  
502-564-2081

The Manager shall be an employee of the Prime Consultant. The Manager is not required to be a Licensed Professional Engineer, but shall have at least one (1) Professional Engineer licensed to practice Engineering in both Kentucky and Tennessee on the Project Team, and experienced in the activities associated with the planning, development, management, and operations of related advanced transportation technologies, and who maintains the appropriate technology awareness and proficiency on a daily basis.

The Manager shall have a member of the Project Team who has completed the USDOT “Using the National ITS Architecture for Deployment” training course. Completion shall occur no later than forty-five (45) calendar days after receiving the Notice to Proceed.

The Manager or a Subcontractor on its Team must be licensed by both the Kentucky and Tennessee Fire Marshalls’ Office. Preferably, a copy of the Electrical Licenses(s) is to be placed in the Proposal. The period of time to acquire an Electrical License(s) can be lengthy. Proposals that contain a copy of the Electrical License(s) application will be accepted, however, the Agreement will not be executed until the Electrical License(s) is obtained. Electrical License

documentation can be included with the resumes and financial data prescribed in Section 70.550 (Proposal Submission Requirements).

### **Qualified Consultants Pre-Proposal Conference and Site Visit**

1. Following the Selection Committee's Qualifications determination, a mandatory Pre-Proposal Conference shall be held in order to allow prospective Managers an opportunity to ask questions about the Tunnel Activity and work to be performed. This Conference provides the prospective Managers their only opportunity for oral questions, which shall further be reduced to writing.
2. Consultants are encouraged to submit written questions to Michael L. Hill, PE prior to the Conference. Consultants may also submit questions after the Conference to Michael L. Hill, PE no later than the deadline established by the Division of Professional Services.
3. Since impromptu questions will be permitted and spontaneous answers may be provided, Consultants should clearly understand that oral answers given by KYTC/TDOT at the Conference are not binding. KYTC/TDOT shall prepare written responses to the salient written questions and shall submit them as an addendum to the RFP. Minutes of the Pre-Proposal Conference will be posted on the Division of Professional Services' website within five (5) working days. No responses to questions will be posted after Friday close of business before responses are due.
4. An opportunity to make a non-required visit to the Tunnel facility will coincide with the Consultant's Pre-Proposal Conference. Consultants are urged and expected to inspect the Tunnel facility and to satisfy themselves of all general and local conditions that may affect the performance of the Agreement, to the extent such information is reasonably obtainable. Failure by the Consultants to inspect the site shall not constitute grounds for a claim after award of Agreement. The on-site inspection will follow the Conference and will be conducted by KYTC/TDOT. This inspection will be the only visit allowed Consultants during the Request for Proposal period. Nothing in this Section shall be construed to prohibit the on-going activities of the current Manager.

### **Facility Overview and Operation**

The National Park Service (NPS) owns the Cumberland Gap Tunnels in the Cumberland Gap National Historical Park. The CGT was constructed using funding from Federal Lands. The Tunnel was built by the Federal Highway Administration Eastern Federal Lands Highway Division and the States of Kentucky and Tennessee agreed to operate and maintain the Tunnel as evidenced by execution of Federal-aid Agreement Documents. This RFQ/RFP is intended to solicit proposals for the management and operation of the Tunnel Activity and associated system integration. The tunnels are managed and operated twenty-four (24) hours a day, seven (7) days a



week, to ensure an appropriate level of service and respond to any emergencies within the tunnels or their approaches. The basic operation of the tunnels and the adjoining structures are described below.

The Kentucky Portal houses an emergency equipment garage, first aid room, electrical room with standby generator for the power supply, and a mechanical/electrical shop. The Operations Control Center and computer/communications systems are located in the Kentucky portal building.

The Operations Control Center is located on the second floor of the Kentucky portal building. The Center consists of traffic control equipment, tunnel environmental monitoring and control equipment, communication center, and building security monitoring equipment. Access to the Operations Control Center is limited for security. Incidental control areas include the computer/communications rooms, the electronics shop, and the supervisor's office.

The Tennessee portal building is similar to the Kentucky facility, and houses facilities for emergency response, tunnel support, and building support. Two (2) 30,000 gallon water tanks with pump system are located in the Tennessee portal for fire control.

### **Scope of Work**

This Scope of Work defines the tasks to be performed under the Agreement by the selected Manager for the management and operation of the Tunnel Activity. The coverage area for the system currently encompasses both the Kentucky and Tennessee sides of the Tunnel. The Tunnel Activity is a 24-hour per day continuous operation. Managers should base their submissions on continuing this operation of the System.

The services to be provided by the Manager are defined by the following tasks:

- 1. Management, Direction, Supervision, Operation, and Administration**
- 2. Activity and Equipment Maintenance and Repairs**
- 3. Utility Management**
- 4. Procurement**
- 5. Special Engineering Projects**

## **Manager Responsibilities under Task #1**

### **General Responsibilities**

1. The Manager shall have general responsibility for all management and operations of the Cumberland Gap Tunnel Facilities. This includes, but is not limited to, performance of all maintenance required for the mechanical, electrical, and electronic features of the facility; replacement of all materials and equipment as its useful life is expended; seven (7) day, twenty-four (24) hour monitoring of the tunnels and approaches; maintaining a qualified on-site emergency response unit at all times; maintaining traffic at acceptable levels; keeping up the general cleanliness of the facility. The Manager shall have the responsibility to display the flags of the United States of America, the Commonwealth of Kentucky, and the State of Tennessee.
2. The Manager shall maintain all features within the limits of the tunnel portals, all systems, and all drainage not originating on the roadway approach surfaces, landscaping, and the inspection booths. The Manager shall be responsible for the periodic washing of the Tunnels. The Advisory Committee will be the final judge of whether a maintenance item is, or is not, the responsibility of the Manager.
3. The Manager shall monitor the tunnels for the movement of Hazardous Materials according to the Federal Regulation 49 CFR 171-178 and Kentucky Regulation 601 KAR 1:25. The Manager shall also watch for any violations of any state rules and regulations that apply to the movement of hazardous material. Any violations of this/these regulation(s) shall be reported to the closest law enforcement agency.
4. The Manager shall set up and maintain an inventory of all assets assigned to the Tunnel. The inventory shall contain a description of each asset; including the specific identification characteristics of each asset, the cost of the asset, and the estimated useful life.
5. The Manager shall set up and maintain a system of administrative and fiscal controls such that the facility may be managed and operated in an efficient manner. Such controls will allow the tracking of administrative and fiscal operations for the annual audit.
6. The Manager shall set up and maintain plans for Operations, Management, Response Maintenance, and Response Services. Existing Plans should be utilized to the maximum extent possible. These Plans shall be submitted within thirty (30) days of the Notice to Proceed to KYTC/TDOT for approval. The Manager shall also be responsible for recommending design modifications from time-to-time, and will develop plans and specifications for same.

### Personnel Responsibilities

1. The Manager shall designate one (1) person as Tunnel Manager. This person shall be normally located on the site in a full-time capacity. The Tunnel Manager, or a designated representative of the Tunnel Manager, shall be available 24-hours a day. The Tunnel Manager shall serve as a one-point contact between KYTC/TDOT and the Manager in matters involving day-to-day operations and maintenance of the facility.
2. Prior to the finalization of an Agreement, the Manager shall submit to KYTC/TDOT the qualifications of certain employees to be located at the Tunnel facility. These employees include: the Tunnel Manager, the Administrative Assistant, the Operations Supervisory Staff, the Control Center Staff, and any other supervisory staff proposed by the Manager. The work force must consist of employees who are able to reach the Facility within a minimal time in the event of emergencies.
3. As a minimum, the Tunnel staff shall include two (2) employees in the Kentucky portal building at all times, twenty-four (24) hours per day, seven (7) days per week. One (1) of these employees shall have supervisory and decision-making authority. These two (2) employees shall be responsible for monitoring tunnel operation, including but not limited to; the closed-circuit television system, smoke detectors, carbon monoxide detectors, traffic sensors, over height detectors, and emergency communications. In the event of an emergency, the supervisor shall direct the response effort and coordinate between tunnel staff and outside emergency response assistance.
4. As a minimum, two (2) emergency response employees shall be stationed at each tunnel portal facility at all times, twenty-four (24) hours per day, seven (7) days per week. These employees may be assigned other maintenance or operations duties so long as the capability for emergency response from both tunnel portals are not diminished.
5. The Manager shall provide additional staff as deemed necessary to provide an adequate level of service for the management and operation of the facility.
6. The Manager shall provide all employees with matching uniforms, easily identifying them to the public as tunnel staff. The design of the uniforms shall be submitted to KYTC/TDOT for approval.
7. The Manager shall ensure that minimum fair labor standard practices are met.

## **Operating Systems Responsibilities**

### Environmental Monitoring System

Carbon-monoxide monitors within the tunnels will alert the operator when unacceptable levels are imminent. Ventilation will be activated to restore desirable air quality.

### Closed-Circuit Television System (CCTV)

CCTV cameras located within the tunnels, at the portals, and on the approach highways will verify system alarms, monitor carriers of hazardous materials, and document emergency response actions.

### Supervisory Control And Data Acquisition (SCADA) System

The SCADA system links every other tunnel operating system into a main control system.

### Variable Message Signs (VMS)

Variable message signs forewarn motorists of accidents, detours, closures or congestion; and can convey special instructions to motorists. Variable speed limit signs help control traffic flow.

### Over Height Detection System

The Over Height Detection System warns drivers of loads over 16 feet-6 inches in height that they cannot clear the tunnel safely.

### Ventilation System

Ventilation fans are used to maintain acceptable air quality levels in the tunnels. They also will remove smoke or fumes from the tunnels in the event of an incident.

### Fire Protection System

The Fire Protection System consists of smoke detectors, pull stations, and linear heat detectors installed within the tunnels. Two (2) 30,000 gallon water tanks with pump system are located in the Tennessee portal for fire control. The portal buildings are equipped with standpipe and sprinkler systems. Valve stations are located within the tunnel for fire-fighting purposes.

### Drainage System

Roadway drainage is conveyed outside the tunnel by this system. A roadway drainage treatment plant on the Kentucky side of the tunnel can be used for recycling tunnel wash water or containing effluent from fire or hazardous material response. The Manager shall be responsible for proper disposal of any material, including that of a hazardous nature, collected within the tunnel facility or at the drainage treatment facility. This will be a cost reimbursable item.

### Lighting System

The tunnel facility has a twenty-four (24) hour artificial lighting system which monitors and controls the levels of the first several banks of lights to ease transition.

### Telephone System

The Telephone System includes dial-up data and emergency phones along the roadway.

### Traffic Control System

The Traffic Control System consists of lane-use signals, variable and changeable message signs, and variable speed limit signs. It allows the operator to control vehicle speed and direction of travel in the tunnels, convey information on lanes restrictions or tunnel closure, monitor hazardous material carriers, and provide special instructions to motorists.

### Power Supply System

The Power Supply System is dual source and includes a primary and secondary power system, an un-interruptible power supply, and a standby generator.

### Traffic Surveillance Control System (TSCS)

The new TSCS “Vanguard” system, which is not interfaced with the Supervisory Control and Data Acquisition (SCADA) System, consists of the electronic and computer systems which monitor and control traffic. The purpose of the TSCS is to monitor traffic, detect incidents, identify the type of incident, and implement the response strategy by the operator.

### Equipment and Materials Responsibilities

1. The Manager shall be responsible for maintaining a sufficient inventory of spare parts and equipment to ensure minimum delays in repairs or maintenance. The current

Construction Contract for the Tunnel Facility includes the provision of some spare parts. These items shall be turned over to the Manager for use in operating and maintaining the facility. These parts shall be stored at the existing maintenance facility located within the boundaries of the Park.

2. The Manager shall provide any vehicles for supervisory personnel. These units shall match the paint specifications of the maintenance fleet.
3. The Manager shall develop a Preventative Maintenance Plan, which shall be submitted within thirty (30) days of the Notice to Proceed to KYTC/TDOT for approval. Existing Plans should be reviewed and utilized to the extent possible.

#### Emergency Response Responsibilities

1. The Manager shall be given any necessary jurisdiction to perform emergency response efforts as needed. The Manager should secure Agreements with local Emergency Management authorities, counties, states, and/or the National Park Service (NPS) required in order to obtain assistance in emergency response. Existing Agreements should be reviewed and utilized to the extent possible. Under no conditions shall these Agreements require tunnel emergency response equipment or personnel to be absent from the tunnel facility, nor shall this be allowed in the absence of an Agreement. An exception to this is a verbal agreement between KYTC/TDOT and the National Park Service currently allows CGT Personnel and equipment to aid the National Park in responding to fires and Haz-Mat spills within the Park.
2. All Emergency Response personnel shall be trained in the following areas:
  - a. Hazard Communication – Right to Know (29CFR 1910.1200)
  - b. Personal Protective Equipment (29CFR 1910.132)
  - c. Blood Borne Pathogens (29 CFR 1910.1030)
  - d. Fire Extinguishers and Hazardous Materials (29 CFR 1910.157 and 29CFR 1910.106)
  - e. Traffic Control – Highway Safety
  - f. First Aid/CPR
  - g. Highway Crash Site Management
  - h. Basic Hazard Awareness
  - i. Emergency Medical Technician Certification in Kentucky;
  - j. Fire Brigade Training as required by the Occupational Safety and Health Administration Section 1910; and,
  - k. Hazardous Materials First Response Training.

Included in the Response Service Plan, shall be a plan for certifying all Emergency Response personnel with a HazMat Operator Rating within one (1) year of Notice to Proceed.

3. The Manager shall provide the required continuing education and re-certification training for the above listed programs as required at no cost to the employee. The employees shall not be required to undergo training on their time or expense as a condition of employment.
4. The Response Service Plan shall outline a course of action and designate the personnel, equipment, and materials expected to be used in confronting incidents resulting from traffic accidents, systems failures, hazardous materials exposure, medical emergencies, and natural causes.
5. As part of the Response Service Plan, the Manager shall develop a Traffic Control Plan. The Traffic Control Plan will list typical sketches of the traffic control devices and personnel in the event of a lane closure in either lane, closure of an entire tube, or total tunnel closure. This Plan shall also be used for traffic control necessary for maintenance operations. The Traffic Control Plan shall follow the guidelines of the Manual on Uniform Traffic Control Devices and be supported by the Traffic Surveillance Control System. Existing Plans should be reviewed and utilized to the extent possible.

#### Responsibility of KYTC/TDOT

1. Subject to the terms and conditions set forth in this RFQ/RFP, and upon execution of a written Agreement, KYTC/TDOT shall grant the Manager the privilege to use space at the Cumberland Gap Tunnel Facility to operate and maintain the tunnel.
2. KYTC/TDOT shall be responsible for maintaining the roadway approaches to the tunnel, except for those features specifically dedicated to the tunnel operation. KYTC/TDOT will maintain the roadway surface; along with the shoulders and roadway drainage, highway lighting, signs and sign bridges supporting direction signs only, guardrail, and snow and ice control on the mainline pavement.
3. KYTC/TDOT shall have access to any off-site storage and maintenance site.
4. KYTC/TDOT shall evaluate the Manager's Emergency Response performance based upon reviews of written and video records, independent post-incident interviews, and traffic data.

5. KYTC/TDOT shall periodically inspect the Tunnel Facility for compliance with applicable state and federal statutes and regulations and to insure proper execution of the Agreement.



## Reports

The Manager shall furnish the reports described below to KYTC/TDOT:

1. Annual Activity Report:  
The Manager shall furnish an original Annual Report, attested by an officer of the Manager, to KYTC/TDOT. This Report shall be provided to KYTC/TDOT within thirty (30) days of the end of KYTC/TDOT's fiscal year (July 1 to June 30). This Report shall contain a list of personnel changes, equipment changes, maintenance activities, and emergency response activities for the previous fiscal year.
2. Annual Audit Report:  
An Annual Audited Financial Report prepared under generally accepted accounting principles by a Certified Public Accountant shall be submitted to KYTC/TDOT within ninety (90) days after either the end of the fiscal year (June 30), or the end of the Manager's fiscal year, if different than June 30. The Certified Public Accountant firm secured to prepare the Audit Reports shall be chosen by the Manager and approved in writing by KYTC/TDOT.
3. Weekly Reports:  
By Wednesday of each week, the Manager shall, for the prior week, provide a listing of all incidents and the corrective action taken to KYTC/TDOT. The Report shall also include all preventive and incidental maintenance procedures performed during the previous month and any community-related activities. The Report shall include copies of all Emergency Medical Service Response Forms completed during the previous week. A bi-weekly meeting between the Manager and KYTC/TDOT will be held at the Tunnel Facility to discuss this Report.
4. Other Reports:  
The Manager may also be required to submit additional reports as reasonably required from time-to-time by KYTC/TDOT.

## **Manager Responsibilities under Task #2**

### Maintenance Overview

As stated herein, it is the responsibility of the Manager to appropriately and properly manage and operate the facilities at the highest level to serve KYTC/TDOT's traveling public over the duration of the Agreement period. Specifics include, but are not limited to, the following subsections.

### Use of Premises

The Manager shall be responsible for the careful, safe, and proper use of the premises and will not permit any waste or nuisance thereon; and shall maintain the premises in a clean, neat, and presentable condition. The Manager shall maintain, in good condition, and repair any and all equipment, appliances, and other property on the premises; and will not encumber or remove the same, or do or suffer to be done anything, whereby the same or any part hereof may be seized, taken on execution, attached, destroyed or injured, or by which the right to use of the Manager may in any way be altered, encumbered, impaired or prejudiced. The Manager hereby acknowledges and covenants that it acquires hereunder no interest in any buildings, structures, equipment, appliances, or other property now on the premises; or which may hereafter be placed thereon by KYTC/TDOT, except the right to use the same as a Manager.

### Housekeeping, Buildings, Grounds, and Parking Lots

The Manager, at its own expense, shall clean, and keep continuously clean, the portal buildings and grounds/parking lots. This includes the area from 600 feet north of the Kentucky portal building to 150 feet south of the Tennessee portal building, within the original construction limits of the project and specifically designated appurtenances. Except as otherwise specified in this section, the Manager shall perform at its sole expense such other housekeeping functions as are necessary to keep the aforesaid facility, including the equipment therein, in a safe, orderly, and presentable condition, to prevent unnecessary depreciation thereof, and keep the buildings free of insects, rodents, vermin, and other pests. Policing of litter on the grounds and parking lots shall be at the sole expense of the Manager.

### Contracted Maintenance

Maintenance or Service Contracts may be issued for the following items:

1. Computer Equipment, except for Manager-provided equipment
2. Electronic Office Equipment, except for Manager-provided equipment
3. Rolling Stock titled to KYTC/TDOT
4. Emergency Response Equipment
5. Telephone and Communications System
6. Roadway Drainage Treatment Containment Unit Disposal
7. Garbage Pickup
8. Landscaping

The Manager shall assume responsibility for administration and costs of the Maintenance and Service Contracts necessary under the Agreement. Necessary Maintenance and Service Contracts will be a reimbursable cost. Examples of such Service and Maintenance

Contracts are the hydraulic elevator and the Motorists Information System. The Manager will also be reimbursed under this Task for Equipment Repairs necessary under Task #1 when such repairs are performed by third parties such as equipment vendors.

### **Manager Responsibilities under Task #3**

The Manager shall be responsible for the payment of utility and ancillary support costs for the Tunnel Program on a cost reimbursable basis. These shall include but not be limited to:

- Operations Center
  - Facility Electrical Costs
  - Facility Water and Sewer Costs
  - Facility Trash Service Costs (City and Private Hauler)
  - Additional Facility Trailer Storage
  - Facility Security Monitoring
  - Facility Generator Fuel
- Tunnel Field Equipment
  - Equipment Electrical Service
  - Equipment Communications Costs
    - Dial up Circuits
    - T1 Circuits
    - Leased Lines
    - Wireless Leased Services
    - ISP Services
    - CDMA Cellular Service

### **Manager Responsibilities under Task #4**

KYTC/TDOT considers the Tunnel to be an extension of the business offices of the selected Consultant. Therefore, the Manager shall be responsible for the procurement of typical office administrative supplies (such as, but not limited to, paper, pens, etc.), as well as necessary items such as office computers, printers, etc., and will be included in the cost of the Management and Operation of the Tunnel. Separate reimbursement will not be made for these items.

The Manager shall provide, operate, maintain, and replace as necessary, vehicles such as sedans and small pick-up trucks as part of the Management and Operation of the Tunnel. Separate reimbursement shall not be made for these items. Larger rolling stock currently in-use at the Tunnel is titled to KYTC/TDOT and will be available for use by the Manager. The Manager shall be responsible for the operation and maintenance of this equipment. The Manager shall make recommendations to KYTC/TDOT concerning the replacement of the subject rolling stock. If KYTC/TDOT determines

that replacements are necessary, the Manager shall provide proposed specifications and possible vendors for the subject vehicle. KYTC/TDOT shall be responsible for the procurement of the item through standard required procurement processes.

The Manager shall make recommendations to KYTC/TDOT concerning the replacement of all other Tunnel Assets based upon the estimated useful life and/or upon the need for demand replacement, as well as necessary spares. If approved, the Manager shall be responsible for such procurement, on a cost reimbursable basis. In order to insure that the best price and value is obtained for procurement, the Selected Consultant shall file its proposed procurement rules and policies for KYTC/TDOT approval prior to any procurement being made by the Manager. The Manager shall follow its approved procurement rules and policies for all procurements unless approval is obtained from KYTC/TDOT for emergency procurements. Emergency procurements are defined as procurements necessary to avoid the imminent or actual closing of a bore(s).

### **Manager Responsibilities under Task #5**

#### **Summary**

The Manager may be tasked from time-to-time to provide Engineering and Engineering-Related Services in support of KYTC/TDOT to develop plans, specifications, and engineering estimates for the deployment of Tunnel assets and for the installation of Tunnel related services and equipment.

#### **Sub-Task Description**

- A. The Manager shall from time-to-time provide Engineering and Engineering-Related Services to develop additional specifications for ITS and/or other Tunnel Activity elements not normally covered in the Tennessee or Kentucky “Standard Specifications for Road and Bridge Construction”.
- B. The Manager shall provide Civil and Electrical Engineering Services to engineer construction and installation solutions in the form of project plan sheets. All sheets shall be stamped by a Licensed Professional Engineer as appropriate.
- C. The Manager shall prepare a detailed item list of materials and activities and provide estimated quantities and unit pricing in the form of an engineering estimate.
- D. The Manager shall participate in planning and status meetings as required for this task.
- E. The Manager shall provide construction inspections as required.

F. The Manager shall provide recommendations to KYTC/TDOT on final acceptance of pay items. Payment for this service shall be incidental to payment for the services enumerated within this Section.

## **Terms and Conditions**

### Term of Agreement

Other than the possible Transition Period discussed herein, the Agreement established from this Request for Proposal is expected to begin on **July 1, 2010**, and end on **June 30, 2012**. The Agreement established from this Request for Proposal shall be eligible for up to **five (5) two-year renewals**. KYTC/TDOT may decline a renewal option without explanation to the incumbent Manager. Likewise, the Manager may decline a renewal option without explanation to KYTC/TDOT. All parties to the Agreement shall concur in writing to their negotiation.

### Negotiation of Fees

An indirect cost rate (overhead rate) shall be determined for the selected Consultant. This shall be determined either from an audit, or if none exists, a provisional rate shall be issued by KYTC's Office of Audits until an audit approved by KYTC is available. Wage rates shall be verified, either from audit or a certification from the selected Consultant. An annual overhead and wage rate audit will be performed by KYTC's Office of Audits.

### Letters of Agreement

Letters of Agreement will be established and written under the Master Agreement for each Task as required. The Letter Agreements shall be developed in accordance with the following:

<http://transportation.ky.gov/kytci-forms/eBook/ProfServ.pdf>

A Post Audit may be a basis for an adjustment. The Letter Agreements shall establish a specific and detailed Scope of Work, such Scope to be provided by the Manager and negotiated and approved by KYTC. The Scope of Work shall provide a schedule for the completion of specific tasks where appropriate, with ongoing work to be scheduled for the duration of the Letter Agreement. Letter Agreements shall not extend beyond the end of the KYTC Biennium (June 30 of even-numbered years). Each Letter Agreement shall establish an upset limit for compensation, and shall include provision for an operating margin (e.g., fixed fee and profit). Letter Agreements may be cancelled by KYTC/TDOT with thirty (30) days notice for reasons of inadequate performance or loss of available funding.

### Payment Arrangements

Upon presentation of properly executed Invoices, payments for Task #1 and the fixed portion of Task #2 will be made to the Manager in twenty-four (24) equal monthly installments, and Reimbursement Payments for Task #2, Task #3, and Task #4 will be made not more frequently than monthly. Payment arrangements for Task #5 Projects will be determined based upon the Scope of Work. The source of funding for this Agreement will be State funds administered through the Cabinet's Division of Traffic Operations.

### Future Agreement Modifications

Agreement Modifications may occur for various reasons, namely:

- Add Funds and/or Work Task Orders to the Agreement
- Add options for renewal
- Extend milestone dates
- React to changing conditions
- Modify "Upset" limit

The list is not inclusive. Issuance of RFP's, in-house software preparation or any activity not specifically covered by the Agreement is not to begin until Agreement Modification approval(s).

### Performance Bond

The Manager shall secure a Performance Bond in the amount of Two Million Dollars (\$2,000,000). The purpose of the Performance Bond shall be to reimburse KYTC/TDOT for any additional expense incurred by KYTC/TDOT over and above the agreed prices under this Agreement in the event of default or non-performance by the selected Consultant. The Performance Bond shall be submitted no later than thirty (30) days after the award of the Agreement but before KYTC/TDOT issues a Notice to Proceed. The Performance Bond shall be renewed each year and shall be required throughout the Agreement. The amount of the Performance Bond may be adjusted at the time of re-negotiation, but will not be set below One Million Dollars (\$1,000,000).

### Changes in Scope

KYTC/TDOT may, at any time by a written order, make changes within the general scope of the Agreement including but not limited to the length and renewal. No changes in scope are to be conducted except at the approval of KYTC/TDOT. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under the Agreement, whether changed or not changed by any such order, a mutually satisfactory adjustment shall be made in the Agreement price, and the Agreement shall be modified in writing accordingly.

### Manager Cooperation in Related Efforts

KYTC/TDOT may undertake or award other Contracts or Agreements for additional or related work, and the Manager shall fully cooperate with such other Contractors and State employees and carefully fit the Manager's own work with such additional work. The Manager shall not commit or permit any act which will interfere with the performance of work by another Contractor or by employees of the States of Kentucky and/or Tennessee. This clause shall be included in the Agreements of all Contractors with whom this Manager will be required to cooperate. The Lead State shall equitably enforce this clause as to all Contractors, to prevent any imposition of unreasonable burdens on any Contractor.

### Insurance

The Manager shall provide public liability, property damage and Workers' Compensation insurance, insuring as they may appear, the interest of all parties of agreement against any and all claims which may arise out of Manager Operations under the terms of the Agreement. The Manager shall obtain the insurance from an insurance company licensed to do business in Kentucky and Tennessee. The terms of this insurance subsection apply to all subcontractors.

The Manager shall furnish to KYTC/TDOT a certificate(s) evidencing that such insurance is in effect, for what amounts, and applicable policy numbers and expiration dates, within fourteen (14) days of Agreement signing.

The Manager shall carry the following insurance in addition to the insurance required by law:

- Manager's Public Liability Insurance not less than \$1,000,000.00 for the damages arising out of bodily injuries to or death to one person. Not less than \$1,000,000.00 for damages arising out of bodily injuries to or death to two (2) or more persons.

- Manager’s Property Damages Liability Insurance, not less than \$500,000.00 for all damages arising out of injury or destruction of property in any one accident. Not less than \$1,000,000.00 for all damages during the policy period.
- Manager’s Protective Public Liability and Property Damage Insurance. The Manager shall furnish evidence with respect to operations performed for the Manager by subcontractors that the subcontractor carries in its own behalf for the above stipulated amounts.
- The insurance required above must be evidenced by a Certificate of Insurance and this Certificate of Insurance must contain one of the following statements:
  - A. “policy contains no deductible clauses.”
  - B. “policy contains a \_\_\_\_\_ deductible property damage  
(amount)  
clause but company will pay claim and collect the deductible from the insured.”
- Workmen’s Compensation Insurance. In compliance with KRS 176.085, the Manager shall furnish evidence of coverage of all Manager employees or give evidence of self-insurance by submitting a copy of a certificate issued by the Workmen’s Compensation Board.
- Unemployment Compensation Insurance. In compliance with KRS 176.085, the Manager shall furnish evidence of coverage of all Manager Employees or give evidence of self-insurance.
- Umbrella Coverage. In addition to the primary coverages listed in this section, the Manager shall maintain an umbrella or excess liability policy of not less than \$5,000,000 for any one occurrence and subject to the same aggregate over the public and property damage liability coverage. The umbrella coverage is subject to approval as to form and amount of self-insured retention.

Upon the event of cancellation of any insurance coverage, the Manager shall immediately notify KYTC of such cancellation. The Manager shall provide KYTC with written notice at least ten (10) days prior to any change in the insurance required under this subsection.



#### Auditing, Accounting Availability, and Access to Sites and Documents

The Manager shall keep the books, records and accounts of its operation under this Agreement separate and apart from all other operations in a form and manner satisfactory to KYTC/TDOT. The Manager must allow for on-site inspections of the facilities and allow access, to KYTC/TDOT or its representatives, the books, records, accounts and other items including but not limited to, any reports or returns on file with the Kentucky Revenue Cabinet, at all times during the regular business hours and at a place convenient for that purpose.

#### Property of Kentucky, Tennessee, and/or the National Park Service

The Manager shall be responsible for the proper custody and care of any property owned by the Commonwealth of Kentucky, the State of Tennessee, and/or the National Park Service and furnished for the Manager's use in connection with the performance of this Agreement. The Manager shall reimburse KYTC/TDOT and/or the National Park Service for its loss or damage, normal wear and tear excepted.

#### Operations Review

The Manager shall review its operations with KYTC/TDOT quarterly and at such other times during the Agreement term hereof as KYTC/TDOT may designate.

#### Emergency Closing of Facility

In the event of emergency, KYTC/TDOT reserves the right to close or divert motorists away from the Facility when such action is, in the view of KYTC/TDOT, in the best interest of its motorists. The Manager agrees that it shall not hold KYTC/TDOT liable for any damages which might accrue because of such action by KYTC/TDOT.

#### Suspension of Operations

In the event of a partial destruction by fire or other hazard of any portion of the Tunnel Facility normally used by the Manager, the Manager will have complete discretion as to whether to continue or suspend operations in the Facility or portion of the Facility affected for such period as is necessary for the Manager to repair the damaged premises. The Manager shall work to reopen the entire facility as quickly as is reasonably possible. The Manager shall contact the Chief District Engineer or his designee in KYTC/TDOT's District Eleven Office immediately in the event of a suspension of operations.

### Suspension of Payments

If and when operations are suspended under this section, all responsibilities and obligations of the Manager, as herein set forth, shall cease as to the facility area affected, only for the period of such suspension. KYTC/TDOT shall not be responsible to the Manager for any damages resulting from such suspension as a result of the partial or total destruction of the Facility.

### Reporting of Incidents in the Facility

The Manager shall report any injury or property damage incident within four (4) hours to the Chief District Engineer or his designee in KYTC/TDOT's District Eleven Office. An incident resulting in a fatality should be reported to the Chief District Engineer or his designee at KYTC/TDOT's District Eleven Office immediately. All questions from the media arising from any such incidents shall be referred to KYTC/TDOT.

## **Selection Committee Evaluation Criteria**

### Innovative Approaches for Engaging DBE Firms, Minority-Owned Businesses, Small Businesses, and Recognized Minority Organizations

One of the scoring criteria will be to propose Innovative Approaches for DBE participation. DBE goals and objectives have not been established of this Agreement. The objective of this factor is to assess the creativity and ingenuity of the Consultant Team in developing ideas or strategies that will help level the playing field for DBE firms, minority-owned businesses, small businesses, and recognized minority organizations. The concepts should explain how the Consultant Team will engage DBE firms, minority-owned businesses, small businesses, and recognized minority organizations through race and gender neutral outreach, education, training, technical assistance, and other supportive services. The focus of these concepts should be to increase the number and capacity of underutilized DBE firms, minority-owned businesses, small businesses, and recognized minority organizations in order to take advantage of contracting opportunities available through this Agreement. The Proposal should not commit to the establishment of goals or percentage levels for participation of DBE firms or other small businesses. Except to the extent that the KYTC establishes a DBE goal for this Agreement, all measures will have to be race and gender neutral, as the term is used in 49 CFR 26.

The Consultant's Proposal will contain a "DBE Firms and other Small Business Participation Plan" as part of the scope of work for this Agreement. In addition to DBE firms, minority-owned businesses, small businesses, and other recognized minority organizations that provide

Engineering and/or System Integration services, the Plan should also describe how other DBE firms, minority-owned businesses, small businesses, and other recognized minority organizations would be utilized. Except to the extent that the KYTC establishes a DBE goal for this Agreement, all measures used will have to be race and gender neutral, as the term is used in 49 CFR 26.

There is not a specific DBE goal or a required percentage for participation. Consultant teams are expected to make good faith efforts in accordance with 49 CFR 26 to encourage the participation of DBE firms, minority-owned businesses, small businesses, and other recognized minority organizations based on needed services, qualifications, and availability. (NOTE: This is not intended to be exclusionary in consideration for the use of any DBE firm, minority-owned business, or small business as a sub-consultant for this Agreement). Small and minority-owned businesses are not required to be certified as DBE's in order to participate in this Agreement. The utilization of small, minority-owned, and DBE businesses will be tracked and reported.

#### Evaluation Criteria

Proposals will be evaluated on the basis of the following criteria. A maximum of One Hundred (100) points shall be available for each proposal as follows:

1. Innovative Approaches for Engaging DBE Firms, Minority-Owned Businesses, Small Businesses, and Recognized Minority Organizations  
(Maximum of Eight (8) Points)
2. Technical Expertise/Capacity  
(Maximum of Fifteen (15) Points)
3. Management and Operations Plan  
(Maximum of Thirty (30) Points)
4. Corporate Experience and Related Projects, Proposed Project Staff  
Relative experience, capabilities and expertise of Consultant Team while performing the Management and Operations responsibilities in the Tunnel or a similar type activity, and the Team's ability to bring innovation to KYTC projects  
(Maximum of Thirty (30) Points)
5. Project approach and proposed procedures to accomplish the services to be provided under this Agreement  
(Maximum of Fifteen (15) Points)
6. Consultant's office where work is to be performed. (Two (2) Points)

For state funded projects, if a Selection Committee vote results in a tie between two (2) firms, one (1) of which will perform more of the work tasks in Kentucky than the other, then the former firm shall be ranked one (1) place ahead of the latter.

Thus, Qualified Consultants can receive a Maximum of One Hundred (100) Points.

Selection Committee Members

Governor's Pool	James Shipp, PE	
Secretary's Pool	Gary Valentine, PE	
Secretary's Pool	Ryan Griffith, PE	
User Group	Greg Duncan, PE	(TDOT)
User Group	Don Breeding, PE	(KYTC Highway District 11)
User Group	Wayne Bates, PE	(KYTC Division of Traffic Operations)