



City of Presidio
Request for Proposals (RFP)
For Feasibility Study for Natural Gas Project and in Presidio, Texas

The City of Presidio, Texas is accepting Request for Proposal (RFP) from qualified consultant firms to provide consulting services to analyze the feasibility of constructing a natural gas distribution network to provide a cleaner energy fuel source for Presidio, Texas and our Sister City, Ojinaga, Chihuahua, Mexico.

This RFP will be listed on the City's web site: www.presidiotx.us Copies are also available at the City of Presidio City Hall located at 507 W. O'Reilly Street, Presidio, Texas 79845.

Questions should be directed to:

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Presidio Municipal Development District
C/o City of Presidio
PO Box 1899
Presidio, Texas 79845-1899
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Submittals are due May 24, 2019 @ 3:00 PM CDST, Please address Attention: City Secretary, Brenda Ornelas Acuna, 507 W. O'Reilly Street, Presidio, Texas 79845. Please include 6 paper copies and a PDF file on a USB Thumb Drive in your sealed packet. A committee with City Staff will review the proposals and make recommendation(s) to the Presidio City Council for the successful firm to be selected on a date to be determined.

City of Presidio is an equal opportunity employer and does not discriminate on the bases of race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), parental status, national origin, age, disability, family medical history or genetic information, political affiliation, military service, or other non-merit based factors.

Scope of Services

To Prepare

Feasibility Study for Natural Gas Project in Presidio, Texas.

April 2019

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1. OBJECTIVE

The objective of the study is to analyze the feasibility of providing NG service and local generation of electricity, through the construction of through the construction of a NG distribution network and a power generation plant to provide energy to the inhabitants of Presidio Texas USA, and its surroundings, evaluating all possible energy needs, including industrial, commercial, residential, and agricultural.

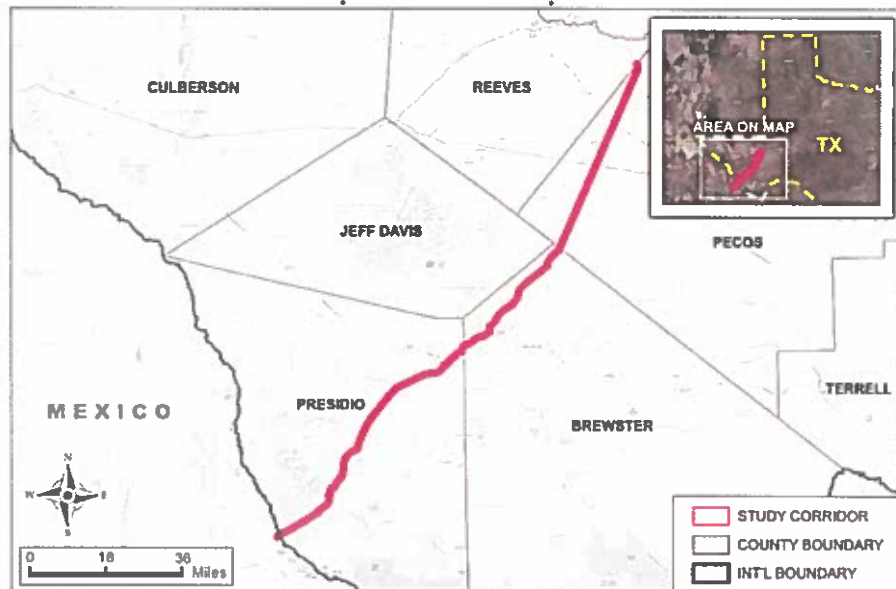
The consultant must include the identification of all the studies and authorizations required. Upon request from the city of Presidio, the consultant shall prepare the general specifications for the procurement for the design & construction of the NG distribution network and the power plant including environmental & social review, local, state and federal authorizations, rights of ways and other required studies for the implementation of the project.

2. PROJECT INFORMATION

Background

Communities along the U.S.-Mexico border where NG infrastructure is limited or non-existent, are considering tapping into new or existing cross-border or nearby pipelines for commercial, residential, industrial and governmental use. The city of Presidio, Texas, is now receiving NG at its industrial parks by tapping into the newly constructed Trans-Pecos Pipeline, which went into service in March 2017. A 148-mile, 42-inch pipeline originates in Pecos County, Texas, crosses Brewster and Presidio Counties, and terminates at the border, near Presidio, Texas. Figure 1 shows the Trans-Pecos corridor.

FIGURE 1 Project Location



Source: Federal Energy Regulatory Commission

3. REQUIRED TASKS OR ACTIVITIES

The consultant is required to provide the following professional services:

i. Kick off Meeting

The selected Consultant must participate in a kickoff meeting that will be held in the offices of the city of Presidio, the date will be proposed in coordination with the city of Presidio staff. At this meeting, the Consultant will present a description of the project, calendar of activities, a description of the tasks to be developed and the methodology to be implemented to meet the project's objective.

ii. Estimate Gas & Electricity Consumption

To estimate the NG and electricity consumption, the consultant shall develop a NG & Electricity demand profile for existing and potential stakeholders located in Presidio, TX, and its vicinity. These demand profiles and consumptions should include current and future industrial, commercial, governmental, residential, agricultural and any other applicable demand.

Based on projections supported by the general plans and the economic development plans, the consultant shall estimate the future demand profile for Presidio geographic area surroundings over a period of at least 10 years. These demand profile shall include a detailed list of potential users and required volume/pressure, kW, kWh modeled with two seasons (summer and winter). The profiles shall address factors that affect demand for NG and electricity, including expected trends to steadily increase demands for the foreseeable future, and the long term and short-term factors that could affect demands and consumptions in the area, including but not limited to weather, fuel switching, pricing, population growth, etc.

iii. Existing NG & Power Infrastructure

The consultant shall describe the operability of any existing NG & Electricity infrastructure in the studied area and propose the best connection point for the Presidio natural gas system (PNGS) and the power plant, including:

- Evaluate if the existing infrastructure has enough capacity to support estimated current and future demand, or if the city would need to improve its infrastructure.
- Propose a point of connection for the NG grid: including its coordinates, maximum allowable operating pressure, grade of steel, diameter, current pressure, liquid content and any other characteristic reliable for the design of the new pipeline.
- Propose an interconnection point for the electric grid: including power stations and electric power transmission lines.

iv. Alternative Analysis

The consultant shall submit to the city of Presidio at least 2 options for the proposed PNGS route and power electrical grid and plant location, including a decision analysis tool for each considering environmental impacts, right of ways, estimated cost and local benefits. The proposed routes shall comply with all applicable regulations avoiding as many problem areas as possible, such as subdivisions, schools, churches, military testing areas and other

places of public assembly. Natural obstacles such as rivers, lakes, canyons, or major infrastructure, such as railroads, should also be avoided. The consultant must consider the width of the right-of-way (consider that a wider right-of-way may be temporarily needed during construction) for the selection of the routes. The consultant shall prepare a photographic file for each route proposed. Indicating if the line would affect paved streets or any other city infrastructure.

The consultant shall identify at least three power-generation technologies that may be feasible in the Presidio area, including from clean and renewable sources, as well as NG. The consultant shall assess each potential technology based on its preliminary technical feasibility in the region, its advantages and disadvantages. Using the data from demand profiles for a preliminary sizing of a potential power plant in the area, the consultant shall develop a preliminary budget-level comparison of the life-cycle costs of the various technologies for power generation deemed feasible. These initial estimates shall be based on indicative investment and O&M costs only and not on actual preliminary designs at this stage.

The final decision of the routes and power generation technology will be based on the consultant's analysis of the data and conclusions and will be agreed upon between the city of Presidio in a meeting in Presidio Texas.

v. Conceptual design

Once the routes, location and technologies are selected, the consultant shall develop a conceptual design to define the parameters and the overall layout of the NG pipeline, including its main components (pipeline, valves, compressors, metering stations, etc.). The proposed plan for the electrical grid and power plant capacity shall also be completed at this time to ensure that they are integrated properly into the Project. All the required

documental investigations, including, soil conditions, digital terrain models, and topography, based on existing information should be included in this step.

A preliminary design report shall be prepared with drawings describing the structural and mechanical components of the pipeline and the power generation plant. The report shall include preliminary cost estimates, and an outline of required equipment specifications. Operating cost estimates and a preliminary construction schedule should be included.

vi. Environmental and Social impacts

The consultant shall propose and apply a methodology¹ to set baseline values to identify and evaluate the significance and magnitude of the environmental and social impacts, that may result from the activities anticipated in this Project. The consultant shall rely on his experience to consider in this assessment the use of self-produced energy, the change of propane and/or other fuels currently used in the community to NG as a fuel source, and the impacts associated with the construction of the proposed PNGS and supply, transport, storage and use of NG. In addition, the consultant shall propose mitigation measures and identify their estimated costs, if possible. The methodology must take account of potential impacts on a wide range of receptors including direct, indirect and cumulative positive and/or adverse impacts to the biophysical resources, social, human health and transboundary impacts.

vii. Compliance with Applicable Environmental Laws and Regulations

The consultant should review and prepare a list of relevant regulations, including policies of Federal, State and local government in the US, to design, construct and operate a NG System and a power generation plant. This list should include all Environmental and Social Assessment Documentation and clearances that may be required for the implementation of

¹ Leopold Matrix, or a similar tool accepted by the City of Presidio

the project and their estimated costs. The consultant will conduct a media search, and local stakeholders survey to identify potential public opinion about the Project.

viii. Evaluate Project Economic Feasibility

The consultant shall evaluate the economic feasibility of the proposed alternatives, including all identified planning, construction and operations & maintenance costs, as well as potential income generated by the consumption of NG and electricity by potential users as determined in the demand profiles. To this end, an analysis should be made regarding the selling cost and potential structure of tariffs, based on current market conditions for alternative fuel and power sources, as well as the market in the region and any applicable regulations. A sensitivity analysis should be performed to evaluate potential impacts on the economic feasibility of the project by varying market conditions and variations on the estimated construction and operation costs. The consultant must describe at least 3 USA and Mexico NG suppliers and power distributors and their type of business structure that owns and operate the services in other communities like Presidio.

The consultant shall consider at least the costs for the following in the economic feasibility of the proposed alternatives:

- Final design of the NG distribution pipelines.
- Design and construction of the power generation plant.
- Environmental and social studies, International, Federal, State and local clearances, permits and licenses in Mexico and US.
- Mitigation actions that may be required
- Construction permits.
- Land acquisition and Right of ways if applicable.
- Installation of NG pipelines, including any compression or metering stations or any other facility required for the distribution system.
- O&M activities during at least 10 years.

Upon request of the city of Presidio, the consultant shall prepare general specifications for the procurement of development and installation of the Presidio Natural Gas System and the final design and construction of the power plant including environmental & social review, local or state authorizations, rights of ways and other required studies for the implementation of the project. This activity should be costed out separately as part of the proposal (see section 6) and may or may not be required.

ix. Final Report

The following information shall be considered in the preparation of the final report.

- Purpose and need.
- Community description, NG and electricity uses and future demands.
- Regulatory drivers and guidance
- Preliminary design of the pipeline route and electric grid.
- Environmental and social methodology to set up baselines to identify the significance and magnitude of impacts that may result from the activities anticipated in this Project and consultant expertise.
- Lists and costs of the environmental, social and international studies, clearances, permits and licenses for the design, construction and border crossing of the NG and electric grid in the US and Mexico.
- Cost benefit analysis for the NG & electricity supply in the area.
- Description of at least 3 USA and Mexico NG suppliers and power distributors and their type of business structure that owns and operate the NG service.
- General specifications for the procurement design and installation of the Presidio Natural Gas System and the power generation plant and electric grid, if applicable.

The Consultant will submit digital copies of the study and Request for Proposals drafts to be reviewed by the city of Presidio. Comments provided will be incorporated into a second draft. The city of Presidio will receive a second draft to review the compliance with the

requirements and comments previously sent by the city of Presidio in the first drafts. The final draft will be presented 2 weeks after last review, along with all electronic files once all the comments have been fulfilled. North American Development Bank will be responsible for all publications or distributions of these documents to other agencies or stakeholders.

x. Project Management

The consultant shall provide day-to-day project management to ensure an appropriate level of communication ensure quality control and administer the contract with the City of Presidio. The consultant’s Project Manager shall attend meetings (in person, phone call, video call, etc.), review available information and present the drafts of the reports. Additionally, the consultant will carry out the necessary field work to complete the Study. The consultant is required to attend meetings in Presidio Texas and Ojinaga, Chihuahua.

4. SCHEDULE

ACTIVITY	WEEKS													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Kick off Meeting	█													
Estimate Gas & Electric Demands and Consumption	█	█	█											
NG & power existing Infrastructure		█	█	█	█									
Alternative Analysis				█	█	█	█							
Conceptual designs							█	█	█					
Environmental and Social impacts								█	█	█	█			
Compliance with Applicable Environmental Laws and Regulations								█	█	█	█			
Evaluate Project Economic Feasibility											█	█		
Specifications for the procurement of development and installation of the Presidio Natural Gas System & electric grid												█	█	█
Final Report														█
Project Management	█	█	█	█	█	█	█	█	█	█	█	█	█	█

5. COSTS

For the elaboration of your proposal, the consultant must present the cost for all tasks and activities, including the number of man hours, travel expenses and total cost in the following format.

Tasks	Cost	travel expenses	man hours	Total Cost
Kick off Meeting				
Estimate Gas & Electric Demands and Consumption				
NG & power existing Infrastructure				
Alternative Analysis				
Conceptual designs				
Environmental and Social impacts				
Compliance with Applicable Environmental Laws and Regulations				
Evaluate Project Economic Feasibility				
Specifications for the procurement of development and installation of the Presidio Natural Gas System& electric grid				
Final Report				
Project Management				
Total				

Tentative Schedule

RFP Publication, Thursday, April 25 & May 2, 2019
RFP Release date, Thursday April 25, 2019 www.presidiotx.us
Questions on RFP, May 15 by 3:00 pm CSDT
Pre-Proposal Conference, Thursday, May 21, 2019 by 3:00 pm
Response to Questions Tuesday, May 21, 2019 by 3:00 pm
Proposal Due Friday May 24, 2019 by 3:00 pm
Interviews (tentatively) Thursday, June 13, 2019 by 3:00 pm
City Council Meeting & Approval, Monday, July 8, 2019 at 6:00 pm.