

GENERAL:

- A. This Addendum modifies or amends the South Florida Regional Intermodal Logistics Center Request for Proposals (RFP) dated July 10, 2009 and other previous Addenda. This Addendum shall become a part of the RFP. Capitalized terms used in this Addendum and not otherwise defined herein shall have the meanings set forth in the RFP.

- B. Each Respondent shall acknowledge receipt of this Addendum in the transmittal letter to its Proposal. Failure to do so may be cause for disqualification of Proposal.

Section 1. BACKGROUND. On October 5, 2009, the Sponsor received Proposals from four of the six Pre-Qualified Respondents. Pursuant to Section 3.4.2 of the RFP, the Proposals were reviewed and summarized by an evaluation committee selected by Sponsor and submitted to the Board of Commissioners of the Sponsor (the “Board”) for evaluation and scoring. Following receipt of the Proposals, the Board held a workshop on October 13, 2009 during which staff and certain consultants provided summaries and comparisons of the Proposals. On October 15, 2009, the Respondents were provided with an opportunity to present information to the Board regarding their respective Proposals and proposed Project sites. At a meeting of the Board held on October 21, 2009, the Board determined that the Proposals submitted in response to the RFP did not contain adequate information to permit the Board to properly evaluate each of the Proposals. Thus, the Board determined that each of the Respondents should be provided an opportunity to prepare and submit specific business and marketing strategies related to each such Respondent’s Proposal. Such information is being sought to assist the Sponsor in understanding, among other things, each such Respondent’s plans for the finance, management, operation and maintenance of the Distribution Center and the role of the Interchange Hub in the overall business strategy.

Thus, this Addendum No. 7 is being issued by the Sponsor to request such specific business and marketing strategies, establish the protocol for gathering information related to developing and submitting the business and marketing strategies, and to amend the RFP as deemed necessary or appropriate by the Sponsor.

Section 2. ADDITIONAL PROJECT INFORMATION. Since the issuance of the RFP, a draft of the Preliminary Feasibility Assessment US-27 Rail Corridor Phase 1 Study (the “Draft Rail Study”) prepared for the Florida Department of Transportation has been released. The Draft Rail Study finds that “[t]he development of a new rail corridor along US-27 has the

potential to significantly affect freight and passenger transportation in South Florida.” The Draft Rail Study further finds that such rail “also has the potential to support industrial development in the Glades region, particularly the proposed Integrated Logistics Center.” Respondents can access the full Draft Rail Study at www.FloridaILC.com.

Based on the various studies and reports, including the Draft Rail Study, the following is the estimated amount of TEU (twenty foot equivalent units) containers that passed through the referenced ports for the 2008 calendar year.

Port	2008 TEU's	Source
Port of Long Beach	3,189,363	Imports only
Port of Los Angeles	309,078	Imports only
Port of Miami	828,349	Imports and Exports
Port Everglades	985,095	Imports and Exports
Port of Palm Beach	255,000	Imports and Exports

In addition, 9,345,731 tons of cargo passed through the Panama Canal in calendar year 2008. Although the Sponsor expects each of the Respondents to complete its own due diligence with respect to the prospects of the Project and the preparation of projections related to the Project, the Sponsor finds the following quotes from the South Florida Inland Logistics Center Preliminary Report, dated May 29, 2008, to be of interest:

- Since 1990, containerized cargo handled at the US ports increased from 15.6 million TEU's to nearly 43.4 million TEU's in 2006. This accounts for an average annual growth rate of 6.6% . . .
- The growth in container trade has been driven by imported cargo, which has shown a 9.8% annual growth rate since 1994, and since 2003, the growth rate of containerized imported tonnage has averaged 14.7% annually.
- The West Coast ports have handled about 46% of all imports into the United States. Within the West Coast ports, the San Pedro Bay Port of Los Angeles and Long Beach handle about 35% of the imported Asian containerized cargo.

The studies and reports also indicate that, depending on the level of automation used at the Project, the Project has the potential to create 300 to 900 jobs per one million square feet of warehouse space.

The Sponsor continues to support the development of the proposed Project as a mechanism for trade and economic growth and job development. As stated in the RFP, it is anticipated that the selected Project site will be located away from the congested coastal regions of South Florida and will have the ability to receive and deliver containerized, break-bulk, and bulk cargo for distribution both domestically and internationally via the South Florida Ports. The selected Project site is expected to re-route freight traffic from congested coastal roadways through expanded road and rail access in the center of the State.

Section 3. REQUEST FOR SUPPLEMENTAL INFORMATION. The Sponsor is requesting that each Respondent supplement its original Proposal submitted on October 5, 2009 by preparing and submitting specific business and marketing strategies detailing such Respondent's plans for the marketing, finance, management, operation and management of the proposed Project. Key elements to be addressed with respect to the Respondent's business and marketing strategies are set forth in the following Sections.

Section 3.1 Market Analysis. The Sponsor would like to understand the Respondent's knowledge of the potential market for an intermodal logistics center such as the proposed Project and the current industry trends with respect to such market. Each Respondent should provide a description of the key users, such as distribution, manufacturing or warehousing, that the Respondent will target for the Project. The Respondent's market analysis should also set forth whether the market is primarily domestic, international or a combination of the two, and the potential sources of cargo such as sea, rail or truck. Respondents should identify the key competitors believed to be currently marketing to the potential users of the Project. Respondents should describe why the Respondent believes the Project can successfully attract and compete for such key users. Such description should address the intermodal advantages and disadvantages of the proposed Project site to each of the South Florida Ports and how such advantages and disadvantages will impact the Project's ability to compete with the key competitors. Respondents should describe market growth projections during the development phase (present through – 2014), as well as market growth projections for the first three years (2014 through 2017) of operation of the Project.

Section 3.2 Sales/Marketing Plan. The Sponsor would like to understand the Respondent's plans for attracting the key users identified in Section 3.1 above to the Project. Respondents should provide details of the Respondent's plans for marketing the Project to key users through 2015. Such information should include a description of proposed sales activities (in order of priority), details regarding the proposed sales force and available

information related to planned promotions and advertising to attract key users to the Project. To the extent that the Respondent has initiated contact with potential key users of the Project, include a brief description of the receptivity of such key users to the proposed Project.

Section 3.3 Operations Proforma/Logistics Plan. The Sponsor would like to understand the Respondent's plans for operating the Distribution Center and phasing in the Project in accordance with the projected market growth set forth in Section 3.1. Such information should include details of the proposed aggregate square footage of warehousing and distribution space, the Interchange Hub and other facilities (including land area, roads and rail) that the Respondent expects to have available in 2014. Respondent should also provide details related to the proposed rate of expansion of the Project following the first three years of operation (2014 through 2017) based on its market analysis update and its marketing plan.

Section 3.4 Capital Requirements. Respondents should provide details of the projected capital expenditures and financing requirements necessary to prepare the initial phase of proposed Project site for the receipt of cargo in 2014. Separate cash flow statements should be provided for the Distribution Center and the Interchange Hub. Such cash flow statements should reflect proposed equity contributions of the Respondent, along with the proposed public and private financing requirements.

Section 3.5 Financial Arrangements. The Sponsor, Port Everglades and the Port of Miami will be entering into an interlocal agreement to address the revenue sharing and responsibilities of the Ports collectively with respect to the Project. Respondents should provide details of any proposed financial arrangements between the Respondent and the Ports as the collective public partner. Any proposed financial arrangements should be addressed separately for the management of the Interchange Hub, as well as development outside of the Interchange Hub.

Section 3.6 Major Impediments. Each Respondent should provide details of the major legal, environmental, permitting, financial and market impediments to the Respondent's ability to develop the initial phase of the Project to be operational in 2014. Each Respondent should describe its contingency plan for addressing and, where appropriate, mitigating such impediments. Such information should include details of the Respondent's plans to indemnify, defend and hold harmless the Sponsor in connection with any legal challenges related to the Respondent's proposed Project site.

Section 3.7 Organization and Management. To the extent not addressed in the Respondent's Proposal, each Respondent should provide details of the key team members, along with available information regarding the experience and skills of such team members and, where appropriate, their past track record in similar roles as such roles relate to the key elements of the strategic plan.

The key elements to the business and marketing strategies described in this Section 3 are to provide guidance and are not intended to be an exhaustive list of what each Respondent must include in its business and marketing strategies. Rather, the Sponsor anticipates that each Respondent will use its expertise to develop business and marketing strategies for the Project as presented in its Proposal. In order to assist the Sponsor in evaluating the supplemental information provided by the Respondent, details of all assumptions related to any business or financial projections must be included in the Respondent's supplemental information. Each Respondent should include an executive summary of its business and marketing strategies; provided, however, that such executive summary should not exceed five (5) pages. Each Respondent should also clearly note any information that modifies or amends such Respondent's original Proposal.

SECTION 4. DELIVERY INSTRUCTIONS. All written communications with respect to this Addendum No. 7 must be submitted to the designated contact person no later than December 3, 2009 at 5:00 p.m. local time. The supplemental information requested in this Addendum No. 7 is to be delivered to Thomas J. Lundeen, P.E. no later than December 10, 2009 at 2:00 p.m. (local time) at:

Port of Palm Beach District
One East 11th Street
Suite 600
Riviera Beach, Florida 33404

Facsimile or electronically submitted supplemental information will not be accepted. Supplemental information will be opened shortly after the date and time specified.

Respondents shall submit one (1) original copy (without punched holes) and ten (10) complete and identical copies of the supplemental information with punch holes in 3-ring binder(s) each marked "Copy X of 10." Respondents shall ensure that the punched holes do not interfere with any text set forth in the supplemental information. Respondent shall also submit fifteen (15) electronic copies of the supplemental information. Electronic copies may be presented on CD-ROM, DVDs or USB memory sticks. Each electronic copy is to be clearly labeled with

the RFP Title and the name of the Respondent and shall be marked “Copy X of 15.” Any information that the Respondents desire to have kept as confidential as set forth in Section 5.9 of the RFP shall be placed on a separate CD-ROM, DVD or USB memory stick and shall be clearly marked as “CONFIDENTIAL PROPRIETARY INFORMATION.”

SECTION 5. AMENDMENTS TO RFP.

A. Section 3.4 of the RFP is hereby amended by adding the following paragraph immediately following the first paragraph:

“The Sponsor has extended this Cone of Silence to independent community groups and other organizations that may seek to influence the decision of the Board. In order to ensure fairness to each the Respondents, comments from such groups or organizations will be heard at any public meeting of the Board at which the Board is accepting public comments with respect to the RFP.”

B. Section 3.4 of the RFP is further amended by adding the following paragraph immediately following the third paragraph:

“Notwithstanding the foregoing, the Sponsor recognizes that the Respondents may desire to meet with representatives of the other South Florida Ports to obtain additional information regarding the operation of the Distribution Center. Respondents may contact the following individuals without violating the requirements of this Section 3.4:

David Anderton
Port Everglades
1850 Eller Drive
Fort Lauderdale, Florida 33316
Telephone: (954) 523-3404
E-Mail: danderton@broward.org

Felix Pereira
Port of Miami
1015 N. America Way
Miami, Florida 33132
Telephone: (305) 347-4800
E-Mail: fpereir@miamidade.gov”

END OF ADDENDUM NO. 7

