

REQUEST FOR EXPRESSIONS OF INTEREST

COLD STORAGE FACILITIES

POSTED – December 23, 2016

CLOSE – 2:00 pm (AST), January 27, 2017

Innovation PEI is examining options for the expansion of cold storage capacity within the Prince County region of P.E.I., and is soliciting expressions of interest from private sector parties and development organizations interested in developing and operating a public facility.

Foreword:

Prince Edward Island is positioned well to continue with strong growth and diversification in the food sector and evolving this sector has become a priority focus for Government. Established and emerging food businesses on Prince Edward Island are fast becoming major economic players in local, national and global circles. Our products are world renowned for their high quality, innovation, and environmental integrity. The presence of strong research and development capacities has also provided a strong basis to grow the industry further.

Prince Edward Island led the country in export growth in 2015, and based on a recent economic forecast by the Conference Board of Canada, PEI is expected to be in the top three Canadian provinces with GDP growth of 1.8% for 2016 and 1.7% for 2017. Growth is expected to come from construction, manufacturing, and a continued demand for Island food exports. Food processing makes up 51% of the total manufacturing on PEI. Further, 47% of PEI's international exports are from food processing, including seafood. Primary and food processing industries also remain key drivers in the provincial economy generating approximately \$851 million in 2015, which is just over 18% of provincial GDP.

Infrastructure is critical to continued growth in the Food Sector and access to quality and affordable cold storage options has been identified as a potential limiting factor. Further determining private sector needs and interests in expanding cold storage infrastructure is the focus of this Expression of Interest.

Background:

There have been a number of reports over the years evaluating the capacity and need for cold storage on PEI. These reports have recently identified that Island companies are using in excess of 50 million pounds in cold storage on PEI, and within one hour into New Brunswick, while the current capacity of contracted cold storage on PEI is approximately 22.5 million pounds. The most recent report conducted in February of 2016 indicates there is an opportunity to maintain some of the 27.5 million pounds of contract storage currently leaving the province. This report can be made available upon request.

Factors that appear to be driving the need for additional cold storage include:

- Increased value added production in both seafood and potato products. With trends towards more convenient and quicker to prepare foods, Island companies are developing new products through innovative packaging and niche marketing. Many of these new products require a higher standard of storage.
- Continued growth and expansion in primary industries. In particular, Potato, Seafood, and Blueberries, have seen strong growth in recent years and appear to be trending upwards for the future.
- The lobster bait industry has been utilizing a significant portion of cold storage facilities in recent years.
- The growth of the apple industry on PEI also presents an opportunity to develop controlled atmosphere storage in concert with cold storage. The planted apple acreage on PEI has seen significant investment in the past 3 years and increases in apple production of two- and three-fold are expected within the next few years.

Scope:

The scope of this expression of interest is to identify the level of interest from private sector and other development bodies to construct and operate new cold storage facilities within the Prince County region of the Province.

The parameters of the projects should address the following:

- Facilities should be centrally located within Prince County.
- Proposed facilities should provide high density, multi commodity cold storage with a minimum of 2,500 pallet positions (approx. 5 million pounds) available as public contract storage.
- In addition to storage, projects can provide a range of additional services such as blast freezing, repackaging, weighing, handling and logistical support.

Proposals:

All expressions of interest must be submitted in writing and must address the following criteria:

1. Proponent Information:

- a. Name of Company or Persons submitting the proposal and a brief description of their relevant experience.

2. Project Description:

- a. Proposed Locations.
- b. Description of the proposed facility including size, capabilities, and any specific technologies that will provide a competitive advantage to the operation and its customers.
- c. Description of services that will be provided within the facility and the proposed pricing strategy.
- d. Proposed ownership model (ie. private, not-for-profit, cooperative).

3. Estimated Budget / Financing:

- a. A preliminary estimate of the construction costs of the facility. While the budget is recognized as an estimate, proposals should clearly identify how the estimate was determined.
- b. Preliminary description of how the project would be funded.

4. Market Assessment / Sustainability:

Describe where the market demand for the proposed facility will come from and how the facility will be sustainable. Is there a tie-in with existing operations that would support further economic growth and expansion?

5. Timeline and Contingent conditions:

- a. Describe the anticipated development time frame for the project, including any phases or expandability options.
- b. Describe any conditions that this project would be contingent upon, with the exception of financing.

Privacy and Confidentiality

All proposals will be received and held in confidence by Innovation PEI, subject to the provisions of the Freedom of Information and Protection of Privacy Act http://www.gov.pe.ca/law/statutes/pdf/f-15_01.pdf and this Request for Expressions of Interest.

Submissions:

All Expression of Interests must be received by **2:00 pm (Atlantic Standard Time) January 27, 2017**.

If an EOI is submitted electronically, it must be in Adobe PDF format (other formats will not be opened). For hard copy submissions, please include two complete copies and an electronic version on CD or USB.

Submissions must be submitted to Innovation PEI at the address below.

Hard Copies	Innovation PEI Attention: Shane MacDougall 94 Euston Street Charlottetown, PE Canada C1A 1W4
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E-mail	innovationpei@gov.pe.ca
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The proponent is responsible for obtaining any needed clarification of the EOI requirements, while the EOI is open. Questions should be directed **in writing** to shanemacdougall@gov.pe.ca. Email is the preferred method of contact. Questions regarding this EOI will be received up to **2:00 pm on January 25, 2017**.

Disclaimer:

IPEI reserves the right at any time to request further information for clarification purposes. Brochures and similar materials may be used by an interested party as support information only and NOT in lieu of a detailed response.

This Request for Expressions of Interest does not constitute an offer by Innovation PEI, nor does it or any EOI submitted in response to it, give rise to any legally binding obligations (express or implied) or duties of care whether in contract, tort or otherwise on the part of Innovation PEI. It is not a request for tenders or a request for proposals. The purpose of this Request for Expressions of Interest is to enable Innovation PEI to identify parties with whom it may choose to enter into further discussions concerning the requested development and Innovation PEI is not restricted in any way from discussing or proceeding with a transaction with any party or parties who have not responded to this Request for Expressions of Interest. Innovation PEI reserves the right to change or cancel the process at any time.

Innovation PEI or any of its respective officers, directors, employees or agents does not make any representation or warranty as to the completeness or accuracy of any information contained in this Request for Expressions of Interest or provided pursuant thereto and shall have no liability relating to or arising from use of such information or for any errors therein or omissions therefrom. Representations and warranties will only be contained in a definitive agreement for the purchase or lease of the facility, subject to the terms and conditions of such agreement.

In no event shall Innovation PEI be liable for any damages, costs or expenses related in any way directly or indirectly to the preparation or submission of an EOI. Any party submitting an EOI releases and waives all claims whatsoever it may have against Innovation PEI whether for costs and expenses incurred in the preparation of an EOI or in responding to this Request for Expressions of Interest, or for damages including, without limitation, loss of revenue or profit howsoever related to this Request for Expressions of Interest and any resulting process, discussions or negotiations.

Proponents may withdraw a submission(s) at any time prior to the closing of this Call of Expressions of Interest.



REQUEST FOR EXPRESSION OF INTEREST

Tender Number: 4546

Closing Date: Jan 27, 2017

Closing Time: 2:00PM

1. Check for changes to this request

Before submitting this proposal, visit the Procurement website www.gov.pe.ca/tenders to see if any Addenda detailing changes have been issued on this tender. Changes may be posted up until the tender closing time. It is your responsibility to acknowledge and take into account **ALL** Addenda.

2. Give your business information (please print)

Name of Company: _____
(if you are not a registered company, give your name)

Street Address: _____

City: _____ Province: _____

Postal Code: _____ Email Address: _____

Mailing Address (if different): _____

Phone Number: _____ Fax Number: _____

HST/GST Registration Number (BN): _____ (leave blank if NOT applicable)

3. Follow any special instructions

The full RFQ document is attached to this PDF.

4. Review the following documents, which will form part of your proposal

(All documents can be found on the Procurement Services website at <http://www.gov.pe.ca/tenders>)

- Atlantic Standard Terms and Conditions
- Applicable Trade Agreements

5. Fill in your unit price, extended price and total price for all items

Quote prices in Canadian dollars, before taxes

