

**LEASE  
UP TO 380 ACRES OF LAND  
FOR RENEWABLE ENERGY, SECURITY AND RELIABILITY  
AT  
JOINT BASE PEARL HARBOR HICKAM (JBPHH)  
WEST LOCH ANNEX**

**Request For Proposals  
No. LO-2015143**

Naval Facilities Engineering Command, Pacific  
Pearl Harbor, HI 96860-3134

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# REQUEST FOR PROPOSALS FOR LEASE AT JBPHH WEST LOCH ANNEX

## **1.0 EXECUTIVE SUMMARY**

### ***1.1 AUTHORITY***

The Department of the Navy (DON) is making available for lease non-excess real property at Joint Base Pearl Harbor Hickam (JBPHH) West Loch Annex, under the authority of Title 10, United States Code § 2667.

### ***1.2 JBPHH WEST LOCH SOLAR PROJECT***

The offering for potential outlease of non-excess property aboard JBPHH West Loch Annex is being made pursuant to SECNAVINST 4101.3.

#### ***1.2.1 SITE/LOCATION***

The proposed area ("Site") is approximately 380 acres of partially vacant, improved land in the Ewa district of south-central Oahu. Part of the Site is currently under agricultural use. The site is not within the secured fenceline. The site is proximate to public roads and utilities (see "Appendix A").

#### ***1.2.2 VISION***

The vision for this opportunity is for DON to lease the property to a qualified non-Federal user ("Lessee") for generation and distribution of renewable energy. The Lessee will plan, finance, construct, provide all necessary equipment for, operate, and maintain a generation system for the full term of the Lease and receive market fees from end users. The DON does not intend to purchase power generated on the leased premises. Ownership of the Site shall remain with the Government for the duration of the lease term. Pursuant to its energy security goals, the Government will seek in-kind consideration that enhances the installation's energy security posture. The term of the proposed lease will be calculated by adding a period of construction to a period in years equal to the useful economic life of the proposed renewable energy generation facility which DON anticipates could be up to 37 years.

### ***1.3 BUSINESS OPPORTUNITY***

The DON seeks to competitively select a Lessee to lease the Site. The Lessee will timely develop, operate and maintain a renewable generation asset within the Site for the term of the lease and will provide in-kind consideration which enhances the installation's energy security posture, and/or make cash rent payments to the DON valued at not less than the fair market rental value of the developer's leasehold interest, as determined by Government appraisal.

### ***1.4 PROJECT OBJECTIVES***

The following objectives have been set for this project:

- Entering into a long-term lease with a responsible party who will provide good stewardship over the property;

- Successfully integrating development activities with cultural resources and environmental policy management requirements compatible with the mission of the Installation;
- Complying with all National Environmental Policy Act (NEPA) and Environmental Condition of Property Report and Checklist (ECP) requirements;
- Employing the best commercial practices to the benefit of both the DON and the Lessee, and enhancing energy security for the Installation in accordance with Title 10, United States Code §2924.

## **2.0 DEVELOPMENT CONSIDERATIONS**

This section describes existing conditions at the Site. Information and/or documents pertaining to the property and provided to Offerors are believed to be correct; however the DON does not warrant this information. This property is offered “as is, where is” in the lease.

### ***2.1 SITE IMPROVEMENTS***

Any mission, environmental, cultural, regulatory, or real estate encumbrances or constraints that may exist at the proposed project site are noted in Section 2. Existing encumbrances include buried signal cable, which the lessee shall not impact. The lessee shall permit access to this infrastructure for maintenance as required. It is anticipated that infrastructure upgrades to both the commercial power grid and the on-base distribution infrastructure will be required for successful performance of a renewable energy generation asset.

### ***2.2 HISTORICAL, CULTURAL AND ARCHEOLOGICAL***

DON consulted with the Hawaii State Historic Preservation Officer (SHPO), native Hawaiian Organizations, and other interested parties under Section 106 of the National Historic Preservation Act and the SHPO concurred with DON’s finding of “no historic properties affected” for the lease.

### ***2.3 DON ENVIRONMENTAL DOCUMENTATION***

An Environmental Condition of Property (“ECP”) Memorandum for the Record and an Environmental Assessment Finding of No Significant Impact (“FONSI”) will be completed by DON prior to lease execution.

### ***2.4 UTILITIES***

Hawaiian Electric Company (HE) provides electricity to the Site. Connection may be subject to an interconnection agreement with (HE). The Lessee shall be responsible for all interconnection costs including but not limited to new lines and associated studies required.

### ***2.5 EASEMENTS AND ENCUMBRANCES***

Known third-party real estate encumbrances or constraints existing at the proposed project Site are identified in the attached plat map (see “Appendix B”). The Lessee is responsible for determining all easements and encumbrances.

## ***2.6 NAVAL ORDNANCE SAFETY AND SECURITY ACTIVITY (NOSSA)***

A preliminary site approval has been received by NOSSA. A portion of the Site may be within the inhabited building distance (IBD); no inhabited structures may be located within IBD from any potential explosion sites (PESs). Construction and operation of solar PV is allowed within IBD arcs. Final site approval is contingent upon receipt of details of the general layout and a letter of risk acceptance from the Lessee.

## ***2.7 DAVIS-BACON ACT***

Depending on the in-kind consideration projects proposed, Davis-Bacon wage requirements may apply.

## ***2.8 BUILDING CODES***

Construction on the Site shall comply with local city and county building codes and all applicable governmental laws, codes, rules and regulations. Construction on the Site shall also comply with the appropriate National Fire Protection Association Standards then in effect for the type(s) of occupancy proposed, or such other more stringent fire protection and life safety codes, if any, then in effect and adopted by the city and county.

## ***2.9 NDAA COMPLIANCE (COMPONENT ORIGIN)***

Offeror acknowledges that photovoltaic panels for use in the proposed project shall comply with Public Law 113-291.

# **3.0 PROPOSAL SUBMISSION INSTRUCTIONS**

## ***3.1 PROPOSAL CONTENTS AND FORMAT***

The Offeror's proposal will consist of three factors:

- 1) Technical Proposal, including site layout and renewable energy generation asset design, preliminary engineering drawings and technical system information required to communicate proposed concept. Specifically, Offeror will provide a conceptual design of the generation system and one line diagrams of the system, including interconnections, if applicable to the electric distribution system. The one line diagrams should also include equipment manufacturer and model information on major power generation equipment such as inverters, panels, and telemetry and control devices. If any wireless communication will be used for telemetering at the location, the Offeror should provide detailed antenna height, catalog cuts of maximum power, frequency and gain requirements of the communication medium. In order to add flexibility to the potential developer ("Offeror") the Site may be used in its entirety, or the project may be split into two phases: Phase 1 (approximately 169 acres) and Phase 2 (approximately 211 acres).
- 2) Business Proposal, with relevant experience, past and present performance, including a project plan that identifies the overall project concept, proposed plan of objectives and milestone and a work plan identifying key logistics and touch points.

- 3) Proposed specific in-kind consideration projects including Net Present Value (NPV) calculation of the proposed in-kind consideration and/or the lease rent cash payment schedule. See examples of acceptable IKC at Appendix C. Include the following in the IKC proposal:
  - a. Proof of technical ability and legal right to execute proposed changes to the physical distribution infrastructure, and proof of ability and position to achieve utility commission approval for such changes. Proposed changes must deliver a substantial share of electric power to the Installation (i.e., “outside the meter”), in order to enable full consideration of all energy-security related IKC possibilities desirable to the DON.
  - b. Proof of technical ability and legal right to execute procedural and/or technical changes to the restoration protocols, reliability planning, isolation, and switching activities that are involved with power supply to the Installation and/or related Sites of interest to the DON.
  - c. Documentation of Offeror’s plan for transmission and sale of power generated (including consumption by the Offeror for purposes of serving existing loads) and any necessary offtake approvals (including interconnection and regulatory approvals) for power generated on the site.

### ***3.2 SUBMISSION OF PROPOSALS***

Offerors will, within ten (10) calendar days, send all Proposal materials via email to: [john.w.baxter@navy.mil](mailto:john.w.baxter@navy.mil)

## **4.0 EVALUATION OF PROPOSALS**

### ***4.1 SOURCE SELECTION***

It is the intent of the DON that after a thorough review and evaluation of all compliant proposals received, a single Offeror will be selected for the exclusive negotiation of a lease that provides the best overall value to the DON and is determined to be most advantageous to the DON.

### ***4.2 RISK FACTORS***

All Proposals will be evaluated on factors one and two listed above in Section 3.1, based on the Risk Assessment to establish a Competitive Range. All Proposals within the Competitive Range will then be evaluated on factor three listed above, based on the best value in terms of subjective lifecycle cost to the DON.

The following shall be used when defining Risk Assessment:

**LOW RISK (L):** Demonstrate the ability to market utility-grade renewable power generation and complete construction of a utility-scale renewable generation asset. Any weaknesses identified by the evaluators have little potential to cause disruption to the construction and operation phases. Normal contractor/DON effort and monitoring will probably minimize any difficulties. Little doubt exists, based on the Offeror’s performance record, that the Offeror can perform the proposed effort.

**MODERATE RISK (M):** There are weaknesses identified by the evaluators that can potentially cause disruption to the construction and operation phases. Special contractor/DON effort and close monitoring will probably minimize any difficulties. Some doubt exists, based on the Offeror's performance record, that the Offeror can perform the proposed effort.

**HIGH RISK (H):** These are weaknesses identified by the evaluators that have the potential to cause significant disruption to the construction and operation phases even with special contractor/DON effort and close monitoring. Significant doubt exists, based on the Offeror's performance record, that the Offeror can perform the proposed effort.

### ***4.3 COMPETITIVE RANGE***

After DON's evaluation of the Risk Assessments, all Proposals with Low or Moderate Risk will qualify for the Competitive Range. Any Proposal meeting the definition of High Risk will be removed from consideration.

### ***4.4 SELECTION OF PROPOSAL***

All Proposals within the Competitive Range will then be evaluated on factor three listed above in Section 3.1, based on the best value in terms of subjective lifecycle cost to the DON.

## **5.0 SPECIAL CONDITIONS AND LIMITATIONS**

### ***5.1 NO OBLIGATION***

While the DON intends to enter into a lease with an Offeror selected through the process set forth in this RFP, the DON is under no obligation to do so. The DON reserves the right to cancel this RFP at any time, or to reject any and all submissions prepared in response to this RFP.

### ***5.2 HOLD HARMLESS***

By participating in the RFP process, Offerors agree to hold the United States of America its officers, employees, and advisors harmless from all claims, liabilities, and costs related to all aspects of this RFP. Under no circumstances shall the United States of America be liable for any "bid and proposal" costs, real estate brokerage commissions, finder's fees, or other forms of compensation related in any way to activities undertaken by any person as a result of the submission of the RFP proposal.

### ***5.3 WAIVER***

The DON reserves the right to waive informalities and minor irregularities in offers received if it is determined that it is in the best interest of the Government to do so.

### ***5.4 ORAL PRESENTATIONS***

At the discretion of the DON, oral presentations may be required. If any oral presentation is required, it shall be limited to 60 minutes. During the oral presentation, Offerors should be prepared to provide information concerning any aspect of the Proposal submitted. Offerors should be prepared to provide a pictorial representation of the project concept through the use of renderings, sketches, photomontages, or other types of graphic media. As applicable, the time

and date for presentation will be scheduled individually with the Offerors after the Proposals have been submitted and evaluated.

### ***5.5 POINT OF CONTACT FOR INFORMATION AND CLARIFICATIONS***

All questions, clarifications and general information requests shall be submitted via email to:  
[john.w.baxter@navy.mil](mailto:john.w.baxter@navy.mil)

## 6.0 APPENDIX

### 6.1 APPENDIX A

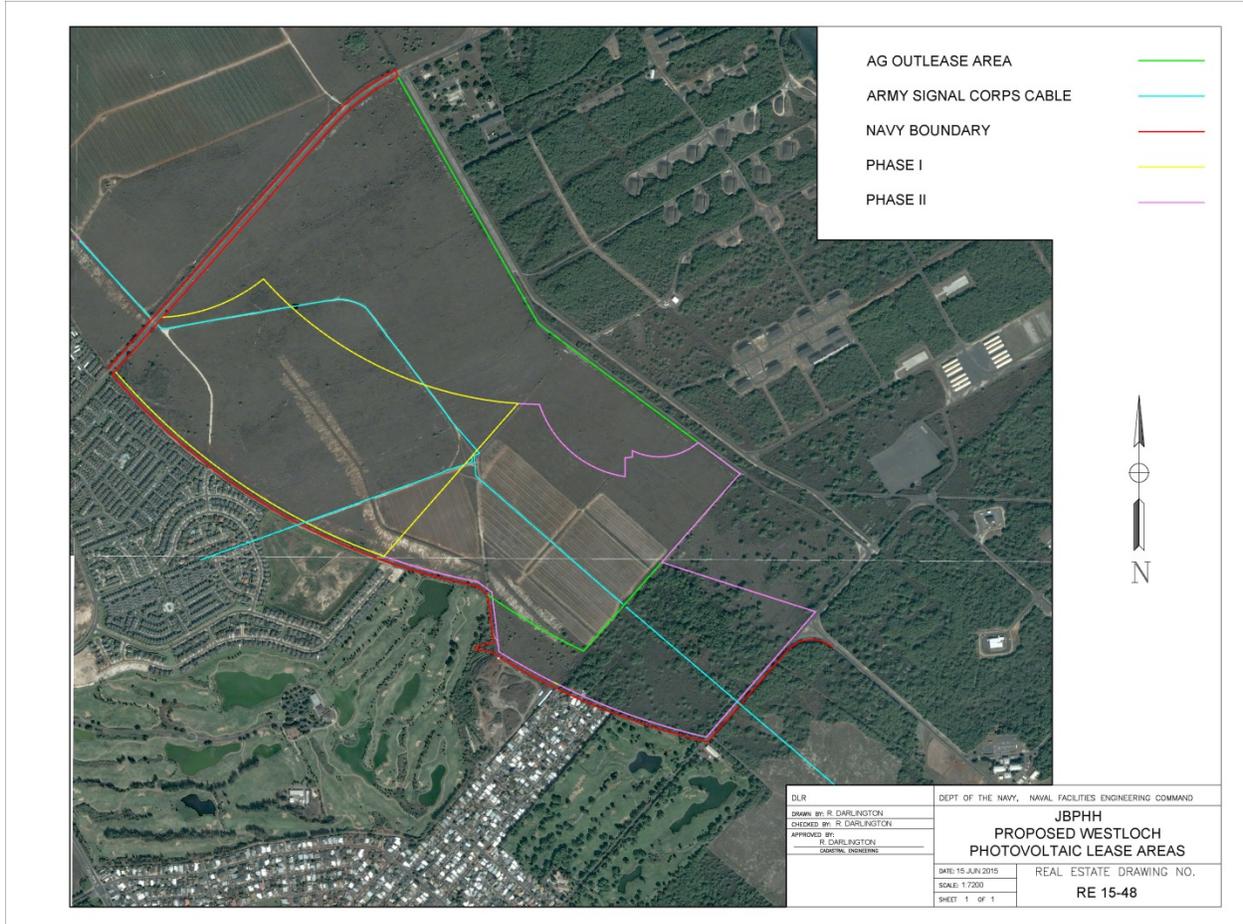
#### PROPERTY AND VICINITY MAPS OF APPROXIMATELY 380 ACRE SITE





## 6.2 APPENDIX B

### EASEMENT MAP FOR APPROXIMATELY 380 ACRE SITE



## **6.3 APPENDIX C**

### **LIST OF EXAMPLES OF ACCEPTABLE POTENTIAL IN-KIND CONSIDERATION**

1. Performance requirements to accommodate future PV systems at the main base of Joint Base Pearl Harbor Hickam (JBPHH). Examples of performance requirements include grounding transformers, battery, protection measures for systems external to DON.
2. Performance requirements within the JBPHH distribution system to accommodate PV that will require JBPHH distribution system improvements (e.g. capacitor banks, batteries, controls, etc.).
3. Provide additional 46 kV feeder for energy surety.
4. Undergrounding or hardening of distribution system.
5. Other projects that meet the requirements of both Title 10, United States Code §2924 and Title 10, United States Code §2667.