

## **REQUEST FOR QUALIFICATIONS (RFQ): COMPLETION OF A BACKWARD INTEGRATION SUPPLY CHAIN ANALYSIS OF THE GREATER BROWNSVILLE-TX / MATAMOROS - TAMAULIPAS AREA**

The United Brownsville Coordinating Board is requesting Statements of Qualifications (SoQ) for the preparation of a "Backward Integration Supply Chain Analysis (BISCA)" for the Brownsville, Texas - Matamoros, Tamaulipas economic region. Interested firms should submit five (5) copies of their SoQ, along with an electronic version in PDF format, **by no later than 5:00 p.m., Friday, February 20, 2015.**

All hard copy SoQ (along with PDF version) should be marked "United Brownsville Supply Chain Analysis" and be delivered to:

**United Brownsville Coordinating Board  
2390 Central Blvd., Suite X, Brownsville, Texas 78520  
Attn: Mike Gonzalez, Executive Director [mikeg@unitedbrownsville.com](mailto:mikeg@unitedbrownsville.com)**

### **BISCA OBJECTIVE:**

The primary goal of this project will be to develop a foundation to create a competitive binational advanced manufacturing cluster that can create higher wage jobs by completing a backward integration supply chain analysis of the greater Brownsville-Matamoros region.

This analysis will identify opportunities, identify constraints, and develop strategies for import substitution of manufacturer's supply chains with products manufactured locally in the project region.

### **INTRODUCTION:**

Brownsville, Texas is the largest city (181,860 population) within an area of south Texas known as the Rio Grande Valley "RGV" (1,303,782 population). The Brownsville/RGV region has faced decades of structural unemployment that has led to a number of critically negative economic performance indicators including: per capita earnings of 62 percent the national average, an unemployment rate of 9.9 percent compared to 6.1 for Texas, and household poverty rates persistently over 30 percent.

Driving these negative indicators is regional employment growth dominated by low-skill/low-wage non-exporting industries while growth in high-skill/high-wage exporting industries has been stagnating or in decline. Jobs at exporting firms have largely been dependent upon industrial clusters based on the traditional U.S./Mexico border maquiladora (assembly plants) model that is becoming increasingly irrelevant in a globally competitive context.

Facing this stark future, the Brownsville community came together to create the Imagine Brownsville Comprehensive Plan (IBCP) - a comprehensive community-planning effort to define a new economic vision for the future of our region. Winner of the American Planning Association's 2009 Comprehensive Planning Award, the IBCP was delivered to and adopted by the Brownsville City Commission on Tuesday, July 21, 2009.

The United Brownsville Coordinating Board was created to develop the cross-sector collaboration needed for the successful implementation of initiatives highlighted within the IBCP. Working as a backbone organization, United Brownsville builds the framework for regional analysis and action by assembling local leaders in government, business, and academia. United Brownsville's charter members include: *City of Brownsville, Port of Brownsville, University of Texas at Brownsville, Brownsville Public Utilities Board, Texas Southmost College, Brownsville Greater Incentives Corporation, Brownsville Independent School District, and Brownsville Community Improvement Corporation.*

The IBCP clearly documented that the long-term prosperity of our region requires evolving our non-exporting dominated, pass-through, economy to one driven by investment and innovation by leveraging the established advanced manufacturing capacity in the neighboring city of Matamoros, Mexico.

#### **BACKGROUND:**

A key economic initiative developed through the United Brownsville partnership is the creation of a BiNational Economic Development Zone (BiNED) to develop a globally competitive regional economy based on exporting industrial clusters.

The basic idea of BiNED is to create an integrated innovative and competitive binational advanced manufacturing zone along the US/Mexico border to capture a share of the economic development resurgence of near shoring advanced manufacturing that is occurring in the interior of Mexico.

Currently, over 116 maquiladoras within the city of Matamoros, Tamaulipas produce approximately \$8.6 Billion in annual trade; however, approximately \$6.4 Billion of that value is imported from outside the region.

#### **PURPOSE:**

The purpose of the UB/EDA Project is threefold:

1. Understand the supply chains from outside the Region that provide inputs to the local manufacturing sector.
2. Inventory the current manufacturing technology/process assets in the Region that could be used for the backward integration of existing supply chains.
3. Identify constraints and opportunities for producing inputs locally that are currently imported from outside the Region.

#### **SCOPE OF WORK:**

The proposed scope of work consists of seven tasks.

##### Task 1. DATA IDENTIFICATION, COLLECTION AND PROCESSING

The Consultant shall identify the currently available private and/or public data sources necessary to support the project; and shall collect and process the identified information in a form that is suitable for analysis.

Deliverable: Table with lists of data sources including variables; owner; format; dates; and collection costs as applicable.

Delivery Date: June 1, 2015

#### Task 2. EVALUATION OF REGIONAL SUPPLY CHAINS

The Consultant shall analyze the data collected in Task 1, and shall perform any supplemental survey/data collection efforts, in order to characterize the external supply chains that provide inputs to the Regional manufacturing sector.

Based on this analysis, the Consultant shall then evaluate the key supply chain inputs with the highest potential value added to the Region.

Deliverable: Supply Chain Analysis Draft Report

Delivery Date: October 1, 2015

#### Task 3. MANUFACTURING PROCESS/TECHNOLOGY ASSET MAP

The Consultant shall develop an asset map of the manufacturing process/technology capacity in the Region. Special emphasis shall be placed on the manufacturing processes/technologies needed to manufacture key value added inputs identified in Task 2.

Deliverable: Process/Technology Asset Map

Delivery Date: February 1, 2016

#### Task 4. IDENTIFY KEY BACKWARD SUPPLY CHAIN INTEGRATION GAPS for KEY SUPPLY CHAIN INPUTS

Based on the results of Tasks 2 and 3, the Consultant shall identify the critical gaps that are necessary and sufficient to overcome in order to manufacture the key inputs in the Region.

Deliverable: Regional Backward Supply Chain Integration Gaps Report

Delivery Date: June 1, 2016

#### Task 5. IDENTIFY TOP STRATEGIES TO OVERCOME CRITICAL GAPS

The Consultant shall identify specific strategies to overcome the major gaps identified in Task 4, including estimated costs and a qualitative measure of the feasibility of implementation.

Deliverable: Backward Supply Chain Integration Strategies Draft Report

Delivery Date: October 1, 2016

Task 6. IDENTIFY AND RANK CANDIDATE INPUT SUBSTITUTION INPUTS AND ASSOCIATED STRATEGIES WITH HIGHEST POTENTIAL VALUE ADDED TO THE REGION

Based on the results of Task 5, the Consultant shall identify and rank the inputs and associated strategies with the highest likely value added to the region.

Deliverable: Draft Final Report

Delivery Date: February 1, 2017

Task 7. FINAL REPORT

The Consultant shall distribute the Draft Final Report produced in Task 6 to the UB Board for review and comment. The Consultant shall incorporate the UB Board's comments in a Final Report. Delivery of the Final Report shall complete the project.

Deliverable: Ten copies and an electronic of the Final Report

Delivery Date: June 1, 2017

**PROJECT TIMELINE:**

The target date for issuing the notice to proceed is March 1, 2015 and the project shall be completed by July 1, 2017.

Table 1 below presents the proposed schedule by including contractor deliverables.

11/24/14	UB issues SOQ
12/15/14	Candidate Contractors submit SOQ responses
2/25/15	UB reviews SOQs and selects Contractor
2/30/15	UB negotiates contract and issues Notice To Proceed to selected Contractor
3/1/15	Project Starts
5/1/15	Contractor Submits Quarterly Progress Report to UB
6/1/15	TASK 1 DELIVERABLE: DATA IDENTIFICATION, COLLECTION AND PROCESSING
8/1/15	Contractor Submits Quarterly Progress Report to UB
10/1/15	TASK 2 DELIVERABLE: EVALUATION OF REGIONAL SUPPLY CHAINS

11/1/15	Contractor Submits Quarterly Progress Report to UB
2/1/16	Contractor Submits Quarterly Progress Report to UB
2/1/16	TASK 3 DELIVERABLE: MANUFACTURING PROCESS/TECHNOLOGY ASSET MAP
5/1/16	Contractor Submits Quarterly Progress Report to UB
6/1/16	TASK 4 DELIVERABLE: IDENTIFY KEY BACKWARD SUPPLY CHAIN INTEGRATION GAPS for KEY SUPPLY CHAIN INPUTS
8/1/16	Contractor Submits Quarterly Progress Report to UB
10/1/16	TASK 5 DELIVERABLE: IDENTIFY TOP STRATEGIES TO OVERCOME CRITICAL GAPS
11/1/16	Contractor Submits Quarterly Progress Report to UB
2/1/17	Contractor Submits Quarterly Progress Report to UB
2/1/17	TASK 6 DELIVERABLE: IDENTIFY AND RANK CANDIDATE INPUT SUBSTITUTION CANDIDATES WITH HIGHEST POTENTIAL VALUE ADDED TO THE REGION
5/1/17	Contractor Submits Quarterly Progress Report to UB
5/31/17	Contractor submits Draft Final Report to UB
6/1/17	TASK 7 DELIVERABLE: FINAL REPORT
6/30/17	Contractor submits Final Report to UB
7/1/17	UB Board approves Final Report

**SUBMITTAL REQUIREMENTS:**

The United Brownsville Coordinating Board invites interested and qualified firms (and/or teams of firms/ individuals) to submit qualifications for the preparation of the BISCA for the Brownsville, Texas - Matamoros, Tamaulipas economic region.

Statements of Qualification (SoQ) shall include the following:

1. Company Information
  - (a) A signed cover letter from a principal in the firm expressing interest in the project and certifying that sufficient resources in personnel, equipment, and time are available and can be committed to this project.
  - (b) Examples or statements of previous work completed by the firm and staff that will be involved in this project, that are similar in nature to the scope of work proposed for this project. This should include significant challenges faced (anticipated and unanticipated), project timelines, budgeted vs. expended funds, awards or recognitions received, participatory processes utilized, anecdotal statements or other information that may prove useful in evaluating the described project.
  - (c) Short resumes of professional staff that would be involved in project design and management.
  - (d) References from recent clients particularly from those involved in a similar project.
  - (e) Similar information to that above for sub-contractors, consultants or partners anticipated to be involved in this project.

2. An outline of the proposed process to be used to prepare the plan with expected outcomes, time lines, and deliverables detailed for each critical phase. This outline shall include any and all public meetings that the proposer deems necessary to the successful completion of this project in addition to any public meetings required by law.
3. Consultant availability through fall of 2017.
4. An explanation of the applicant's philosophy and approach to the research and development of data and information necessary to achieve the Scope of Work for this project.
5. Assumptions and expectations regarding United Brownsville board member / staff cooperation and assistance.
6. An explanation of the strategy proposed to insure bi-national coordination and cooperation during the development of the BISCA.

**COMPENSATION:**

Compensation for the proposed BISCA shall be negotiated based upon the scope of work outlined in this RFQ, subject to the approval of funds by the United Brownsville Coordinating Board.

**CONDITIONS AND RESERVATIONS:**

The United Brownsville Coordinating Board expects to select one or more firms to prepare the BISCA, but reserves the right to request substitution of sub-consultants. The United Brownsville Coordinating Board also reserves the right to reject any or all responses to this RFQ, to advertise for new RFQ responses, or to accept any RFQ response deemed to be in the best interest of the organization.

A response to this RFQ should not be construed as a contract, nor indicate a commitment of any kind. The RFQ does not commit the organization to pay for costs incurred in the submission of a response to this RFQ or for any cost incurred prior to the execution of a final contract. No recommendations or conclusions from this RFQ process concerning your firm shall constitute a right (property or otherwise) under the Constitution of the United States or under the Constitution, case law or statutory law of Texas. Neither binding contract, obligation to negotiate, nor any other obligation shall be created on the part of the organization unless the organization and your firm execute a contract.

**FURTHER INFORMATION:**

For further information or questions regarding the content of this Request for Qualifications (RFQ), please contact:

**Mike Gonzalez, Executive Director**  
**2390 Central Blvd., Suite X, Brownsville, TX 78520**  
**E-mail: [mikeg@unitedbrownsville.com](mailto:mikeg@unitedbrownsville.com)**  
**Phone: (956) 346-3475**