



RELEASE DATE: June 27, 2024

The State of Hawaii
State Procurement Office

Request for Proposals
Solicitation #25001

**ENERGY SAVINGS PERFORMANCE
CONTRACTING**

OFFERS ARE DUE AT 2:00 PM, HAWAII STANDARD TIME (HST) ON

August 15, 2024

(or such later date as may be established by the State of Hawaii by an Addendum to this
RFP)

BY SUBMISSION TO THE HAWAII EPROCUREMENT SYSTEM (HIEPRO)

DIRECT ALL QUESTIONS REGARDING THIS RFP, QUESTIONS OR ISSUES RELATING TO THE ACCESSIBILITY OF THIS RFP (INCLUDING THE ATTACHMENTS AND EXHIBITS AND ANY OTHER DOCUMENT RELATED TO THIS RFP) AND REQUESTS FOR ACCOMMODATIONS FOR PERSONS WITH DISABILITIES IN CONNECTION WITH THIS RFP, TO: MATTHEW CHOW, TELEPHONE (808) 586-0577 OR EMAIL ADDRESS matthew.m.chow@hawaii.gov.

Cherry Ann Kashiwabara

for Donna Tsuruda-Kashiwabara
Procurement Officer

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Exhibits

Exhibit A: AG-008 103D General Conditions

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Exhibit C: General Provisions

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Exhibit E: Vendor and Product Evaluation (SPO-012)

Exhibit F: Sales Report

Exhibit G: Guaranteed Energy Savings Agreement (GES)

Attachment OF1

1. RFP Administrative Information

RFP Title:	Energy Savings Performance Contracting (ESPC)
RFP Point of Contact:	Matthew Chow State Procurement Office 1151 Punchbowl Street, Rm 416, Honolulu, HI 96813 matthew.m.chow@hawaii.gov (808) 586-0577
Submit proposals electronically via Hawaii Electronic Procurement System (HlePRO):	Electronic Submission hiepro.ehawaii.gov
Pre-Proposal Conference:	JULY 12, 2024; 10:00 AM Hawaii Standard Time (HST) https://events.gcc.teams.microsoft.com/event/4a797edb-a902-48a0-863e-3299102dc8ba@3847dec6-63b2-43f9-a6d0-58a40aaa1a10
Deadline to Receive Questions:	JULY 19, 2024; 2:00 PM Hawaii Standard Time (HST)
Question & Answers:	All questions must be submitted through HlePRO. Questions must be submitted by the question deadline date.
RFP Closing Date:	AUGUST 15, 2024; 2:00 PM Hawaii Standard Time (HST)
Initial Term of Contract and Renewals:	The initial term is two (2) years. Upon mutual agreement, the contract may be extended for three (3) 24-month periods.

2. Offeror Checklist

The offeror must address ALL sections and attachments and provide the information and documentation as required in the table below.

No.	Description	Reference in RFP	Completed
1	Cover Page	Section 24.5 Required Format and Content The offeror meets the minimum requirements.	<input type="checkbox"/>
2	Table of Contents	Section 24.5 Required Format and Content	<input type="checkbox"/>
3	Offeror Checklist	Section 24.5 Required Format and Content	<input type="checkbox"/>
4	Mandatory Minimum Proposal Requirements	Section 24.2 Mandatory Minimum Proposal Requirements	<input type="checkbox"/>
5	Subcontractor	Section 24.5 Required Format and Content	<input type="checkbox"/>
6	Offer Form	Section 24.5 Required Format and Content; Attachment OF1 NOTE: Ensure the company name submitted in HlePRO matches the company name on OF-1.	<input type="checkbox"/>
7	Executive Summary	Section 24.5 Required Format and Content NOTE: (1) page	<input type="checkbox"/>
8	Evaluation Criteria Submittals	Section 24.5 Required Format and Content; Section 25.7 – must score 50% of total points for each evaluation category; Section 26 Evaluation Criteria;vv Category 1: Overview of Approach to ESPC – 5 pages Category 2: Market Sector Involvement – 100 pages Category 3: Project Summary Table Category 4: Project References Category 5: History and Focus of Company – 2 pages Category 6: Financial Soundness and Stability of Company Financial Soundness and Profitability – 5 pages each Category 7: Industry Accreditations Category 8: General Scope of Services – 10 pages Category 9: Technical Support – 10 pages Category 10: Management Approach – 10 pages Category 11: Cost and Pricing Approach – 25 pages	<input type="checkbox"/>
9	Confidential, Protected or Proprietary Information Section	Section 24.5 Required Format and Content	<input type="checkbox"/>

3. Purpose

The Hawaii State Procurement Office (SPO) is issuing this pursuant to Subchapter 6 of HAR 3-122, implementing HRS §103D-303 on competitive sealed proposals (Request for Proposals) for the purpose of creating a vendor list of pre-qualified Energy Service Companies (ESCO) which may be used to execute future “energy saving performance contracting (ESPC)” projects for State and County agencies. Pre-qualified ESCO under this RFP solicitation will be eligible to participate in a secondary solicitation process conducted by State or County agencies. A pre-qualified ESCO selected through the secondary solicitation process may ultimately enter into an agreement or contract with a State or County agency for an ESPC project with “guaranteed energy savings (GES)” or a “GES contract,” in accordance with State standardized contract templates. A pre-qualified ESCO awarded a GES contract to implement ESPC projects may be required to comply with annual State or county reporting requirements.

An SPO vendor list contract of pre-qualified ESCO will be issued as a result of this RFP. State or County agencies may use the vendor list contract on an "as needed" basis during the term of the contract. Should the State determine that there is a need to solicit for additional pre-qualified ESCO, the State may re-solicit after the first year of the resulting vendor list contract.

4. Contract Term

The initial term of the pre-qualified vendor list contract shall be for a two (2) year period starting on the date specified on the Notice to Proceed. Unless terminated, the contract may be extended without re-solicitation by the State, upon mutual agreement in writing between the State and the Contractor, prior to the expiration date, for not more than three (3) additional twenty-four (24) month periods, or parts thereof.

Should the State determine there is a need to increase the number of pre-qualified ESCO’s listed in the vendor list contract, the State may conduct a Request for Proposal, twelve (12) months after the Notice to Proceed date of this contract.

5. Contract Administrator

For the purposes of this SPO vendor list contract, the DAGS Planning Branch Works Manager, Joseph Earing is the designated Contract Administrator, or an authorized representative designated by the Contract Administrator. Joseph Earing may be reached at (808) 586-0500 or joseph.m.earring@hawaii.gov.

6. RFP Point of Contact

The SPO is the issuing office for this document and all subsequent addenda relating to it. The reference number for the transaction is RFP Solicitation Number. This number must be referred to in all proposals, correspondence, and documentation relating to the RFP.

The person identified below is the single point of contact (POC) during this procurement process. Offerors and interested persons shall direct to the POC all questions concerning the procurement process, technical requirements of this RFP, contractual requirements, changes, clarifications, and protests, the award process, and any other questions that may arise related to this solicitation

and the resulting contract. The POC designated by the State of Hawaii, State Procurement Office is:

Matthew Chow
Purchasing Specialist
State Procurement Office
1151 Punchbowl Street, Room 416
Honolulu, HI 96813
matthew.m.chow@hawaii.gov
Phone: (808) 586-0577

7. Schedule and Significant Dates

Event	Date
Solicitation Release:	06/27/2024
Pre-Proposal Conference:	07/12/2024; 10:00 AM HST
Question Submittal Deadline:	07/19/2024; 2:00 PM HST
Answers to Questions:	08/09/2024; 2:00 PM HST
Proposal Due Date:	08/15/2024; 2:00 PM HST
Evaluations, estimated	08/19/2024 – 09/04/2024
Discussions, if necessary	TBD
BAFO, if necessary	TBD
Anticipated Award Date:	10/01/2024

8. Definitions

- **Commissioning** means a quality focused process for enhancing the delivery of a project. The process focuses upon verifying and documenting that the facility and all of its systems and assemblies are planned, designed, installed, tested, operated, and maintained to meet the Owner's Project Requirements (Adapted from ASHRAE Guideline 0-2005). The process is typically described in a Commissioning Plan that outlines the organization, schedule, allocation of resources, and documentation requirements of the Commissioning Process. The results are typically described in a Commissioning Report which is a document that records the activities and results of the Commissioning Process. Usually developed from the final Commissioning Plan with all of its attached appendices.
- **Contract Administrator** means the person designated to manage the various facets of the contract(s) to ensure the Contractor's total performance is in accordance with the contractual commitments and obligations are fulfilled.
- **Contractor** means the person having a contract with a governmental body.
- **County** means a jurisdiction within the State of Hawaii, including all affiliated departments or attached agencies.
- **County Agencies** means all county agencies within the State of Hawaii.
- **CPO** means Chief Procurement Officer.
- **DAGS** means Department of Accounting and General Services.
- **Design-build** means the process of concurrently developing project scope and design

documents (i.e. plans and specifications) for expedited construction and implementation of approved ECM improvements by an ESCO.

- **ECM** means the energy conservation measure which is a project task or improvement that would result in the conservation of electrical energy, other resources (i.e. water; solid waste disposal; heat generation, etc.), reduction in utility costs, operating costs, or the generation of renewable energy.
- **Energy cost savings** means the computed dollar amount of utility or operating cost savings based on the savings actual amount of energy saved (such as kilowatt-hours; gallons of water; pounds or volume of solid waste disposal; BTU of heat, etc.), or renewable energy generated.
- **Energy savings** means the reduction in electrical energy consumption (i.e. kilowatt-hours), the need for other resources (such as: gallons of water; pounds or volume of solid waste disposal; units of generated heat, etc.), operational costs, or renewable energy generated.
- **ESCO** means an “energy service company” that provides energy savings performance contracting including project management and design-build services for ECM improvements that are funded by the cash flow resulting from “energy cost savings”.
- **ESCO project team** means the ESCO staff, design consultant firm(s), subcontractors and their respective role and qualifications that the ESCO proposes to use during implementation of the ESPC projects.
- **ESPC** means Energy Savings Performance Contracting or Energy Performance Contract which is an executed agreement or contract between a State or County agency and a selected “pre-qualified ESCO” for implementation of approved ECM improvements using the cash flow resulting from the ESCO “guaranteed energy savings”; also called GES agreement or contract.
- **Facility or facilities** is broadly defined to include but is not limited to buildings, airports, harbors, roadways, highways (including tunnel facilities), parking facilities, athletic fields, sport complexes, stadiums, recreational facilities, educational facilities, libraries, residential facilities, correctional facilities (including work furlough centers, jails, and prisons), Judiciary facilities (including courthouses and detention facilities), military facilities, pumping stations (including water and wastewater facilities), treatment facilities (including water, and wastewater facilities), refuse facilities (including resource recovery facilities), and maintenance support facilities (including base yards, corporation yards, and maintenance facilities).
- **Facility Owner** is the State or County agency responsible for management and operations of a facility and may also be responsible for the costs of utility services.
- **GES** means Guaranteed Energy Savings. GES is the ESCO’s commitment to a State or County agency that approved ECM improvements, based on a completed Investment Grade Audit, will achieve designated energy, and other savings that can be used as the basis for State or County agency to obtain financing which may include, but not be limited to, tax exempt lease purchase financing, bond funds, and other sources of financing that the agency chooses to use to finance the project.
- **Goods** mean all property, including but not limited to equipment, equipment leases, materials, supplies, printing, insurance, and processes, including computer systems and software, excluding land or a permanent interest in land, leases of real property,

and office rentals.

- **Governmental body** means any department, commission, council, board, bureau, authority, committee, institution, legislative body, agency, Government Corporation, or other establishment or office of the executive, legislative, or judicial branch, city or county of any U.S. State, (including the Office of Hawaiian Affairs for the State of Hawaii).
- **Hawaii Administrative Rules (HAR)** means the adopted operating procedures for state agencies authorized by the laws of the State of Hawaii.
- **Hawaii Awards & Notices Data System (HANDS)** will display solicitations and awards, but it will also link to other jurisdictions. Therefore, buyers will not have to post in multiple places and vendors will not have to track bidding opportunities on multiple procurement platforms. HANDS search will list everything all in one place.
- **Hawaii eProcurement System (HiePRO)** is the State eProcurement system, a system for issuing solicitations, receiving responses, and issuing notices of award.
- **Hawaii Revised Statutes (HRS)** means the laws that govern the State of Hawaii.
- **IFP** means Invitation for Proposal. IFP is the part of the secondary solicitation process, the Invitation for Proposal (IFP) is the solicitation document given to prospective pre-qualified ESCOs that are invited to submit proposals on a Facility Owner's ESPC project.
- **IGA** means Investment Grade Audit, which is a detailed ESCO assessment on proposed ECM improvements with guaranteed energy savings (GES) and maximum project cost that a pre-qualified ESCO develops for a State or County ESPC project (after selection based on submittal of a TEA document during the secondary solicitation process). The guaranteed energy savings cash flow from the IGA assessment may also be used as the basis for securing third party financial institution funding for approved ECM improvements.
- **IGA contract** means the contract between a State or County agency that authorizes a selected "pre-qualified ESCO" to develop the Investment Grade Audit (IGA). If the findings and determinations of the final IGA report are mutually acceptable to all parties, the cost for development of the IGA assessment can be rolled into the maximum project cost under a subsequently executed GES contract. Otherwise, the selected "pre-qualified ESCO" will only be paid for development of the IGA assessment under the executed contract.
- **Key Performance Indicator (KPI)** means how a quantifiable measure is utilized to assess the success of a Contractor in meeting strategic goals and objectives for performance.
- **M&V plan** means a measurement and verification (M&V) plan setting forth the protocols and methodologies to be used for the annual measurement and verification of the actual amount of energy, water, wastewater, and other resource savings achieved. This may include renewable energy generated if it is included in the specific ESPC project.
- **Municipal lease agreement** means an executed agreement between the State of Hawaii and a third-party financial institution that is willing to finance approved ECM improvements that are typically repaid through the cash flow resulting from guaranteed energy savings (GES) generated by the ESPC project.

- **O&M Plan** means the operations and maintenance (O&M) plan, which may include the scope of work requirement, work schedule, and cost estimate developed by the ESCO for the operation and maintenance of the ECMs for the ESPC project.
- **Offeror** means the company or firm that submits a proposal in response to this Request for Proposal.
- **Open book pricing** means the ESCO listing of maximum mark-ups for equipment costs, material costs, ESCO in-house labor costs, design consultant team labor and material costs, subcontractor labor and material costs, overhead and profit factors and ESCO fees for various scope of work items (including IGA).
- **Past Performance Database** means the database which was established by the SPO which information includes: the name of the contractor; size of the project; a brief description of the project; the responsible managing employees for the project; whether or not the project was timely completed; the project's authorized budget; and the positive or negative difference between the final cost of the project and the project's authorized budget, including the reasons for the difference, if any.
- **Pre-qualified ESCO** is an ESCO that is eligible on the SPO Vendor list contract to participate in a "secondary solicitation" process conducted by a State or County agency ESPC projects.
- **Procurement Officer** is a Contracting Officer for the State Procurement Office regarding RFP No. 25001.
- **Proposal** means the official written response submitted by an Offeror in response to this Request for Proposals.
- **Proposer** has the same meaning as Offeror.
- **Request for Proposals or "RFP"** means the entire solicitation document, including all parts, sections, exhibits, attachments, and Addenda.
- **Secondary solicitation process** means the State or County agency solicitation of "pre-qualified ESCO" for proposals on specific energy project objectives through an Invitation for Proposals (IFP) solicitation process.
- **Services** means the furnishing of labor, time, or effort by a contractor or Contractor, which involves the delivery or supply of products.
- **SPO** means the State Procurement Office.
- **Statement of Work** defines the services to be delivered by the Contractor. Note: For the purposes of this RFP, statement of work describes the services within a Task Order when requesting quotes from awarded Contractor(s).
- **State** means the State of Hawaii, including each executive department, agency, or office, and the legislative and judicial branches of State government.
- **State Agencies** means an administrative or organizational division of the State.
- **Substantial Completion** means the affected facility is ready and available for the beneficial occupancy of the intended user(s) although minor work (i.e., the punch list) may remain to be completed.
- **Subcontractor** means a Contractor contracted for work by the Prime Contractor.
- **TEA** means the Technical Energy Assessment (TEA), which is a preliminary ESCO assessment on possible "energy conservation measure (ECM)" improvements with

preliminary construction budget estimate and estimated “energy savings” that are within 20% of any subsequent ESCO project development proposal on “guaranteed energy savings.” The proposal, including the TEA, submitted by invited “pre-qualified ESCOs” from the SPO vendor list contract will be provided “at no cost to the State agency or County agency” during the secondary solicitation process.

- **Third party financial institution** means the financing entity or entities that are approved by the State for “municipal lease agreement(s).”

9. Governing Laws and Regulations

This procurement is conducted by the SPO, in accordance with the State Procurement Code. Information about SPO and its governing laws are available at <http://spo.hawaii.gov/>.

This procurement shall be governed by the regulations and laws of the State of Hawaii. The venue for any administrative or judicial action relating to this procurement, evaluation, and award shall be in the State of Hawaii.

10. Electronic Procurement

- 10.1. The State has established the Hawaii State eProcurement (HlePRO) System to promote an open and transparent system for vendors to compete for state contracts electronically. Offerors interested in responding to this solicitation must be registered on HlePRO. Registration information is available at the SPO website: <https://hiepro.ehawaii.gov/welcome.html>, select HlePRO Vendor Registration and then Vendor Registration Guide.
- 10.2. The State will use HlePRO to issue the RFP, receive Offers, and issue Addenda to the RFP. Addenda and the other information and materials shall be provided by the State through HlePRO, including additions or changes with respect to the date in Schedule and Significant Dates. The State shall not be responsible for any person’s or entity’s failure to do so for any reason. The State is not responsible for any delay or failure of any Offeror to receive any materials updated through the RFP Process on a timely basis.
- 10.3. As part of this procurement process, Offerors are informed that awards made for this solicitation, if any, shall be done through the HlePRO and shall, therefore, be subject to a mandatory .75% (.0075) transaction fee, not to exceed \$5,000 for the total contract term.
- 10.4. HlePRO Special Instructions. The offeror shall review all special instructions located in HlePRO. Offerors are responsible for ensuring that all necessary files are attached to their offer prior to the proposal deadline. Offerors are advised that they should not wait until the last minute to submit their proposal on HlePRO. Offerors should allow ample time to review their submitted proposal, including attachments, prior to the proposal deadline.

The Offeror shall enter \$0.00 as the unit price in US Dollar and Cents when submitting their offer in HlePRO.

11. RFP Addenda

Changes to this RFP including but not limited to contractual terms and procurement requirements shall only be changed via formal written addenda issued by the SPO.

The State accepts no responsibility for a prospective Offeror not receiving solicitation documents and/or revisions to the solicitation. It is the responsibility of the prospective Offeror to monitor the Hawaii State eProcurement System (HlePRO) to obtain RFP addenda or other information relating to the RFP.

12. Pre-Proposal Conference

A pre-proposal conference will be held on July 12, 2024; 10:00 AM HST on Microsoft Teams. The link to attend is: <https://events.gcc.teams.microsoft.com/event/4a797edb-a902-48a0-863e-3299102dc8ba@3847dec6-63b2-43f9-a6d0-58a40aaa1a10>. Attendance at the conference is optional. A summary of the pre-proposal conference will be provided via an addendum posted in Hawaii State eProcurement System (HlePRO).

13. Questions Regarding RFP Contents

If a Prospective Offeror believes that any provision of the RFP is unclear, potentially defective, or would prevent from providing a meaningful Offer, the Offeror shall submit questions to the State POC requesting clarification on or before the deadline for doing so in the Schedule and Significant Dates. Each question shall identify the page, section number, paragraph, and line or sentence of such provision(s) of the RFP to which the question applies. The State POC will respond by the date indicated in the Schedule and Significant Dates. The State may issue Addenda in response to written questions received regarding the RFP.

14. Electronic Submission of Questions

All questions must be submitted through the Hawaii State eProcurement System (HlePRO). Questions must be submitted by the question deadline date and time shown in the Schedule and Significant Dates. Answers will be given via the Hawaii State eProcurement System (HlePRO) site as noted in the Schedule and Significant Dates.

Offerors are cautioned about including context in questions that may reveal the source of questions. The identity of potential Offerors will not be published with the answers, but the text of questions will be restated, to the extent possible, to exclude information identifying potential Offerors.

15. Proposal Due Date

Proposals must be received by the posted closing date and time as described in the Schedule and Significant Dates of this RFP.

16. Cancellation of Procurement and Proposal Rejection

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part and waive any defects when it is determined to be in the best interest of the State, pursuant to HAR §3-122-96 thru HAR §3-122-97.

17. Mistakes in Proposal

Mistakes shall not be corrected after awarding of the contract.

- 17.1 When the Procurement Officer knows or has reason to conclude before award that a mistake has been made, the Procurement Officer may request the offeror to confirm the proposal. If the Offeror alleges a mistake, the proposal may be corrected or withdrawn pursuant to this section.
- 17.2 If discussions are not held, or if the best and final offers upon which award will be made have been received, mistakes shall be corrected to the intended correct offer whenever the mistake and the intended correct offer are clearly evident on the face of the proposal, in which event the proposal may not be withdrawn.
- 17.3 If discussions are not held, or if the best and final offers upon which award will be made have been received, an Offeror alleging a material mistake of fact which makes a proposal non-responsive may be permitted to withdraw the proposal before award if the mistake is clearly evident on the face of the proposal but the intended correct offer is not, or the Offeror submits evidence which clearly and convincingly demonstrates that a mistake was made. Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is when there is no effect on the price, quality, or quantity. If discussions are not held or if the best and final offers upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the State. Examples include the failure of an Offeror to return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound, or to acknowledge receipt of an amendment to the request for proposal, but only if it is clear from the proposal that the Offeror received the amendment and intended to be bound by its terms; or the amendment involved had no effect on the price, quality or quantity.

18. Modification Prior to Submittal Deadline or Withdrawal of Offer

The Offeror may modify or withdraw a proposal before the proposal due date and time. Any change, addition, deletion of attachment(s), or data entry of an Offer may be made prior to the deadline for submittal of offers.

19. Firm Offers

Responses to this RFP, including proposed costs and/or fees will be considered firm after the proposal due date.

20. Right to Accept All or Portion of Proposal

Unless otherwise specified in the solicitation, the State may accept any item or combination of items as specified in the solicitation or of any proposal unless the Offeror expressly restricts an item or combination of items in its Proposal and conditions its response on receiving all items for which it provided a proposal. If the Offeror so restricts its Proposal, the State may consider the Offeror's restriction and evaluate whether the award on such basis will result in the best value to the State. The State may otherwise determine at its sole discretion that such restriction is non-responsive and renders the Offeror ineligible for further evaluation.

21. Ownership or Disposition of Proposals and other Materials Submitted

All costs incurred by the Offeror in preparing or submitting a proposal shall be the Offeror's sole responsibility whether any award results from this RFP. The State shall not reimburse such costs. All proposals become the property of the State of Hawaii.

22. Additional Information

The Offeror shall provide additional information regarding aspects of an Offeror's Proposal within five (5) business days of the State's request unless the State specifies another period. As noted, each Offeror shall submit only one Proposal. If an Offeror submits more than one Proposal, then the State reserves the right to reject and or dismiss the Offeror from the RFP Process.

23. Scope of Work

23.1 Project Overview

Interested ESCOs are encouraged to submit their qualifications-based information for consideration. The primary intent of this selection process is:

1. To increase the number of successful energy savings performance contracts statewide, as a means to implement comprehensive energy-efficiency projects in existing State or County facilities that would otherwise be cost-prohibitive;
2. To provide participants (State or County agencies) the opportunity to procure services of qualified ESCOs in a timely and cost-effective way;
3. To establish minimum qualifications of ESCOs to implement successful energy savings performance contract (ESPC) projects; and
4. To offer all qualified ESCOs the opportunity of equal access to work generated by the participants (State or County agencies).

Energy savings performance contracting will enable facility owners to accomplish energy projects by primarily paying for ESPC projects through the facility owner's cash flow that result from ESCO's guaranteed energy savings (GES). However, this should not be construed to limit the State or County agency's flexibility in financing their ESPC project, such as use of bonds, operating funds, Federal funds, etc.

23.2 Mandatory Minimum Proposal Requirements

This section contains the minimum requirements that must be met to be considered for the evaluation phase. All items described in this section are non-negotiable. All Offerors must satisfy these requirements in the proposal submitted for consideration. Contractors shall be considered non-responsive if unable to cover the minimum requirements which they may not be considered for award.

1. Demonstrate the contractor and/or its subcontractor has the required licenses (<https://cca.hawaii.gov/pvl/files/2014/08/DescriptionofContractorLicenseClassifications.pdf>) in the State of Hawaii (<https://mypvl.dcca.hawaii.gov/public-license-search/>) to perform the work described in this RFP such as but not limited to:
 - a. A – General Engineering
 - b. B - General Building
 - c. C – Specialty Contractor
2. SHALL NOT be debarred from the federal government (<https://sam.gov/content/home>)
3. SHALL NOT be debarred from the State Procurement Office (<https://spo.hawaii.gov/for-state-county-personnel/programs/debarment/>)
4. SHALL NOT be suspended from the Director of Labor and Industrial Relations (<https://labor.hawaii.gov/wsd/prevaling-wages-on-public-works/contractors-suspended-under-chapter-104-hawaii-revised-statutes/>)

23.3 Contractor Responsibility for Subcontractors

The Subcontractors providing services shall meet the same service requirements and provide the same quality of service required of the Contractor and in a timely manner. No subcontract shall relieve the Contractor of its responsibilities for the Services it provides. The Contractor shall manage the quality and performance, project management and schedules, and timely start and completion of services performed by each of its Subcontractors. The Contractor shall be solely responsible and accountable for the completion of all Services it has subcontracted.

23.4 Removal of Subcontractors

In addition to any rights the State has under Law, the State shall have the right to require the removal of a Subcontractor or any of its personnel providing or supporting services for a good cause. In such a case, the State shall specify the deadline for such removal after consultation with the applicable Contractor. A Subcontractor proposed by the Contractor to replace the removed Subcontractor shall be subject to the approval of the State.

23.5 Right to Retain Subcontractors

The State shall have the right to directly retain any Subcontractor after the expiration, termination, or suspension of the Contract under which it is retained, including any Subcontractor providing services subject to any part of a Contract that is terminated or suspended.

23.6 Additional Contractor Requirements

Each Contractor shall:

Adhere to its Contract with the State;

Provide all labor, materials, and equipment necessary to meet the RFP Requirements;

Communicate contract requirements to its Subcontractors' personnel and direct and coordinate project activities to ensure that the services progress efficiently and are completed on schedule;

Ensure that all its and its Subcontractors' employees can communicate effectively with State employees;

Ensure that it is current with all payments and registration fees and similar financial obligations owed to the State during the term of its Contract with the State;

Fully cooperate and maintain effective communication with the State and cooperate in the resolution of problems, suspected problems, or potential problems;

23.7 Payment

Pursuant to HRS §103-10, the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of projects to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by HRS §103-10, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after the award of the contract, which requires payment within a shorter period or interest payment not in conformance with the statute.

23.8 Payment to Hawaii Information Consortium LLC dba Tyler Hawaii

HlePRO is administered by Hawaii Information Consortium, LLC dba Tyler Hawaii. Tyler Hawaii shall invoice the Contractor(s) directly for payment of transaction fees. Payment must be made to Tyler Hawaii within thirty (30) days from receipt of invoice from the sales report. Tyler Hawaii is an intended third-party beneficiary of transaction fees, which are used to fund the operation, maintenance, and future enhancements of the HlePRO system.

23.9 Sales Report

Contractor shall submit Exhibit F, a quarterly gross sales report (including zero-dollar sales) unlocked in EXCEL to the SPO point of contact and Public Works Contract Administrator (or as amended in the SPO Vendor List instructions) in accordance with the following schedule :

	Date Range	Due no later than
Fiscal Year, Quarter 1	July 1 – September 30	October 31
Fiscal Year, Quarter 2	October 1 – December 31	January 31
Fiscal Year, Quarter 3	January 1 – March 31	April 30
Fiscal Year, Quarter 4	April 1 – June 30	July 31

The report shall identify each transaction and include the following information:

- Jurisdiction
- Department/Agency Name
- Date of Purchase
- Product/Service Description
- Quantity
- Unit of Measure
- Item No./Part Number (if applicable)
- MSRP List Price
- Contract Price
- ESPC Number (to be created and assigned by contractor)
- Date of Installation Completed
- TEA (%)
- GES (%)
- Date of IGA

Failure of the contractor to submit the report as required will result in a penalty fee of \$100.00 per month for each sales report. The contractor may be temporarily removed from the resulting SPO Vendor List contract or be cause for termination of the contract.

Payment shall be made to: State of Hawaii

Address:
 State Procurement Office
 Attn: Matthew Chow
 1151 Punchbowl Street, Room 416
 Honolulu, HI 96813

Contractor shall email a copy of the check to matthew.m.chow@hawaii.gov and indicate when it was mailed. Any bounced check, the contractor shall cover the cost in a follow up check.

23.10 SPO Vendor List Contract (or as amended on the SPO Vendor List instructions):

1. Pre-qualified ESCO will be listed on an established SPO vendor list contract under the particular types of facilities and types of ESPC projects indicated in their qualifications-based information submittal package. Pre-qualified ESCO on the established SPO vendor list contract may provide updated qualifications-based information if requested from State or County agencies.

2. The use of this SPO vendor list contract by State or County agencies is optional. However, should State or County agencies use the SPO vendor list contract, they are required to solicit proposals with prices for a State or County agency scope of desired services consistent with the services identified under this RFP through a secondary solicitation process from a minimum of three (3) pre-qualified ESCO's. If there are less than three ESCOs on the SPO vendor list contract, the State or County agency shall solicit proposals from all ESCOs on the established SPO vendor list contract.
3. If requested by a State or County agency, any pre-qualified ESCO may be required to provide copies of their responses to this RFP solicitation, and any specific additional information requested on the personnel who will be performing the Specific services under an ESPC. Information on prequalified ESCO personnel may include, but need not be limited to: education, experience, work history, professional certifications, and specific roles or responsibilities on the ESCO team. State or County agency selection of a pre-qualified ESCO through the SPO vendor list contract will be based on a secondary solicitation process through the issuance of an Invitation for Proposal (IFP) solicitation.
4. Facility Owner Secondary Solicitation Process Overview
 - a. Identify the facility/site.
 - b. Recommend that the Facility Owner retain a third-party independent consultant to assist the Facility Owner through the process, evaluate proposals and evaluate the IGA.
 - c. Prepare an Invitation for Proposal (IFP) document for the specific ESPC project that includes as much technical information about the facilities or sites as can be assembled by the Facility Owner, evaluation criteria, objectives for the project and any other conditions of the project.
 - d. Determine interest of the ESCOs in the project by formally notifying all ESCOs on the SPO vendor list contract. A Request for Information (RFI) specific to the project or facility being considered may be used to determine interest. Failure of any ESCO to respond in a timely period, or receipt of their negative response may be used to reduce the number of ESCOs that will receive the IFP. Distribute the IFP to qualified, interested ESCOs. Disclose if a mandatory facility walk-through is required. The list of interested ESCOs, can be shortened using the process described in Section 23.10(6).
 - e. If applicable, arrange walk-through or inspection of the facility(ies) or site(s) for the interested ESCOs. Ample time should be provided to ESCOs during the walk-through to allow them adequate opportunity to understand conditions that will be the basis for their subsequent ECM proposals.
 - f. ESCOs will then develop their proposals including the preliminary Technical Energy Assessment (TEA) and required cost information.
 - g. Receive proposals from interested ESCOs.
 - h. Conduct the evaluation of the proposals which may involve reviewing or conducting: Written Proposals, Client References, and Oral Interviews.

- i. Select the highest-ranked ESCO based on the evaluation criteria in the IFP to conduct the Investment Grade Audit (IGA).
 - j. Contract with the ESCO to conduct the Investment Grade Audit (IGA).
 - k. Review the IGA results, negotiate with the ESCO as necessary, and either approve the proposed projects, or disapprove the project and settle payment of the IGA cost with the ESCO.
 - l. If the project is approved, negotiate, and execute an energy savings performance contract (i.e., GES agreement) and any other necessary agreements or contracts. If applicable, a separate lease financing agreement may also be negotiated and executed with a third-party financial institution.
 - m. Design and construction begins with ESCO providing oversight.
 - n. All construction of the ECMs are completed and accepted, which includes commissioning.
 - o. Guaranteed savings performance period begins.
 - p. Ongoing maintenance of the ECMs is implemented by either the Facility Owner, its service contractors or the ESCO if negotiated, as required to maintain the performance guarantee.
 - q. Ongoing annual measurement and verification (M&V) to confirm if the performance guarantee is being met on the ECMs by the ESCO.
 - r. Other ongoing services within the scope of the master contract may be negotiated with the ESCO.
5. Distribution of the IFP document shall be as described in Section 23.10(4)(d)
6. Optional. The Facility Owner process to create a shorter and more manageable ESCO list from the SPO vendor list contract.
- a. A selection committee comprised of Facility Owner staff will select three (3) or more pre-qualified ESCO on the established SPO vendor list contract using the following general process:
 - i. Review the 5-page overview of each currently eligible ESCO from the ESCO's response to RFP No 25001.
 - ii. Consider the ESCO's involvement in the particular market sector or similar sector that is related to the type of facility/project being considered.
 - iii. Consider the size of facility/project being considered.
 - iv. Review information provided in ESCO's response to the RFP Solicitation.
 - v. Other factors of importance to be determined by the Facility Owner.
 - b. The Facility Owner shall document the basis for selecting ESCOs to receive the IFP.
 - c. If an ESCO declines this invitation, it is not necessary to identify another ESCO to take its place.
7. Invitation for Proposal (IFP) Solicitation document to be provided to prospective ESCOs from the SPO vendor list contract shall include the following at the minimum:
- a. Technical scope of the project (may include information on the facilities, project goals or objectives that are important to the Facility Owner, improvement projects completed and proposed,

- multiple years of utility data, etc.);
 - b. Selection process and evaluation criteria;
 - c. Project schedule;
 - d. Payment milestones;
 - e. Deliverables;
 - f. Key performance indicators; and
 - g. Special project terms and conditions
 - i. Technical
 - ii. Contractual
 - iii. Legal (e.g. HRS references, Equipment Lease Rider, general conditions, etc.)
8. The ESCO proposal in response to the IFP developed at no cost to the Facility Owner, should contain at the minimum the following:
- a. Technical energy assessment (TEA) with possible “energy conservation measure (ECM)” improvements that provide guaranteed energy savings. This includes an overview summary table that lists the project budget estimates and related energy savings for each possible ECM considered with other line-item project costs (such as IGA development cost, commissioning, construction contingency allowance, etc.) that roll up to the maximum project cost.
 - b. Preliminary cost estimates with estimated energy savings that need to stay within 20% of any subsequent ESCO guaranteed energy savings (GES) proposal with the exception for unforeseen conditions as negotiated with the Facility Owner. The Facility Owner may specify the format and type of information required in the proposal submittal. This should include a cash flow analysis over the full term of the ESPC contract, not to exceed 20 years including the construction period in accordance with HRS Chapter 36-41. The cash flow analysis, at a minimum, should show all annual costs, savings (e.g., ECM savings, operational savings, etc.), rebates, renewable energy impacts, estimated maintenance costs for ECMs, and any other items required by the Facility Owner for the full term of the project (up to a maximum of 20 years inclusive of the construction period). Assumptions or the basis for the costs and savings estimates should be clearly stated.
 - c. The actual ESCO team that will be used for the Facility Owner’s specific facilities or project and their percentage of time on the project by each person.
 - d. If facility energy simulation modeling is used to model existing conditions and predict ECM performance (i.e. energy savings or use), the ESCO shall disclose all assumptions used in developing the models for each facility and approach used in the models. Deviations from standard protocols or procedures required by the specific model (approved energy use simulation programs must comply with ASHRAE Standard 140) should be noted and explained.
 - e. Fees to complete an investment grade audit (IGA) with project development proposals on proposed ESPC projects that have ECM improvements with guaranteed energy savings (GES).
 - f. If innovative or exotic technologies are being proposed by the

- ESCO, information should be provided on previous installations on similar projects, including cost and performance results, and the ESCO's current availability of resident expertise or demonstrated consultant relationships established (e.g., expertise and experience on installation and operation of a biomass boiler to gasify green waste, water flush control devices for correctional facilities, etc.) to implement the technology.
- g. Warranties for all equipment and materials installed under the ECMs should include description of terms and conditions who is responsible to perform under the warranties.
 - h. Operational and maintenance responsibilities for all completed and installed ECMs with description of terms and conditions on who is responsible for handling emergency responses and routine repair situations.
9. The evaluation criteria used by the selection committee, which may be modified by the Facility Owner as necessary, should generally include:
- a. Qualifications and Project Experience
 - i. Qualifications and experience of ESCO's personnel with guaranteed energy savings contracts on projects similar to the Facility Owner's project.
 - ii. Reliability of equipment performance on past projects.
 - iii. Documented energy savings on past projects similar to the Facility Owner's project.
 - iv. Quality and completeness of past project documentation.
 - b. Project Management
 - i. Clear assignment of responsibility for various project tasks to specific individuals.
 - ii. Ability to effectively manage project design, construction and complete the project on schedule and within budget.
 - iii. Quality of approach to operations and maintenance.
 - iv. Quality of monitoring, maintenance, measurement, and verification services, and reporting on past projects.
 - v. Clarity, organization, and level of detail in written proposal.
 - vi. Quality of communication skills of the ESCO's representatives at the oral interview.
 - c. Technical Approach
 - i. Quality of technical approach, including methods of analysis and understanding of existing building systems and conditions, documentation for measures installed.
 - ii. Quality of approach to project commissioning.
 - iii. Quality of sample investment grade audit for projects similar to the Facility Owner's project.
 - iv. Quality of baseline energy calculations and methodology for handling modifications/changes to the baseline.
 - v. Quality of proposed training for facility staff.
 - vi. Quality of approach to savings measurement and verification.
 - vii. Quality of sample documentation.
 - viii. Quality of customer savings reports for similar clients to the Facility Owner.
 - ix. Quality of preliminary technical approach based on the

technical energy assessment developed after the facility walk-through.

- d. Financial Stability
 - i. Financial soundness and stability of ESCO.
 - ii. Demonstrated ability to provide or arrange project financing.
 - iii. Reasonableness of investment grade audit costs. For example, is it reasonable when compared with industry standards (i.e., Are the costs high or low?).
 - iv. Reasonableness of Preliminary Cash Flow Analysis.
 - v. Quality and cost of the financial guarantee of savings. For example, this may relate to the ratio of annual cost to annual savings. A ratio of 95% would allow a 5% margin of uncertainty. Another item might be the cost of their annual guarantee of savings compared to the annual savings (e.g., annual cost of M&V and O&M compared to annual savings). A ratio of 5% may be more reasonable than a ratio of 40% of the annual savings.
 - e. Other
 - i. Facility Owner may require additional criteria unique to its own facility/project requirements and situation.
10. The Investment Grade Audit (IGA) contract is intended to be handled as follows:
- a. Clearly state in the IGA contract that the Facility Owner owns all information contained in the IGA and has the right to use the information to its benefit.
 - b. Executed IGA contract will authorize the selected pre-qualified ESCO to complete an IGA with project development proposals on (ECM) improvements, savings, construction budget cost estimates for proposed ECM improvements proposed ESCO (GES) which the Facility Owner may use to secure ESPC project funding from a third-party financial institution.
 - c. The final IGA will set specific expectations and provide a detailed process for both the selected pre-qualified ESCO and the Facility Owner. The final IGA will also define:
 - i. The deliverables to the Facility Owner;
 - ii. Identify and evaluate ECM measures and define the proposed ESPC project scope;
 - iii. All costs;
 - iv. Cash-flow savings;
 - v. Cash-flow model over the proposed GES financing term;
 - vi. Be the basis for an ESPC project that will present aggregated measures which can be financed through an ESCO (GES) project;
 - vii. Will incorporate applicable State laws that directly impact implementation of energy savings performance contracting services for the Facility Owner;
 - viii. A design and construction schedule for the implementation of all ECMs; and
 - ix. Bond and insurance requirements.
 - d. Facility Owner shall have no payment obligations to the selected

pre-qualified ESCO for the final IGA with project development proposals that is conducted under the executed IGA contract if:

- i. Facility Owner and selected pre-qualified ESCO shall execute a GES contract for an ESPC project that includes the payment for the IGA that was accepted by the Facility Owner and the ESCO proposal for Facility Owner approved ECM improvements can be incorporated at no "up-front cost" to the Facility Owner into a GES contract or agreement or
- ii. The ESCO determines at any time during the IGA development process that the GES needed to meet the Facility Owner's energy savings goals, terms and conditions cannot be attained and the IGA is terminated by written notice from the selected pre-qualified ESCO to the Facility Owner; or
- iii. The final IGA with project development proposals do not contain a package of "energy savings" which, if implemented, will provide the Facility Owner with the cash flow savings sufficient to fund Facility Owner with payments for all costs and fees associated with the proposed ESPC project, which includes but is not limited to:
 1. The fee associated with the completion of the final IGA;
 2. All payments on a lease purchase agreement to finance the proposed ECM improvements;
 3. Any annual fees for monitoring and maintenance incurred by the selected pre-qualified ESCO and any other annual fees (such as for staff training, etc.); and
 4. Analysis is to be based on proposed financing terms, including a conventional, fully amortized lease-purchase agreement not to exceed the GES duration over a fixed rate or interest actually available to the Facility Owner.

11. Implementation of Approved Energy Savings Performance Contract (ESPC) Project

- a. Upon satisfactory completion of the IGA, the Facility Owner has the option to implement an energy savings performance contract (ESPC) project that is based on ESCO guaranteed energy savings (GES) for approved energy conservation measure (ECM) improvements by the selected pre-qualified ESCO that is conducted under a GES contract. It is intended that the executed GES contract will define:
 - i. The final agreed upon scope of work with all associated costs;
 - ii. Mutual responsibilities for the selected pre-qualified ESCO and the Facility Owner, as well as approved (ECM) improvements;
 - iii. The equipment and labor costs associated with the (ECM) improvements;
 - iv. All guaranteed energy savings;
 - v. Maintenance cost savings;

- vi. ECMs are owned by the Facility Owner who may use it for its benefit with no limitation on use;
 - vii. Cost, including all contract modifications, shall be within twenty per cent of the preliminary cost estimated in the Technical Energy Assessment with the exception of unforeseen conditions as negotiated with the Facility Owner. At a minimum, the executed GES contract will also incorporate applicable State laws that directly impact energy savings performance contracting services for State or County agencies, including bond and insurance requirements. The contract should also indicate that the ESCO will need to at all times, observe and comply with applicable County, State and Federal laws, ordinances, rules, and regulations.
- b. A separate State financing agreement may be executed to address payment schedules for “design-build” construction work by the selected pre-qualified ESCO and payment schedules for third party financial institutions (if needed) from the “cash flow model” based on the ESCO GES.
 - c. After execution of a GES contract for an approved ESPC project, it is intended that the selected pre-qualified ESCO will proceed to final design, construction, and commissioning of approved ECM improvements.
12. (GES) Performance Duration Period
- a. It is anticipated that the duration period of executed GES contracts with the selected pre-qualified ESCO will begin upon substantial completion of completed ECM improvements by the selected pre-qualified ESCO.
 - b. It is also anticipated over the duration of the GES contract, the selected pre-qualified ESCO may still be responsible for providing a number of services until the end of the GES contract, such as but not limited to:
 - i. Measurement and verification of savings (e.g., energy, water, wastewater, operational costs, etc.);
 - ii. Facility Owner staff training;
 - iii. Reporting as required by the Facility Owner;
 - iv. Contracted maintenance services; and
 - v. Other services as required by the Facility Owner.
 - c. Proposal evaluation shall be done by a selection committee comprised mainly of Facility Owner staff to review and evaluate the ESCO proposals received and select one (1) ESCO to do an investment grade audit (IGA) with project development proposals. Facility Owner will then execute an IGA contract with the selected ESCO.

24. Instructions to Offerors – Proposal Submission

24.1 Proposal Objectives

One of the objectives of this RFP is to make proposal preparation easy and efficient while giving Offerors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective.

Proposals shall be prepared straightforwardly and concisely, in a format that is reasonably considered and appropriate for the purpose. Emphasis will be on completeness and clarity and content.

When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.

The proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP.

24.2 Proposal Structure and Labeling

Proposals must be detailed and concise. Each Proposal must be labeled and organized in a manner that is congruent with the requirements and terminology used in this RFP and must include a point-by-point response, structured in form and reference to the RFP, addressing all requirements and the Statement of work elements.

24.3 Proposal Submission Instructions

As indicated in the Schedule and Significant Dates, the proposal must be received through the Hawaii Electronic Procurement System (HlePRO). Proposals received after the deadline and/or through any sources other than HlePRO will be rejected.

24.4 Electronic Submission of Proposals

Proposals shall be submitted and received electronically through HlePRO by the date and time listed in the Schedule and Significant Dates. This electronically submitted offer shall be considered the original. Any offers received outside of the HlePRO, including faxed or e-mailed bids, shall not be accepted, or considered for award. Any offer received after the due date and time shall be rejected. The maximum file size that HlePRO can accept is 100MB. Files larger than 100MB must be reduced into two or more files.

Submission of a proposal shall constitute an incontrovertible representation by the Offeror that the Offeror agrees to comply with every requirement of this RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work.

24.5 Required Format and Content

All Proposals shall be submitted in the following format. Detailed information on submitting each of these sections is contained in later sections of this RFP. Proposal shall be submitted in size 11 Arial font or equivalent. All files submitted as a PDF shall be OCR (Optical Character Recognition) enabled.

1. Cover Page. References the RFP solicitation number and offeror name.

2. Table of Contents. A Table of Contents must be included with each proposal. All major parts of the proposal shall be identified by referencing page numbers.
3. Offeror Checklist. Complete and submit all items noted on the Offer Checklist.
4. Offer Form (OF). The offeror shall complete OF1.
5. Executive Summary. The executive summary [not to exceed one (1) page] is to briefly describe the Offeror's Proposal. This summary should highlight the major features of the Proposal. The response should demonstrate the Offeror's understanding of and ability to meet the Administrative and Technical Requirements of the RFP. The State should be able to determine the essence of the Proposal by reading the executive summary. This summary will not be evaluated for points, but rather is a high-level explanation of the entire proposal.
6. Evaluation Criteria Submittals

This section shall be sub-divided by the evaluation criteria and include the narrative and any other requirements.

- Category 1: Overview of Approach to ESPC
- Category 2: Market Sector Involvement
- Category 3: Project Summary Table
- Category 4: Project References
- Category 5: History and Focus of Company
- Category 6: Financial Soundness and Stability of Company
- Category 7: Industry Accreditations
- Category 8: General Scope of Services
- Category 9: Technical Support
- Category 10: Management Approach
- Category 11: Cost and Pricing Approach

7. Subcontractor

If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:

- a. The general scope of work to be performed by the subcontractor;
- b. The subcontractor's willingness to perform for the indicated.

8. Confidential, Protected, or Proprietary Information

All confidential, protected, or proprietary information must be included in this section of the proposal response. Do not incorporate protected information throughout the Proposal. Rather, provide a reference in the proposal response directing the State to the specific area of this protected Information section. If Offeror believes that any portion of its proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer should be so advised in writing and shall be furnished with

justification for confidential status. Price is not considered confidential and shall not be withheld. Information included in the Confidential, Protected or Proprietary Information section of an Offeror's proposal is not automatically accepted as protected. All information identified in the section will be subject to review by the State in accordance with the procedures prescribed by the State's open records statute, freedom of information act, or similar law.

All redacted files shall use the same file name except it shall include "REDACTED" at the end of the file name.

Example: Category 1: Market Sector Involvement - REDACTED

If offeror has no confidential, protected, or proprietary Information, then offeror shall state on a separate page.

Note: All personally identifiable information (PII) shall be redacted such as direct phone numbers and email address.

Redaction by the State. If the State determines, pursuant to HRS §92F-13, that any information or material in an Offer, any written question or submission by a Prospective Offeror, an Offeror or a Contractor, any response to any question or submission from a Prospective Offeror, Offeror or Contractor, and/or any Contract document is not required to be disclosed, then the State shall segregate, or redact, or otherwise cause any such information or material to not be made available as public information.

25. Evaluation and Award

25.1 Evaluation of Proposals

The evaluation committee of at least three (3) qualified State employees selected by the SPO's Procurement Officer shall evaluate proposals for the contract. The evaluation will be based solely on the Evaluation Criteria and the process described in this solicitation.

25.2 Right to Waive Minor Irregularities

The State in its sole discretion reserves the right to waive minor irregularities in the Proposal, which include but are not limited to corrections of deficiencies or clarification of ambiguities that in the judgment of the State do not require a comprehensive proposal rewrite. The State also reserves the right in its sole discretion to waive certain minimum requirements provided that all of the otherwise responsive proposals fail to meet the same minimum requirements and the failure to do so does not materially affect the procurement.

25.3 Initial Review and Award without Discussions

In the initial phase of the evaluation process, the State will review all proposals timely received. Unacceptable proposals (non-responsive proposals not conforming to RFP requirements) will be eliminated from further consideration.

The State reserves the right to award on receipt of initial proposals without an opportunity for discussion or proposal revision, so Offerors are encouraged to submit their most favorable proposal at the time established for receipt of proposals. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of proposals.

25.4 Discussion with Priority Listed Offerors

Prior to holding any discussions, a priority list shall be generated consisting of proposals determined to be acceptable or potentially acceptable.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may limit the priority list to three (3) highest ranked, responsible Offerors.

The State may invite priority listed Offerors to discuss their proposals to ensure thorough, mutual understanding. The State in its sole discretion shall schedule the time and location for these discussions, generally within the timeframe indicated in the Schedule and Significant Dates. The State may also conduct discussions with priority listed Offerors to clarify issues regarding the proposals before requesting Best and Final Offers, if necessary.

In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors.

25.5 Best and Final Offers

If deemed appropriate by the State in its sole discretion, the State may request each Offeror to submit its BAFO. The request shall be issued via an Addendum, which will provide guidance and additional instructions. Offeror's BAFOs shall be submitted to the State through HlePRO on or before the deadline. If an Offeror fails to do so, its last submitted Offer shall be deemed its BAFO.

The BAFOs will be evaluated by the Evaluation Committee set forth in the Evaluation Criteria.

25.6 Award of Contract

Award shall be made on a multiple-vendor basis to the responsible Offeror(s) whose proposal is determined the most advantageous to the State of Hawaii, taking into consideration price and the other evaluation factors set forth in this request for proposals.

25.7 Evaluation Criteria

Evaluation criteria and the associated points are listed below. The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section.

The total number of points used to score this contract is 120. Pre-qualified ESCOs

need to achieve at least 50% of the total available points for each evaluation category to be considered for award.

Table 1	
Category 1: Overview of Approach to ESPC	5
Category 2: Market Sector Involvement	10
Category 3: Project Summary Table	10
Category 4: Project References	5
Category 5: History and Focus of Company	5
Category 6: Financial Soundness and Stability of Company	10
Category 7: Industry Accreditations	5
Category 8: General Scope of Services	10
Category 9: Technical Support	15
Category 10: Management Approach	25
Category 11: Cost and Pricing Approach	20
TOTAL POINTS	120

25.8 Scoring Process

The evaluation committee shall score proposals by reviewing the narrative for each of the evaluation criteria above.

Evaluators shall use a rating of 0 to 5 for each evaluation criteria. Rating is defined as follows:

0	The Proposal fails to address the criterion or cannot be assessed due to missing or incomplete information. Offeror has not demonstrated sufficient knowledge of the subject matter or has grossly failed to explain how the requirement(s) is met.
1	Poor. The criterion is inadequately addressed, Offeror demonstrates only a slight ability to comply, or there are serious inherent weaknesses.
2	Fair. The Proposal broadly addresses the criterion, but there are significant weaknesses. May have one or more deficiencies, or Offeror has not adequately explained how its services fit the requirement.
3	Good. The Proposal addresses the criterion well; meets the requirement. Demonstrates knowledge and understanding of the subject matter, with no deficiencies noted regarding technical approach.
4	Very Good. The Proposal addresses the criterion very well, highly comprehensive. No deficiencies noted.
5	Excellent. The Proposal successfully addresses all relevant aspects of the criterion. Excellent reply that goes beyond the requirements listed in the RFP to provide added value. In addition, the response may cover areas not originally addressed within the RFP and/or include additional information and recommendations that would prove both valuable and beneficial to the agency. The response includes a full, clear, detailed explanation of how the requirement(s) are met. No errors in technical writing.

The average of each evaluators' rating for each evaluation criteria categories

shown in Table 1, shall be converted based on the following formula:

$$\frac{\text{Rate Achieved}}{\text{Total Rating Achievable}} \times \text{Points Possible} = \text{Points}$$

Example:

$$\frac{4 \text{ (Very Good)}}{5} \times 25 = 20$$

$$\frac{1 \text{ (Poor)}}{5} \times 25 = 5$$

25.9 Notice of Award

After a final selection is made, the State will issue a notice of award on its electronic procurement system (HlePRO). Upon award, proposal files are public records are available for review by submitting a Request for Access to Government Record. Information on the Office of Information Practices and forms may be found at <http://oip.hawaii.gov>.

25.10 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the source selection decision and contract award.

A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. The Procurement Officer or designee shall hold the debriefing within seven (7) working days to the extent practicable from the receipt date of the written request.

A protest by the requestor following a debriefing shall be filed within five (5) working days, as specified in HAR §103D-303(h).

26. Evaluation Criteria

26.1 Category 1: Overview of Approach to ESPC

The offeror shall submit a maximum amount of five (5) pages. Provide a stand-alone overview. For ESCO's selected for the as-needed list, this section will be posted on the SPO website: <http://spo.hawaii.gov> as critical reading for participants to identify potential ESCOs to consider. At the SPO home page, click on *Price & Vendor List Contracts* at the home page. At the search screen, enter the Vendor List Contract Number which the SPO will assign at a later date. Include highlights from the below responses including company background and market sectors served. Also include your company's strengths, areas of expertise, and your general approach to performance contracting: typical phases for a project and ability to support each phase (Project Development, Energy Auditing, Performance/Savings Guarantee, Financing, Construction, Commissioning, Measurement and Verification, Client Staff/Occupant Training, Post-construction

Maintenance Support). Indicate a statement of interest in providing services for certain market sector(s) by listing the number and description for the market sector as indicated in Category 2: Market Sector Involvement.

26.2 Category 2: Market Sector Involvement

The offeror shall submit a maximum amount of hundred (100) pages. Describe your company's expertise the market sectors such as:

1. School districts – small (1-5 schools) or rural over 2 hours from major metropolitan area
2. School districts – large
3. Higher education facilities – universities and major colleges
4. Higher education facilities – community colleges and small/rural colleges
5. County facilities
6. Office Buildings
7. State facilities
8. State Department of Defense/Military facilities
9. Correctional facilities (prisons, community correctional centers, detention facilities)
10. Transportation facilities (airport, harbor, highways, parking structure, tunnels, transit, etc.)
11. Sports complexes, stadiums, arenas, athletic fields, recreational facilities, etc.
12. Other government facilities, libraries, data/communication centers, laboratories, etc.
13. Multifamily buildings – high-rise or large buildings
14. Multifamily buildings – smaller scale multi-plex buildings
15. Multifamily buildings – mix of building types
16. Community-wide efforts – multiple entities in partnership, or other example
17. Judicial facilities
18. Military facilities
19. Pumping stations (includes water and wastewater facilities)
20. Treatment plants (includes water and wastewater)
21. Refuse or Solid Waste facilities (includes landfills, resource recover, recycling)
22. Maintenance support facilities (includes base yards, corporation yards, maintenance, storage facilities)
23. Healthcare facilities (includes hospitals, acute care, long-term care, etc.)

26.3 Category 3: Project Summary Table

List all Energy Performance Contracting projects developed and implemented by your company within the past five years. Only include projects where work was directly conducted by your company. If it is relevant to list projects performed under contract to another company, clearly identify the firm with overall responsibility for that project and the project's relevance to this RFP

response.

Project Name	Facility Type	City & State	Project Size (Dollars)	Project Size (Square Feet)	Year Completed	Term of ESPC

26.4 Category 4: Project References

For each project listed in Evaluation Category 3, Project Summary Table, provide detailed information on Energy Performance Contracting projects your firm completed that can be used for references. Expand on the information provided in the previous section to give details on individual projects. Include the following information on each project as a minimum:

1. Project Identification: Owner name, city/state, facility type (hospital, school, college, city, county, etc.).
2. Contact Information: Names and contact information of owner(s) representatives who can serve as references. Include current phone numbers, email addresses, and any other means that can be used to contact representatives serving as references.
3. Project Size: Number of buildings and total project square footage.
4. Project Dollar Amount: Total contract amount and the total project capital expenditure amount.
5. Source of Funding: A description of the source of funding used for the project and the company's role (if any) in securing that funding.
6. Project Dates: Actual dates of audit start and acceptance; Actual construction starting and ending dates.
7. Contract terms: A description of the type of contract, financing arrangement, and contract term.
8. Project Personnel: A list of the name(s) of individuals involved in the project, their role(s) and if these personnel will be assigned to Hawaii projects.
9. Project Schedule: Indicate if project was completed on schedule and an explanation if not.
10. List of Improvements or ECMs: The types of retrofits and operational improvements implemented related to energy, water, and other cost savings.
11. Project Performance: The amounts of projected annual savings, guaranteed annual savings, and actual annual savings for each project in a table as shown below. Note that the project name must correspond with the project name listed in Category 3: Project Summary Table.

Project Name:

Units	Projected Annual Energy Savings	Guaranteed Annual Energy Savings	Actual Energy Savings Year 1	Actual Energy Savings Year 2	Actual Energy Savings Year 3	Actual Energy Savings Year 4	Actual Energy Savings Year 5
kWh							
kW							
MMBTU							
Gallons (Other)							

12. Measurement and Verification: A description of the M&V approach for each project including which savings were stipulated, if any. Also specify which IPMVP or FEMP options were used in the project.
13. Performance Guarantee: A description of the savings guarantee for each project and, if the guaranteed savings were not achieved, how the company compensated the facility owner for any annual shortfall (e.g. pay funds to the Facility Owner to meet the guarantee, etc.).
14. Additional Comments: Comments on any special features, services, conditions, creative approaches, special needs of customer, etc. that may be relevant to Hawaii State and County Agencies.

26.5 Category 5: History and Focus of Company

The offeror shall submit a maximum amount of two (2) pages.

1. Structure and Evolution of the Firm. Provide information on how your company evolved, how long it has been in business under its current and any former names, and its corporate structure (corporation, partnership, sole proprietorship, joint venture, etc.) including identification of branch offices. For joint ventures include the structure of the joint venture and historical information on each member.
2. Years in the Energy Business. State the number of years the company has been involved in the energy-efficiency related business.
3. Years in Performance Contracting. State the number of years the company has offered energy performance contracting services.
4. Number of Performance Contracting Projects. State the number of performance contracting projects completed by the company: Number under \$1 million in project cost; Number over \$1 million.
5. Summary listing of judgments or pending lawsuits or actions against; adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against your firm. If none, so state.

26.6 Category 6: Financial Soundness and Stability of Company

1. Financial Soundness: The offeror shall submit a maximum amount of five (5) pages. A description of the financial soundness and expected stability of the

- company. Include Moody's and/or Dunn and Bradstreet rating.
2. Profitability: The offeror shall submit a maximum amount of five (5) pages A description of the company's profitability with supporting documentation covering the past three years.
 3. Financial Reports:
 - a. Financial statements and footnotes (audited preferred) for the Offeror for the last completed accounting year within six (6) months of specify date.
 - b. Interim financial statements for the accounting period from the last audited financial statements to specify month and year if the company's year-end is other than December 31st.
 - c. Solvency ratios (Quick ratio, Current ratio, Current debt to equity, Debt to equity, Fixed assets to net worth, and working capital.
 - d. Profitability ratios (Profit margin and Return on assets)
 - e. Access to financing (Lines of credit and Letters of loan commitment).
 4. Bonding: Include responses to the following:
 - a. Current bonding rating
 - b. Current bonding capacity
 - c. Amount or percentage of bonding capacity currently obligated
 - d. Current bonding rate
 - e. Confirmation that the company is bondable for 100% of a payment bond on a project
 - f. Confirmation that the company is bondable for 100% of a performance bond on a project
 - g. Letter from a licensed surety as evidence of ability to bond for payment and performance

26.7 Category 7: Industry Accreditations

Provide information on any accreditations by any industry organizations, such as the National Association of Energy Service Companies (NAESCO). Provide information on any pre-qualifiers for your firm, such as work through the US Departments of Energy or Defense for federal projects. Briefly describe the relevance or importance to the work proposed in this RFP for State of Hawaii clientele.

26.8 Category 8: General Scope of Services

Provide a brief comment for each of the items listed below to illustrate the company's capability in each area. Maximum of 10 pages.

1. Energy systems in facilities:
 - a. Lighting systems: indoor and outdoor, street and highway, athletic fields, sports complexes, airports, etc.
 - b. Daylighting
 - c. Heating systems
 - d. Ventilation systems
 - e. Indoor air quality
 - f. Cooling systems
 - g. Control systems (e.g. building automation, process control, SCADA, etc.)

- h. Water-consuming systems
 - i. Solid waste, e.g., paper, plastic, glass, aluminum, recycling, resource recovery, etc.
 - j. Renewables (solar-electric, solar thermal, geothermal, wind, biomass)
 - k. Distributed generation
 - l. Central plants
 - m. Kitchens, laundry
 - n. Laboratories, laundry
 - o. Swimming pools and recreational facilities
 - p. Fuel switching
 - q. Energy management
 - r. Transportation – fleet fuel management, etc.
 - s. Treatment Plants (e.g. water, wastewater)
 - t. Pumping Stations (e.g. wells, booster, water, wastewater)
2. Project Development and Implementation:
 - a. Energy auditing (identify potential energy-saving measures, determine savings projection based on standard energy engineering principles; estimate project costs; present package of measures with cash flow)
 - b. System design engineering: mechanical, electrical, etc.
 - c. Procurement, bidding
 - d. Construction
 - e. Commissioning of projects and retro-commissioning of existing buildings
 - f. Project management
 - g. Identification of asbestos and other hazardous materials and abatement, recycling, or disposal as applicable
 3. Continuing Support Services (Post Construction):
 - a. Performance guarantee for every year of the financing term
 - b. Insurance
 - c. Equipment and material warranties
 - d. Financing partner with ability to provide a municipal, tax-exempt lease purchase
 - e. Hazardous material handling
 - f. Measurement and verification of savings
 - g. Training: maintenance staff and occupants
 - h. Long-term maintenance services on energy systems
 - i. Application for an Energy Star Label and LEED certification.
 - j. Calculation and reporting of emissions reductions
 - k. Assistance to the facility owner with preparing annual reports or ESPC project performance.

26.9 Category 9: Technical Support

The offeror shall submit a maximum amount of ten (10) pages.

1. Samples: Preliminary Technical Energy Audit (TEA) and Final Investment Grade Audit (IGA). Under separate cover, provide representative SAMPLE audits of a preliminary TEA and a final IGA that is applicable for an energy performance contracting project in a government facility. In response to this section, provide a brief description of the audits, including energy and

economic calculations, and verification that the sample audits were conducted by members of the ESCO team proposed for ESPC projects using the vendor list contract or similar. Provide a description of the process your company uses for typical audits (TEA and IGA) in the types of facilities that will participate in the program. Note any changes that will be made to comply with requirements for the program.

2. Standards of Comfort. A description of the standards of comfort the company generally uses for lighting levels, space temperatures, ventilation rates, etc. in the facilities intended for this RFP and any flexibility for specific Facility Owner needs. Note any changes that will be made to comply with requirements.
3. Baseline Calculation Methodology. A detailed description of the methodology normally used by the company to compute the baseline of energy, water, and solid waste, etc. use for a facility. Include a discussion of how the Facility Owner is engaged for development of and agreement on the baseline. Note any changes that will be made to comply with requirements for this RFP.
4. Adjustments to Baseline. A discussion of typical factors that can impact the calculated baseline and the company's approach to adjusting the calculated baseline if one or more of these factors are present. Include how the Facility Owner is involved for agreement on any adjustments. Note any changes that will be made to comply with requirements for the RFP. Provide an actual example case, including calculations and descriptions of resolution with facility owner.

26.10 Category 10: Management Approach

The offeror shall submit a maximum amount of ten (10) pages.

1. Project Management and Coordination
 - a. Organizational Structure. Show a typical/generic organization chart for implementing and managing a project.
 - b. Local Staffing and Support. List the office location (city and state) for personnel proposed for projects under this RFP. Describe the extent of local staffing and support for each phase of a typical project.
 - c. Approach to Subcontracting. Describe the types of services (both professional and construction services) that your company offers in-house, and the services typically offered through subcontractors. Also, describe your approach to obtaining competitive pricing and best value for the facility owners from subcontractors, sub-consultants, equipment, and material fees.
2. Personnel and Staffing

Provide a table to show your personnel pool of individuals who will potentially be assigned responsibility for each task and phase of a project under this RFP. Also include any added expertise and capability of staff available through other branch offices, subcontracts, etc., that your company can provide back-up strengths.

Name	Title	Staff or Subcontractor	Potential Role	Academic/ Professional Qualifications	Level of Expertise	Base Location
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Potential role: technical analysis, engineering design, construction management, construction, training, post-construction measurement and verification, support, and other services.

Level of expertise: years in industry or other brief description.

Base Location: Permanent office in Hawaii; On assignment from other state; Out-of-state support.

3. Hazardous Material Handling

Describe your company’s approach it follows to deal with hazardous materials (e.g. lead-based paint, asbestos, asbestos containing materials, etc.) that may be encountered during the project. Also, explain how this cost is handled in your budget (e.g. contingency, owner’s cost, etc.). Describe if it is the Facility Owner or your company’s responsibility. **Note that it is the State’s and Counties’ preference that the ESCO remain responsible for handling of unforeseen discovery of hazardous materials under an ESCO proposed project allowance provision.**

26.11 Category 11: Cost and Pricing Approach

The offeror shall submit a maximum amount of twenty-five (25) pages. The State intends to establish acceptable maximum audit costs, mark- up, and fees for use in all projects that result from the use of this vendor list of pre-qualified ESCOs by State and County Agencies. These will be the maximums that may be applied in any Investment Grade Audit and Energy Savings Performance Contract (GES agreement or contract) developed and executed under this RFP. Each responding company shall provide its proposed maximum cost for performing an Investment Grade Audit as well as schedules illustrating proposed maximum project mark-up and fees for pre-defined categories.

ESCO audit costs, mark-up, and fees for individual energy savings performance contract projects shall not exceed the maximums established in the ESCO Contract.”

1. Mark-Up. Provide your company’s proposed maximum allowable mark-up in the schedule below for each category listed on the schedule. This format is required and must be completed in its entirety. Mark-up represents a percentage added to the base cost for the project (the use of margins in lieu of mark-up is not acceptable). Use only the categories provided. Ranges for mark-up are not acceptable.

MARK-UP		
CATEGORY OF MARK-UP	MARK-UP APPLICATION	% MARK-UP
Overhead		
Profit		
Labor – Internal		
Equipment Purchased		

Materials Purchased		
Subcontract Labor		
Subcontract Material		

Clearly describe how self-performed work will be charged (billed hourly, billed as a markup of equipment and labor costs, etc.). If self-performed work will be billed hourly, include mark-up proposed to be applied to the hourly rate.

If a proposal is from a joint venture partnership, include proposed maximum allowable mark-up in the schedule format above for each participating company.

2. Fees. Provide your company's proposed maximum allowable fees in the schedule below for each category listed on the schedule. This format is required and must be completed in its entirety. Use only the categories provided. Ranges for fees are not acceptable. If a proposal is from a joint venture partnership, provide proposed maximum allowable fees in the schedule format below for each participating company.

FEES		
CATEGORY OF FEE	HOW DETERMINED AND USED	YEARS APPLIED (One-time, Annual, etc.)
Investment Grade Audit and Project Development	\$_____per Square Foot	One time
Solicit & Evaluate Project Financing Proposals		
Design	(Example) % of	
Contingency		
Permits		
Performance Bond		
Project Management		
Commissioning		
Training		
Monitoring and Verification		
Warranty Service		
Maintenance on Installed Measures		

Provide the proposed maximum fee for Investment Grade Energy Audit and Project Development projects on a cost per square foot basis. The company agrees that the proposed maximum fees shall incorporate its responsibility to adhere to and complete the full scope of work as presented in investment grade audit and energy performance contracts.

For each fee category listed on the schedule describe how that fee is determined, how the fee is charged to the project and when it is applied. For

example, fees might be based on a percentage of project cost. **Mark-up on fees is not allowable under this RFP.**

3. Contingency. Describe your company's typical level of contingency budget for lighting, electrical, mechanical, controls projects, and other projects and how it proposes to apply contingency to cover changes in work scope and subcontractor change orders. Note that all unused contingency funds will revert to the Facility Owner or be applied to additional work scope through a change order approved by the Facility Owner.
4. Equipment/Labor Cost Competition. Describe your company's process to solicit bids on equipment/labor or to ensure price/cost competition and the best value for the Facility Owner.
5. Open Book Pricing. Open book pricing is full disclosure by the contractor to the Facility Owner of all costs and mark-up for materials, labor, contingencies, and services received during the project development, implementation, and performance period phases. Open book pricing will be required such that all costs, including all costs of subcontractors and vendors, are fully disclosed. Describe your company's approach to open book pricing and its method for maintaining cost accounting records on authorized work performed under actual costs for labor and material, or other basis requiring accounting records. ESCO use of any project contingency amounts identified in the executed GES contract will be subject to the Facility Owner's written concurrence and approval.

27. Special Provisions

27.1 State's Commitment

The following purchasing jurisdictions may solicit proposals from pre-qualified vendors, listed on the vendor list contract based on the vendors pre-qualified market sectors:

- Executive Departments/Agencies
- Department of Education
- School Facilities Authority
- Hawaii Health Systems Corporation
- Office of Hawaiian Affairs
- University of Hawaii
- Public Charter School Commission and Schools
- House of Representatives
- Senate
- Judiciary
- City & County of Honolulu
- Honolulu City Council
- Honolulu Board of Water Supply
- Honolulu Authority for Rapid Transportation
- County of Hawaii
- Hawaii County Council

- County of Hawaii - Department of Water Supply
- County of Maui
- Maui County Council
- County of Maui – Department of Water Supply
- County of Kauai
- Kauai County Council
- County of Kauai - Department of Water

27.2 Responsibility of Offerors

The Offeror is advised that in order to be awarded a contract under this solicitation, the Offeror will be required, to be compliant with all laws governing entities doing business in the State including the following chapters and pursuant to Hawaii Revised Statutes HRS §103D-310(c):

- Chapter 237, General Excise Tax Law;
 - Chapter 383, Hawaii Employment Security Law;
 - Chapter 386, Worker’s Compensation Law; Chapter 392, Temporary Disability Insurance;
 - Chapter 393, Prepaid Health Care Act; and
 - §103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.
 - Vendor Compliance - Hawaii Compliance Express (HCE) Vendors may use the HCE, which is an electronic system that allows vendors/Contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service; Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.
1. Timely Registration on HCE. Vendors/Contractors/service providers intending to use the HCE to demonstrate compliance are advised to register on HCE as soon as possible at <https://vendors.ehawaii.gov>. The annual registration fee is \$12.00 and the ‘Certificate of Vendor Compliance’ is accepted for the execution of a contract and final payment. If a vendor/Contractor/service provider is not compliant on HCE at the time of award, the Offeror will not receive the award.
 2. Verification of Compliance on the HCE. Prior to awarding this contract, the State shall verify compliance of the Contractor(s).
 3. Vendor Compliance - Paper Documents Vendors not utilizing the HCE to demonstrate compliance shall provide the paper certificates to the SPO as instructed below. All certificates must be valid on the date it is received by the SPO. Timely applications for all applicable clearances are the responsibility of the Offeror.
 - a. HRS Chapter 237 Tax Clearance Requirement for Award. Pursuant to Section 103D-328, HRS, the Contractor shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green-certified copy stamp and shall be valid for six (6) months from the most recent

approval stamp date on the certificate. The *Tax Clearance Application*, Form A-6, and its completion and filing instructions, are available on the DOTAX website: <http://tax.hawaii.gov/forms/>. Tax clearance certificates issued prior to September 3, 2019, will have a green stamp with a signature. Tax clearance certificates issued after September 3, 2019, will have a scannable QR code that can be validated. This enables tax clearance certificates to be processed electronically and printed by the taxpayer. The QR code can be scanned using a web enabled device, such as a smart phone, to confirm authenticity and validity. A tax clearance certificate may be revoked by the Department when the taxpayer falls out of tax compliance.

- b. HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award. Pursuant to Section 103D-310(c), HRS, the Contractor shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the SPO. The DLIR Form LIR#27 Application for Certificate of Compliance with Section 3-122-112, HAR, and its filing instructions are available on the DLIR website: <http://labor.hawaii.gov/forms/>.
4. Compliance with Section 103D-310(c), HRS, for an entity doing business in the State. The Contractor shall be required to submit a *Certificate of Good Standing (COGS)* issued by the State of Hawaii Department of Commerce and Consumer Affairs (DCCA) - Business Registration Division (BREG). The Certificate is valid for six (6) months from the date of issue. A photocopy of the certificate is acceptable to the SPO. To obtain the certificate, the Contractor must be registered with the BREG. A sole proprietorship is not required to register with the BREG and is therefore not required to submit the certificate. For more information regarding online business registration and the COGS is available at <http://cca.hawaii.gov/breg/>.
5. Timely Registration. The above certificates should be applied for and submitted to the State as soon as possible. If a valid certificate is not submitted on a timely basis for an award of a contract, an Offeror otherwise responsive, may not receive the award.
6. Verification of Compliance. Upon receipt of compliance documents, the State reserves the right to verify their validity with the respective issuing agency. The Contractor shall maintain their compliance throughout the term of the contract.
7. Required Review. Before submitting a proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and any other relevant document, to ensure Offeror understands the requirements of the RFP. The offeror must also become familiar with State, local, and Federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required. Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the State in writing prior to the deadline for written questions as stated in the Schedule and Significant Dates, as amended. This will allow the issuance of any necessary corrections and/or

amendments to the RFP by addendum and mitigate reliance on a defective solicitation and exposure of proposal(s) upon which award could not be made.

27.3 Tax Liability and County Surcharge

Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Offerors are advised that they are liable for Hawaii GET at the current 4.0% rate for transactions made on Oahu, Hawaii, Maui, Kauai, Molokai, and Lanai or the applicable Use tax. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, the Offeror shall state its tax-exempt status and cite the HRS chapter or section allowing the exemption.

County surcharges on state general excise (GE) tax or Use tax may be visibly passed on but are not required. For more information on county surcharges and the max pass-on tax rate, please visit the Department of Taxation's website at <http://tax.hawaii.gov/geninfo/countysurcharge>.

27.4 Federal I.D. No. and Hawaii General Excise Tax License I.D.

Offeror shall submit its current Federal I.D. No. and Hawaii General Excise Tax License I.D. number in the space provided on Offer Form, OF1, thereby attesting that the Offeror is doing business in the State and that Offeror will pay such taxes on all sales made to the State.

27.5 Liability Insurance

The Contractor shall maintain in full force and effect during the life of this contract, liability and property damage insurance to protect the Contractor and his Subcontractors, if any, from claims for damages for personal injury, accidental death, and property damage which may arise from operations under this contract, whether such operations be by the Contractor or by Subcontractor or anyone directly or indirectly employed by either of them. If any Subcontractor is involved, the insurance policy or policies shall name the Subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a Subcontractor and naming the Subcontractor as additional insured, the Contractor may require the Subcontractor to provide its insurance, which meets the requirements herein. It is understood that a Subcontractor's insurance policy or policies are in addition to the Contractor's policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its Subcontractor(s) where appropriate.

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (Occurrence form)	\$1,000,000 per occurrence \$2,000,000 aggregate

Automobile Liability

\$1,000,000 per accident

Professional Liability shall be required from vendors providing professional services requiring a license to conduct its business such as an engineer, architect, accountant, lawyer, information technology services, etc.

Each insurance policy required by this contract (with the exception of the Professional Liability policy), including a Subcontractor's policy, shall contain the following clauses:

1. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
2. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

A Waiver of Subrogation shall apply to the General Liability, Automobile Liability, and Worker's Compensation insurance policies and shall be in favor of the State of Hawaii.

Prior to award, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this RFP have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of the price list and price list extensions, if any, including those of its Subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default, entitling the State to exercise any or all of the remedies provided in the contract and this RFP for default by the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this RFP. Notwithstanding said policy or policies of insurance, the Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this price list.

27.6 Order of Precedence

1. Contract (AG-003, AG-010, AG-012, AG-013, AG-008 and all attachments and exhibits)
2. RFP No. 25001 and Addendums
3. Guaranteed Energy Savings (GES), Purchase Order, Service Level Agreement, Invitation for Proposal (IFP), and ESCO Response to IFP

27.7 Vendor and Product Evaluation

1. The Vendor and Product Evaluation form, SPO-12, is made available to the user agencies for the purpose of addressing their concerns on the price list resulting from this solicitation.

2. Product Evaluation. Upon receipt by the SPO, Contractor shall be sent a copy of the complaint(s) regarding product quality. The contractor shall follow up the complaint(s) with the manufacturer and respond to the SPO as to what remedies have or will be taken to correct the problem. If product quality is not corrected and the complaint(s) persist, steps will be taken to delete product from the price list.
3. Should the Contractor consistently receive complaints for poor service or refuse to resolve the complaints, the Procurement Officer reserves the right to terminate the contract and/or initiate the debarment process pursuant to HAR Chapter 3-126, Legal and Contractual Remedies.
4. Resolution of complaints pursuant to product and vendor evaluation notifications shall be done at no additional charge to the State.