

State of Hawaii  
Department of Labor and Industrial Relations  
Office of Community Services

## **Addendum Number 1**

**Date Issued: April 14, 2010**

**To**

**Request for Proposals**

**RFP No.: OCS LBR 903-21**

**RFP Title: Supplemental State Energy Program for the  
Weatherization Program Services  
for Low-Income Persons**

**Date Issued: April 1, 2010**

April 14, 2010

**ADDENDUM NO. : 1**

To

**REQUEST FOR PROPOSALS**

**RFP Title: Supplemental State Energy Program for the Weatherization Program  
Services for Low-Income Persons  
RFP No.: OCS LBR 903-21**

The Department of Labor and Industrial Relations, Office of Community Services is issuing this addendum to RFP Number: OCS LBR 903-21, RFP Title: Supplemental State Energy Program for the Weatherization Program Services for Low-Income Persons for the purposes of:

- Responding to questions that arose at the orientation meeting of <Date> and written questions subsequently submitted in accordance with Section 1-V, of the RFP.
- Amending the RFP.
- Final Revised Proposals

The proposal submittal deadline:

- is amended to <new date>.
- is not amended.
- for Final Revised Proposals is <date>.

Attached is (are):

- A summary of the questions raised and responses for purposes of clarification of the RFP requirements.
- Amendments to the RFP.
- Details of the request for final revised proposals.

If you have any questions, contact:

Keith Yabusaki

Contact phone: (808) 586-8675

Contact e-mail address: [keith.y.yabusaki@hawaii.gov](mailto:keith.y.yabusaki@hawaii.gov)

Contact address: 830 Punchbowl Street, Room 420 Honolulu, HI 96813

Responses to Question Raised by Applicants  
For <RFP No.> <RFP Title>

1. **<Question>** Installation of Measures:  
Some installations certainly require professional contractors to do the installation of some measures. Is it an option to have trained staff from the provider install some of the measures, like power strips?  
  
**<Response>**  
Yes, the power strips and the low flow showerheads may be installed by your own staff.
2. **<Question>** Outcomes & Performance: Dwelling Units Tracking:  
Dwelling units receiving measures and dwelling units monitored, does this refer to...?  
So that's the energy savings monitoring.  
  
**<Response>**  
Yes, we are required to monitor 10% of what was installed.
3. **<Question>** Goals:  
Is it our goal to go back and weatherize all the homes as much as possible? Or to also weatherize those homes that have already been done. And if extra funds available to add other homes onto the list that we've done audits on but didn't have enough solar water heaters to install.  
  
**<Response>**  
The goal is that when the USDOE approved the WAP-ARRA plan, they said we could only installation of solar water heaters and CFLs were required, but then when the regulations changed, that wasn't adequate. Instead of pulling back the contracts, we decided to get additional funds to more completely weatherize a home. So now these are the monies to allow you to better meet the goal of USDOE where they want you to more fully weatherize a home by putting in the low flow showerheads, aerators, the replacement room air conditioners, the refrigerators, and other measures. So we're not re-weatherizing homes, we're going back to weatherized homes as we're only allowed to weatherize once. So any home that was audited after March 1, 2009 under either regular WAP or WAP-ARRA will be eligible for these services.
4. **<Question>** Goals:  
  
For homes that were audited, but not eligible for solar water heaters either because they didn't have the minimum number of people or they didn't meet the minimum energy expenditure, are they eligible for hybrid heat pump water heater systems?  
  
**<Response>**  
Yes, it would be eligible under this program.
5. **<Question>** Method of Compensation and Payment Cost Reimbursement:  
Administrative costs and program support will be determined by unit rate while the cost reimbursement pricing structure will be used for materials and paper. Please explain that, the unit price.

<Response>

The unit rate generally applies to installing devices because generally the awardees come up with a unit rate for their installation. The cost for the heat pump or the cost of the smart strip or the cost of low flow showerheads, so you may want to present, in your presentation, the unit rates for the measures that you are planning to install. Labor costs may vary and change the rates for each individual installation.

**Attached is the notes of material presented during the April 12, 2010 OCS Orientation Session.**

OCS RFP Orientation Session in Partnership with DBEDT  
RFP No.: OCS LBR 903-21 Supplemental State Energy Program for the Weatherization Program Services for Low-Income Persons

Date: Monday, April 12, 2010 Time: 10:00 a.m. – 12:00 Noon

I. Welcome & Introduction

- ❖ Good Morning! Welcome to the Office of Community Services' – Request for Proposal Orientation Session. For those of you who don't know me, I'm Keith Yabusaki. I'd like to thank all of you for joining us here today!
- ❖ OCS LBR 903-21, Supplemental State Energy Program for the Weatherization Program Services for Low-Income Persons

In the spirit of transparency and encouraging competition, OCS issues this RFP.

The primary purpose is to briefly review this RFP, especially the services specifications and evaluation process, and address any questions that you may have. Before this, let's quickly go around the room and have everyone introduce themselves and the agency they represent.

Let's proceed to the RFPs.

**Section 1 – Administrative Overview**

The RFP is organized into five sections:

- Section 1 - Administrative Overview
- Section 2 - Service Specifications
- Section 3 - Proposal Instructions
- Section 4 - Proposal Evaluation and
- Section 5 – Attachments

Please carefully read all five sections of this RFP.

**General Approach in Preparing the RFP**

- 1) OCS issued this RFP under the provisions of the Hawaii Revised Statutes, Chapter 103F and its corresponding administrative rules Chapters 3-140 thru 3-149.
- 2) OCS closely followed SPO's updated RFP template (09/08) and made appropriate changes.
- 3) We want continuance of program services with exiting WAP ARRA and
- 4) Kept this RFP clear and concise.

Let's review important dates (page 1-1, Item I. Procurement Timetable)

- ❖ Most Important Date: Proposal Submittal Deadline Monday, May 3, 2010.
- ❖ Hand delivered or privately mailed proposals (i.e. FedEx) must be delivered by 4:30 p.m. H.S.T.

- ❖ Mailed proposals must be postmarked by USPS no later than May 3, 2010 and received by OCS no later than ten days from the submittal deadline.
- ❖ Proposal applications may not be submitted by facsimile, diskette/CD/DVD, or transmitted via e-mail, website of other electronic means.
- ❖ **There are no exceptions to this rule! I repeat there are no exceptions to this rule.**

Closing Date for Written Questions	Monday , April 19, 2010
OCS' Written Response	Monday, April 26, 2010
Proposal Review Process	May 4 – May 25, 2010
Provider Selection/Notice of Award	On or About May 28, 2010
Contract Start Date	On or About July 16, 2010

Page 1-2, Item II. Website Reference

SPOH has gathered all of the referenced website addresses and combined them into a single easy-to-use table.

Call your attention to page 1-4, Item VIII. Submission of Proposals

Most listed items are pretty much self-explanatory and cover: F. Hawaii Compliance Express; G. Campaign Contributions by State and County Contractors; and H. Confidential Information. Price is not considered confidential.

Call your attention to page 1-8, Item XIV. Cancellation of RFP

The request for proposal may be cancelled in whole or in part at any time, when it is deemed to be in the best interest of the State.

Also on page 1-8, Item XVII. Rejection of Proposals

Please carefully read the six reasons for rejection of proposals so that they do not happen to you.

Moving on, page 1-8, Item XIX Protests

Only the following matters may be protested:

A state purchasing agency's failure to follow procedures and/or any rule established by HRS Chapter 103F.

Protests shall be served within five working days of the postmark of the Notice of Findings and Decision. Appropriate protest forms can be found on the SPO's website.

Lastly on Page 1-9, Item XX. Availability of Funds

As you are all aware, contract awards are subject to the availability of Federal and/or State funds. State purchasing agencies procuring health and human services under Chapter 103F will utilize standard cost principles. These cost principles are located on the SPO website.

Are there any questions on Section 1 – Administrative Overview?

## **Section 2 – Service Specifications**

I cannot emphasize enough, carefully read Section 2 before preparing your application.

### **Overview**

The U.S. Department of Energy (USDOE) in relation to Public Law 111-5, ARRA of 2009 issued/awarded State Energy Program (SEP) formula-based grants to the State of Hawaii, Department of Business, Economic Development and Tourism (DBEDT) – Strategic Industries Division which serves as the Hawaii State Energy Office. The SEP provides grants to states to assist in designing, developing, and implementing renewable energy and energy efficiency programs. In turn OCS has an MOA with DBEDT to administer these funds. However, DBEDT will make payments directly to the awardees.

The goals of these services are to enable eligible low-income persons who are receiving Weatherization Assistance Program (WAP) services and/or WAP ARRA services additional: weatherization measures, energy conservation education and cost savings through a reduction in their home energy consumption.

Under WAP and/or WAP-ARRA, service providers implement a USDOE approved priority list by conducting a limited home audit that includes, but are not limited to: 1) low-flow shower heads and faucet aerators, 2) smart power strips, 3) refrigerator replacements, 4) replacement room air conditioners, 5) solar water heater systems, and 6) Compact Fluorescent Lights (CFLs).

However, only CFLs and solar water heater systems are actually installed by the WAP-ARRA program. Other measures of effectiveness may be considered, but will require prior USDOE approval. The remaining measures, low-flow shower heads and faucet aerators, smart power strips, refrigerator replacements, replacement room air conditioners, and hybrid water heaters using heat pump technology are to be installed under this SEP-ARRA RFP.

### **Description of the Target Population**

Low-income persons 200% of the FPGH established by the US DHHS.

The homes qualifying for this program are homes: just entering weatherization services, receiving on-going weatherization services or are continuing weatherization services. Homes that are continuing weatherization services are defined as homes audited and weatherized starting on and after March 1, 2009.

Priority is given to identifying and providing energy assistance to low-income elderly persons, persons with disabilities, families with children, high residential energy users, and households with a high energy burden.

### **Geographic Coverage of Service**

Service areas include the counties of Honolulu, Hawaii, Maui and Kauai.

The applicant shall demonstrate capability to provide the required services in the areas for which it applies.

The applicant is responsible for identifying clearly the geographic areas that it proposes to serve.

### **Probable Funding Amounts, Source, and Period of Availability**

Subject to the availability of funds, \$500,000 of Federal SEP ARRA funds is suggested to be awarded through this RFP. The contract period is expected to be July 16, 2010 to September 30, 2010, with the possibility of two nine-month extension(s) until March 31, 2012 subject to sub-grantee performance.

Funding will be allocated based on proposals submitted.

For the duration of the contract period, the suggested funding amounts for services are:

City and County of Honolulu	\$ 210,000
Hawaii County	\$ 100,000
Maui County	\$ 100,000
Kauai County	\$ 90,000

**Special Conditions**

- Davis-Bacon Prevailing Wages or Chapter 104D
- ARRA Section 1605 – Buy American Requirements for public works
- Comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA)
- Simple (one to two pages) waste stream plan

**Multiple or Alternate proposals not allowed.**

**Single and Multiple Contracts**

A single contract may be awarded to an individual proposal that demonstrates a more efficient and comprehensive administration and program services for multiple counties within the state.

Multiple contracts may be awarded to a proposal if the state purchasing agency determines that it is in the best interest of the State for a number of providers as an aggregate, to provide the services required in this RFP, considering the needs, geographical area, population, and services proposed.

Hawaii procurement rules require that these federal State Energy Program funds be awarded competitively. This prevents DLIR-OCS from directly awarding these monies to an existing WAP and/or WAP ARRA provider(s). These funds shall supplement existing WAP and WAP ARRA funds to help the State of Hawaii to comply with existing USDOE program requirements. Any new Provider selected as a result of this process who is not a WAP and/or WAP ARRA service provider is responsible for partnering with an existing WAP and/or WAP ARRA service provider(s) and obtaining the list of eligible clients and homes to install additional weatherization measures.

The scope of work encompasses the following tasks and responsibilities:

**3. Supplemental State Energy Program for the Weatherization Program Services for Low-Income Persons Additional Weatherization Measures Installation Process**

Outcome: Installation of additional energy saving devices. Installation services are limited to the following:

- a. low-flow shower heads and faucet aerators;
- b. smart power strips;
- c. refrigerator replacements;
- d. replacement room air conditioners;
- e. and hybrid water heaters using heat pump technology

Monitoring and quality control of installed energy saving device will be required.

Services: A professional Contractor will install the various energy saving measures. When this is complete, the Provider will return to the home to make certain that everything is satisfactory.

Minimum Requirements:

- Copy signed by client and Provider verifying receipt and installation of additional weatherization measures detailing exactly what services were provided, the dates of when the services were provided, and the amount of time spent providing the services.

**Performance Output and Outcome Measurements**

1. The applicant shall set forth, using the attached table in Section 5, the amount of the following output and performance/ outcomes that it expects to achieve. Program outputs and outcomes reported to DLIR-OCS for each specific activity must be a direct result of DLIR-OCS' funding for this program.

**a. Dwelling Units**

- Number of dwelling units receiving additional weatherization measures
- Number of dwelling units monitored

**b. Jobs Data**

- Jobs created using local agency Contractors/subcontractors
- Jobs retained at the local agency level
- Jobs retained with local agency Contractors/subcontractors
- Hours trained at the local agency

**c. Energy Saving Devices**

- Number of energy saving devices installed, by device.

The applicant may propose other measures of effectiveness.

Please use the Output and Performance/Outcome Measurements Table located at the end of this RFP in Section 5 and include it in the Service Delivery section of your proposal application.

**Reporting Requirements**

Quarterly and monthly program progress and fiscal reports are required both to OCS and DBEDT within four (4) calendar days after the last day of each month in which the Provider receives the assistance award funded in whole or in part by ARRA.

**Method of Compensation**

Reimbursement shall be made on a monthly basis, upon submission by the applicant of written request for payment.

Payments shall be made directly to the Contractor by the Department of Business, Economic development, and Tourism (DBEDT) in monthly installments, upon submission to the Office of Community Services (OCS) written request for cash payments. Each written request for payment to OCS shall be submitted to the STATE within ten (10) calendar days after the last day of each calendar month of the Contract to ensure timely payment.

OCS will process and approve monthly cash requests and expenditure reports. To expedite the payment process, signed and approved monthly cash requests and expenditure reports in Portable Document Format (PDF) will be e-mailed to DBEDT fiscal personnel. DBEDT fiscal personnel are responsible for making timely payments to the Contractor. The STATE shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment.

Recognizing potential cash-flow issues, the State will do an initial advance payment of up to one-twelfth of the total contract amount upon contract execution and commencement of the program.

Are there any questions on Section 2 – Service Specifications?

### **Section 3 – Proposal Instructions**

The general instructions for completing the application are clear, concise and straight forward. If you follow the format outlined in Section 3 combined with the service specifications (Sec. 2) and evaluation criteria (Sec. 4), there should be few problems in putting together a well-written proposal.

The RFP process is very transparent. The State, DLIR-OCS and DAGs-SPO inclusive, have provided you with all the information upfront. You have exactly the same information that we have.

Please organize and submit your applications following the prescribed format outlined in this section and elsewhere in the RFP.

- › Proposal Application Identification Form
- › Signed Application Checklist
- › Table of Contents
- › Section I. Program Overview
- › Section II. Experience and Capability
- › Section III. Project Organization and Staffing
- › Section IV. Service Delivery
- › Section V. Financial
- › Appendix/Other Attachments

#### **I. Program Overview**

Summary should be limited to one page, no more than two. Summary should address the questions who, what, when, where, how, why and for how much.

#### **II. Experience and Capability**

OCS' template breaks this down into four sub-sections. This section has been revised for this RFP.

##### **A. Program Experience**

The applicant shall provide a brief description and listing of past **pertinent** contract experience that includes all of the following:

- ❖ contracting agency,
- ❖ contact person,
- ❖ address, phone number and/or e-mail address,
- ❖ contract/program title,
- ❖ contract period,
- ❖ funding amount, and
- ❖ performance outcomes.

The key word here is pertinent.

##### **B. Quality Assurance and Evaluation**

The applicant shall demonstrate to OCS how it appraises whether its program is a success or not. Is there a written and implemented process that measures, monitors and evaluates program performance and timely detects and corrects problems? **What documentation will be used to verify program eligibility and accomplishments?**

Use several evaluation instruments to quantitatively and qualitatively document the outcomes for each activity. Include any sample forms in the appendix.

**C. Coordination** – Demonstrate capability to coordinate services with relevant agencies and resources in the community. Show how partnerships will assist in achieving program goals and objectives.

If letters of support are submitted, include only letters that establish genuine support and actually make a commitment of time, money, personnel, space, or resources to the program. Include letters that are absolutely necessary to support your proposal or that will enhance it.

**E. Facilities** – Adequacy of facilities relative to the proposed services. Briefly present the facilities needed to house and support the project. i.e. location, layout, ADA compliant, IT capabilities, physical space, any special equipment, etc.

### **III. Project Organization and Staffing**

#### **A. Project Organization**

1. Supervision and Training – The applicant shall describe its ability to supervise, train, and provide administrative direction to its staff in delivering the proposed services.

2. a) Include an **“organization-wide”** chart that depicts how your program fits within your overall agency.

b) Include a **program organizational flowchart** that illustrates the lines of communication between administration and other staff members. For program organization chart, include position, title, name, and full-time equivalent for key staff positions.

**Written explanations of both organization charts shall be included.**

#### **B. Staffing**

1. Proposed Staffing – The applicant shall demonstrate that the proposed staffing pattern, client/staff ratio and caseload capacity are appropriate.

Any proposed use of subcontractors and volunteers shall be fully explained and justified.

2. Staff Qualifications and Experience – The applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. OCS wants to know who will lead the project and what their qualifications are.

### **IV. Service Delivery**

#### Program Activities

The applicant shall describe its overall approach and methodology in addressing the installation of additional weatherization measures identified in this RFP.

Describe specific tasks designed to accomplish your stated goals and objectives. The tasks will help you develop an action plan for your project.

The applicant shall provide a detailed description of the following:

- Start-up plan as well as having the program established by July 16, 2010;
- Geographic area(s) and targeted population groups it proposes to serve;
- How it will select homes to install additional weatherization measures;
- How it will incorporate the prior energy audit and SIRs to maximize savings and to determine which additional measures will be installed;
- How the energy savings measures will be installed;

- Follow-up that the measures were installed properly and client satisfaction;
- Proposed outputs and outcomes that applicant expects to achieve or that will result from services. These projected outputs/outcomes shall be submitted on the performance output and outcome measurements tables found in Section 5;
- Time line shall include number and type of weatherization measures to be installed monthly;
- Specific measurement tool(s) and/or procedures that will be utilized to document and verify that each proposed output and outcome was accomplished; and
- Applicant's ability to provide complete, accurate and timely reports.

#### Service Delivery or Program Design

Answers the questions:

- ❖ Do What?
- ❖ Using What Approach?
- ❖ By When?
- ❖ For How Many/How Much?
- ❖ By Whom? and
- ❖ With What Result?

#### V. Financial

1. Pricing Structure Based on Cost Reimbursement.
2. Budget Forms (Section 1, page 1-2, Website Reference) Provide a line-item budget. Detailed calculations contain sufficient information for calculations to be easily duplicated by evaluator. Use also Chapter 103F Cost Principles for Health and Human Services.
3. Budget justification should be in narrative form. Emphasis is on including adequate justification for all budget line items.

#### Other Financial Related Materials

1. **Financial Audit** – Attach most recent independent financial audit with management letter;

2. Adequacy of Accounting System

Describe general ledger system and accounting procedures. Does agency have a written financial policy manual? Consider submitting prior audit/management letter.

OCS does not generally allow indirect costs to be used as a separate line item.

- a. Other – Pending Litigation

#### VI. Appendix (Optional)

Are there any questions on Sec. 3 Proposal Application?

#### Section 4 – Proposal Evaluation

FOLLOW THE RULES!

- Read instructions thoroughly and completely.
- Follow instructions to a tee.
- Organize proposal as designated in the RFP.
- Use the same names/headings for parts of your proposal.
- Respond to all requested items.
- Do not disregard a topic.
- When in doubt, call, e-mail, or fax questions.
- “No” means “not now.”
- Write simply.
- Include title page and checklist.

Phase 2 – Evaluation of Proposal (210 Points)

(1) Program Overview (0 Points)

A brief description of your main program services provided.  
Program Overview introduces your agency to OCS.  
Your summary should match your final draft.  
Note: This section will not be scored.

(2) Experience and Capability (40 Points)

Program Experience

List relevant programs and contracts. (Contracting agency; contact person; contact information; contract period; funding amount; and performance outcomes).

Demonstrate applicant has a written quality assurance plan and a written evaluation plan.

Coordination of Services

Facilities

(3) Project Organization and Staffing (30 Points)

We talked about this already.  
Project Organization – 14 Points  
Staffing – 16 Points

(4) Service Delivery (90 Points)

Bulk of points. This section can make or break your proposal application. Bulleted items are weighted differently.

Looking at the overall program design, approach, and methodology. Show a step-by-step progression of services from start-up to achievement of desired program outcome. Describe service locations/geographic areas, program tasks, targeted population groups, and other pertinent information (15 Points).

How applicant will select homes to install additional weatherization measures;  
How it will incorporate the prior energy audit and SIRs to maximize savings and to determine which additional measures will be installed;  
How the energy savings measures will be installed; and  
Follow-up that the measures were installed properly and client satisfaction (25 Points).

Demonstrates that applicant proposes feasible, effective amounts of program outputs and outcomes. Include monthly time line. Don't forget to attach Output and Performance/Outcome Measurements Tables located at the end of Section 5 of the RFP (25 Points).

We will be checking what proposed documentation will be used to verify program outputs and outcomes. This will be tied in later to program monitoring and evaluation. Ability to provide complete, accurate and timely reports on program performance (25 Points).

(5) Financial (15 Points)

Emphasis will be on proposals that provide ample information and justification for all proposed cost items. Demonstrate that proposed costs are reasonable and necessary to provide the services.

Demonstrates the adequacy of the applicant's accounting system and procedures to assure proper and sound fiscal administration. Demonstrate proper procurement processes.

Are there any questions on Section 4 – Proposal Evaluation?

**Section 5 – Attachments**

A. Proposal Application Checklist

Remember to fill out, sign, date and submit as part of the proposal application,

Note: Required SPO-H forms can be downloaded at the SPO website listed here.

“X” indicates what's required by OCS.

The Audit with Management Letter and Organization Charts are now required to be checked off by OCS.

B. Sample Table of Contents

C. Output and Performance/Outcome Measurements Tables

It is required that you submit the Output and Performance/Outcome Measurements Tables with your proposal application attached at the end of Section 5. The Tables will ensure that applicants report their estimated outputs and outcomes similarly and better allow evaluators to more easily compare between the different proposal applications.

Are there any questions on Section 5 – Attachments?