

Chesapeake Bay Trust

REQUEST FOR PROPOSALS

CONSULTANT SERVICES

TECHNICAL ASSISTANCE TO SUPPORT CONOWINGO WATERSHED IMPLEMENTATION PLAN FINANCING STRATEGY

SECTION I - INTRODUCTION

1.1 **Purpose:** The Chesapeake Bay Trust, in partnership with the University of Maryland Center for Global Sustainability (UMD), is seeking to assemble a team of project partners to design and implement an innovative financing system that will result in greater financing scale and efficiency in support of water quality and pollution reductions defined in the upcoming Conowingo Watershed Implementation Plan (WIP). This new financing system may be founded on the creation of a new financing institution or authority, which will be charged with allocating and investing fiscal resources in support of water quality restoration. The process of developing and implementing this new financing system will include: 1) a thorough assessment of the existing financing systems that will presumably support Conowingo restoration activities; 2) a proposed design and implementation strategy for a new Conowingo WIP financing system; 3) a process for assessing the viability of a establishing a new interstate financing institution; and, 4) an identification of the resource necessary to launch and sustain this new financing system and institution.

The Trust is seeking industry experts to help lead key elements of this project. Project partners will engage for one year with the potential opportunity for three additional years contingent upon availability of funding.

This program and Request for Proposals (RFP) includes four components that have been separated into individual scopes of work calling for 1) legal analysis; 2) institutional development and financing business plan development, 3) regulated market development, and 4) institutional development and financing analysis. Offerors can bid on one or more of the individual scopes of work, with each scope of work addressed in a separate proposal. The specific components are listed below, and scope details and qualifications of bidders are described in more detail in Section II below. A maximum bid amount is listed for each project scope. Cost will be a factor in evaluation of bids as described in Section V.

Section II.....	p. 2
1) Scope #1: Legal Analysis.....	p. 2
2) Scope #2: Institutional Development and Financing – Business Plan Development.....	p. 3
3) Scope #3: Developing Regulated Market Systems.....	p. 4
4) Scope #4: Institutional Development and Financing - Analysis.....	p. 5
Section III: Additional Services.....	p. 6
Section IV: Proposal Format and Submission Information.....	p. 7
Section V: Evaluation Procedure.....	p. 8
Section VI: Other Information.....	p. 9

SECTION II – SERVICES/SCOPES OF WORK and OFFEROR'S MINIMUM QUALIFICATIONS

Find below descriptions of the four scopes of work, expected deliverables, and minimum qualifications of bidders.

2.1 Scope #1: Legal Analysis

Maximum bid: Bids not to exceed \$33,000 for year 1; up to three additional years contingent upon available funding

Timeline: Work must be completed by June 30, 2020

a. Scope of Work - Introduction

The complexity of the Conowingo WIP and the associated financing system will require a thorough understanding of the legal issues associated with establishing a regional financing system as well as establishing (potentially) a regional financing authority. To that end, this project will require legal analysis of the key attributes of establishing and maintaining a regional financing system, with a focus on inter-jurisdictional engagement and financing; market-based financing processes and systems; and, working in partnership with state and federal agencies.

b. Scope of Work – Deliverables.

Offerors must outline in detail their ability to complete in timely fashion the following deliverables:

- Written and verbally presented recommendations to the project team that provides analysis and assessment, of the following areas:
 - Legal barriers and issues associated with establishing an inter-jurisdictional financing system supporting Conowingo Watershed restoration and protection;
 - Legal and regulatory issues impacting Conowingo Dam licensing and the potential impact of those legal and regulatory issues on the existing and proposed financing systems;
 - Legal analysis related to creating a new financing institution or authority.
- In-person participation in at least 50% of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor). Meetings are expected to occur 10am-2pm every second Wednesday of every month starting October 9, 2019.

Specific dates for intermediate products are to be determined in coordination with Awardee. Should funding be available for future years, a new set of deliverables associated with subsequent phases of the work will be negotiated for each year.

c. Qualifications and expertise

Demonstrated capacity and expertise should include a detailed understanding of the *legal issues, potential barriers, and anticipated opportunities* associated with:

- Environmental restoration and protection;
- Institutional development related to ecosystem restoration, protection, and financing;
- Market-based financing, including water quality trading, pay for success, and pay for performance financing systems;
- Inter-jurisdictional financing systems;
- The interaction and linkages between public and private capital;
- Establishment and scaling of regulated environmental markets.

Specific experience must include:

- At least five projects involving the analysis of federal environmental laws and regulations associated with clean water restoration and protection and natural resource protection;
- At least three projects involving nonprofit and institutional governance and development;
- Involvement as a legal expert in at least three projects related to environmental restoration and protection.

- **2.2 Scope #2: Institutional Development and Financing - Business Plan Development**

Maximum bid: Bids not to exceed \$33,000 for year 1; up to three additional years contingent upon available funding.

Timeline: Work must be completed by June 30, 2020. Should funding be available for future years, a new set of deliverables associated with subsequent phases of the work will be negotiated for each year.

a. Scope of Work - Introduction

Perhaps the most unique element of the financing system will be the potential creation of a financing or infrastructure authority. A financing authority can serve multiple roles within the financing process. This part of the project will require institutional design and structure, including administrative processes and leadership; creating relevant and effective partnerships between public agencies and jurisdictions; revenue generation and structures; and, processes for assessing investment results.

b. Scope of Work – Services and Deliverables

Offerors must outline in detail their ability to produce in timely fashion the following deliverables:

- A conceptual business plan for establishing a financing institution/or authority, which will support Conowingo Watershed restoration and protection. The plan should include guidance on creating effective linkages and synergies between water quality investments and other environmental and infrastructure investments.
- In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor). In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor)

c. Qualifications and expertise

Offeror's should have the following experience:

- Leadership in at least three efforts to developing and/or implementing innovative financing institutions such as green banks and infrastructure banks;
- Demonstrated experience through three examples with institutional design and structure;
- Experience creating scale-able and diverse investment processes designed to generate and link investments from multiple sources; and,
- Experience developing processes and metrics for gauging investment performance.

2.3 Scope #3: Maximizing Regulated Market Development

Maximum bid: Bids not to exceed \$25,000 for year 1; up to three additional years contingent upon available funding.

Timeline: Work should be completed by June 30, 2020. Should funding be available for future years, a new set of deliverables associated with subsequent phases of the work will be negotiated for each year.

a. Scope of Work - Introduction

The Conowingo WIP Financing System will focus extensively on the application of regulated market-based financing tools such as water quality trading, pay for performance, and pay for success systems. The inter-jurisdictional nature of this effort will add to both the complexity and opportunity of these types of programs. The project team is seeking a recognized expert and regional leader in market-based financing systems.

b. Scope of Work – Services and Deliverables

Offerors must outline in detail their ability to produce in timely fashion the following deliverables:

- Verbal and written summary assessing the effectiveness regulated market financing systems and their potential impact for addressing Conowingo water quality and pollution requirements. This summary should contain recommendations for coupling potential Conowingo market programs and systems to existing water quality restoration requirements and associated systems.
- Guidance on the role of an independent financing institution in regard to the development and implementation of an inter-state water quality financing and trading system; and,
- In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor). In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor)

c. Qualifications and expertise

Applicants should have demonstrated capacity and expertise related to all aspects of market-based financing systems, including:

- Extensive experience with, as demonstrated through three examples, the economic and financing benefits and potential costs associated with inter-jurisdictional trading and financing systems;
- Demonstrated capacity and understanding of the core elements of market systems including project development and tracking; communication and implementation strategies and processes;
- A demonstrated understanding of the local, state, and federal policies necessary for establishing, scaling, and maintaining market programs; and,
- Extensive experience, as demonstrated through three examples, in assessing the potential impact of a variety of environmental market policies and systems including but not limited to: water quality trading; pay-for-performance financing; and, pay for success financing.

2.4 Scope #4: Institutional Development and Financing - Analysis

Maximum bid: Bids not to exceed \$13,000 for year 1; up to three additional years contingent upon available funding.

Timeline: Work must be completed by June 30, 2020. Should funding be available for future years, a new set of deliverables associated with subsequent phases of the work will be negotiated for each year.

a. Scope of Work - Introduction

As mentioned above, a financing authority can serve multiple roles within the financing process. This part of the project will require institutional design and structure, including administrative processes and leadership; creating relevant and effective partnerships between public agencies and jurisdictions; revenue generation and structures; and, processes for assessing investment results.

b. Scope of Work – Services and Deliverables

Offerors must outline in detail their ability to produce in timely fashion the following deliverables:

- Analysis and recommendations for establishing a financing institution/or authority, which will support Conowingo Watershed restoration and protection. The analysis should include guidance on creating effective linkages and synergies with existing financing institutions and infrastructures.
- In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor). In-person or virtual participation in at 10 of 12 monthly project team meetings (Project team meetings are scheduled within the Baltimore-Washington corridor)

c. Qualifications and expertise

Offeror's should have the following experience:

- Leadership in developing and/or implementing innovative financing institutions, specifically those designed to support water quality restoration and protection;
- Demonstrated experience with state level institutional design and structure, as demonstrated through three examples, with one specifically in the state of Pennsylvania;
- Direct experience directing and managing at least one public sector financing system, such as a state revolving loan fund program;
- Experience creating scale-able and diverse public sector investment processes designed to generate and link investments from multiple sources; and,
- Experience developing processes and metrics for gauging investment performance.

SECTION III – ADDITIONAL SERVICES

Additional Services. The Contract Officer may request ancillary or additional services within the capacity of the Contractor as may be useful or necessary in the interests of the Trust and the Project for any of the above Scopes of Work.

SECTION IV - PROPOSAL FORMAT AND SUBMISSION INFORMATION

4.1 **Principal Solicitation Officer and Issuing Office:**

Contract Officer: Jana Davis
Telephone Number: 410-974-2941 x 100
E-Mail: jdavis@cbtrust.org
Address: Chesapeake Bay Trust
108 Severn Ave
Annapolis, MD 21403

The sole point of contact for the purpose of this RFP is the Contract Officer.

4.2 **Prospective Offerors:** An “Offeror” is a person or entity that submits a proposal in response to this RFP.

4.3 **Cancellation; Discretion of Contract Officer:** This RFP may be canceled in whole or in part and any proposal may be rejected in whole or in part at the discretion of the Contract Officer. In addition, the Contract officer has the right to negotiate separately with any Offeror in any manner which will best serve the interests of the Trust. The Contract Officer may waive any mandatory condition or minimum qualification if she determines that such action is in the best interest of the Trust.

4.4 **Submission Instructions/Proposal Closing Date:**

Offerors must submit proposals using our Online Application System, located at:

https://www.GrantRequest.com/SID_1520?SA=SNA&FID=35341

no later than **4:00 p.m. on September 18, 2019** (the "**Closing Date**"). Requests for extensions will not be granted, late applications will not be accepted, and the online funding opportunity will close promptly at 4:00 pm. **Offerors are strongly encouraged to submit at least a few days prior to the deadline** given potential for high website traffic on the due date. The Trust cannot guarantee availability of Online Application System technical assistance on the deadline date. You will receive immediate email confirmation upon successful submission of your proposal.

Proposals are irrevocable for 90 days following the Closing Date.

4.5 **Proposal Format:** An Offeror may bid on more than one scope of work outlined in Section II above in separate proposals.

- In the “project title” field in the online submission system, use the word “Conowingo-” at the start of your title.
- You will be asked to submit a project narrative. The narrative must include responses to a-e below in a concise (≤5 pages) description. Items g) and h) may be addressed outside of the 5 page limit. All material must be submitted in one electronic file.
 - a) Names of individuals providing the services and number of years of experience in such areas
 - b) Scope on which the bidder is bidding: Scopes #1-4
 - c) The individual’s proposal for how to address the elements of the scope(s) of work and required outcomes described in the services and deliverables section (Section II above)

- d) Response to the qualifications section: a description of the experience to provide services in the topics described above as described in Section II
 - e) Names, phone numbers, and email addresses of three references
 - f) The resume or CV of the individual(s) providing the service
 - g) Any other information which the Offeror considers relevant to a fair evaluation of its experience and capabilities
- **Budget: The Offeror shall submit a budget including total number of hours and hourly rate of compensation for the services to be performed during the term of the Contract broken down by direct rate, overhead/benefit rate, profit, and direct expenses; any additional costs required to complete the project; and total compensation.** Use the Application Budget worksheet in the Financial Management Spreadsheet accessible at www.cbtrust.org/forms, and if needed, provide additional justification or explanation as an attachment to the proposal. The proposed rates of compensation will be irrevocable for a period of 90 days from the Closing Date, or if modified during negotiations, for a period of 90 days from the date such modified rates are proposed by the Offeror. If your proposed indirect rate is higher than 10% of the direct costs and your proposal is selected for funding, you will be required to provide the Negotiated Indirect Cost Rate Agreement (NICRA) documentation.

Subcontracting Opportunities. It is assumed this solicitation will result in a small procurement that will not provide realistic opportunities for subcontracting, though multiple organizations may apply as a collaborative or partnership with an identified project lead. If, however, a Proposer considers subcontracting of services to be available, they should so specify, and in that case demonstrate compliance with Good Faith Efforts to engage Disadvantaged Business Enterprises.

4.6 **Professional Liability Insurance:** The Offeror shall agree to maintain in full force and effect during the term of the Contract usual and customary amounts of liability insurance coverage in connection with the performance or failure to perform services under the Contract.

4.7 **Eligible Organizations:** No entity may enter into a Contract with the Chesapeake Bay Trust under this funding opportunity if the entity is listed in www.sam.gov as debarred, suspended, or otherwise excluded and unless the entity has provided its DUNS number to the Trust. You will be asked to submit your DUNS number in the online application form.

4.8 **Subcontracting Opportunities and Procurement:** It is assumed this solicitation will result in a small procurement(s) that will not provide realistic opportunities for subcontracting, though multiple organizations may apply as a collaborative or partnership with an identified project lead. If, however, an Offeror considers subcontracting of services to be available, they should so specify, and in that case demonstrate compliance with Good Faith Efforts to engage Disadvantaged Business Enterprises (DBE). Consistent with federal procurement guidelines, you must obtain or have obtained at least three estimates for any work to be performed by subcontractors greater than \$3,000 and less than \$150,000, must keep documentation on the estimates, and are encouraged to use good faith efforts to engage disadvantaged/minority/women business enterprises (DBE) by reaching out to DBE/MBE/WBE firms to submit estimates/bids. The following website may be helpful in identifying firms: <https://mbe.mdot.maryland.gov/>. You must verify by checking at www.sam.gov that any subcontractor has not been suspended, debarred, excluded, or disqualified by the federal government.

SECTION V - EVALUATION PROCEDURE

5.1 **Qualifying Proposals:** The Contract Officer will review each proposal for compliance with the minimum qualifications set forth in "Offeror's Minimum Qualifications."

5.2 **Deviations and Negotiation.** The Contract Officer shall have the sole right to determine whether any deviation from the requirements of this RFP is substantial in nature, and the Contract Officer may reject non-conforming proposals. In addition, the Contract Officer may waive minor irregularities in proposals, allow an Offeror to correct minor irregularities, and negotiate with responsible Offerors in any manner deemed necessary or desirable to serve the best interests of the Project.

5.3 **Evaluation.** Proposals shall be evaluated by the Contract Officer and a review committee. This evaluation will be made on the basis of the evaluation criteria discussed below and may include any oral presentation that may be required by the Contract Officer at their discretion. The Contract Officer reserves the right to recommend an Offeror for contract award based upon the Offeror's proposal without oral presentations or further discussion. However, the Contract Officer may engage in further discussion if they determine that it might be beneficial. In such case, the Contract Officer will notify those responsible Offerors with whom further discussion is desired. In addition, the Contract Officer may permit qualified Offerors to revise their proposals by submitting "best and final" offers.

5.4 **Evaluation Considerations:** Proposals and any oral presentation by Offerors who meet the minimum qualifications set forth in Section II will be evaluated on the basis of the following factors:

- A. **Proposed Team (Specific Individual(s) Responsible for Performance of Contract).** Evaluation of the qualifications, reputation, and compatibility with needs of the Trust and the Project of the individual or individuals who will perform the Contract.
- B. **Proposed Approach.** Evaluation of the work to be performed to accomplish the goals outlined in the Scopes of Work in Section II.
- C. **Experience of Offeror.** Evaluation of the quality and quantity of the Offeror's experience and expertise in the areas proposed, supported by references.
- D. **Capacity.** Evaluation of the Offeror's ability and commitment to meet timeline for the Project.
- E. **Price and Hours.** Hourly rate, indirect rate, and number of hours to be devoted to the project.

SECTION VI: OTHER INFORMATION

6.1 **Disclosure:** Proposals submitted in response to this RFP may be provided to government agencies and be subject to disclosure pursuant to the provisions of the Access to Public Records Act of the State Government Article of the Annotated Code of Maryland (the "Public Information Act") or equivalent for your area. Offerors must specifically identify those portions of their proposals, if any, which they deem to contain confidential or proprietary information and must provide justification why such materials should not, upon request, be disclosed by the State under the Public Information Act.

6.2 **Expenses:** The Trust and the Contract Officer are not responsible for any direct or indirect expenses which an Offeror may incur in preparing and submitting a proposal, participating in the evaluation process, or in consequence of this solicitation process for any reason.

6.3 **Acceptance of Terms and Conditions:** By submitting a proposal in response to this RFP, (A) the Offeror accepts all of the terms and conditions set forth in this RFP; (B) the Offeror, if selected for award,

agrees that it will comply with all federal, State, and local laws applicable to its activities and obligations under the Contract; and (C) the Offeror shall be deemed to represent that it is not in arrears in the payment of any obligation due and owing the United States Government or the State or any department or unit thereof, including, without limitation, the payment of taxes and employee benefits, and, if selected for award, that it shall not become so in arrears during the term of the Contract.

6.4 **Disadvantaged Business Enterprise/Minority Business Enterprise (DBE/MBE) Participation:** This RFP encourages the participation of DBE/MBE firms (members of a group as defined in the State Finance and Procurement Article of the Annotated Code of Maryland (the "Procurement Article"), Section 14-301(f)(i)(ii)). The Trust encourages DBE/MBE firms who meet the minimum qualifications to respond to this RFP.

6.5 **Parties to the Contract:** The contract to be entered into as a result of this RFP (the "Contract") shall be between the successful Offeror (the "Contractor") and the Trust.

6.6 **Contract Documents.** The Contract shall include the following documents: this RFP, the Contractor's Proposal (to the extent not inconsistent with the RFP or the Contract), and the Contract. In the event of an inconsistency, the Contract shall have priority over the other documents and specific conditions of the Contract shall have priority over General Conditions.

6.7 **Contract Term.** The Contract term shall commence as of a date to be specified in the Contract and, unless sooner terminated in accordance with the Contract, shall end when all work authorized under the Contract has been successfully completed by the project end date, unless the Contract is renewed or extended at the sole option of the Contract Officer.

6.8 **Billing Procedures and Compensation.**

A. **Method.** The Contracts to be entered into as a result of this RFP will not exceed the small procurement threshold set by Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. The Contractor(s) must comply with billing procedures as may be required by the Contract Officer and US EPA. These may entail monthly reporting of time and eligible expenses, or may be based upon satisfactory completion of benchmark tasks.

B. **Records.** The Contractor(s) shall submit invoices no more than once per month but no less than once per quarter in a form acceptable to the Contract Officer and maintain records relating to the costs and expenses incurred by the Contractor(s) in the performance of the Contracts for a period of three years from the date of final Project payment under the Contracts.

6.9 **Certification.** The Offeror shall certify that, to the best of its knowledge, the price information submitted is accurate, complete, and correct as of the Closing Date, and if negotiations are conducted as of the date of "best and final offer."

6.9 **Branding.** All products (outreach materials, events) will be branded with funder logos.