REQUEST FOR PROPOSALS
No. RFP-15-006-O

SEALED OFFERS
FOR

PROCUREMENT BUSINESS PROCESS
RE-ENGINEERING PROJECT CONSULTING SERVICES
CONTRACT

STATE OF HAWAI‘I
STATE PROCUREMENT OFFICE

OFFERS IN RESPONSE TO THIS RFP ARE DUE AT
2:00 P.M., HST ON DECEMBER 18, 2014
BY SUBMISSION TO THE HAWAI‘I STATE EPROCUREMENT SYSTEM (HlePRO)

DIRECT ALL QUESTIONS REGARDING THIS RFP AND REQUESTS FOR
ACCOMMODATIONS FOR PERSONS WITH DISABILITIES IN CONNECTION WITH THIS
RFP, TO:

DONNA (DONN) TSURUDA-KASHIWABARA, TELEPHONE (808) 586-0565 OR EMAIL
ADDRESS: DONNA.TSURUDA-KASHIWABARA@HAWAII.GOV.
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SECTION ONE
INTRODUCTION, TERMS AND ACRONYMS, KEY DATES

1.1 INTRODUCTION

The State Procurement Office ("SPO") is requesting proposals for consulting services to perform a business process assessment to review the State’s current procurement processes and procedures, query stakeholders for feedback on process/procedural improvements, identify procurement-related, user-defined criteria to aid in the implementation of procurement modules in a state-wide Enterprise Resource Planning ("ERP") solution, identify key areas for improvement and propose a model for future procurement process transformation and deliver an Online State Procurement Manual that reflects the process. Any award will result in a contract for these services for use by the State Procurement Office.

1.2 CANCELLATION

The Request for Proposals (RFP) may be cancelled and any or all proposals rejected in whole or in part, without liability to the State, when it is determined to be in the best interest of the State.

1.3 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tbody>
<tr>
<td>BAFO</td>
<td>Best and Final Offer</td>
</tr>
<tr>
<td>CPO</td>
<td>Chief Procurement Officer</td>
</tr>
<tr>
<td>DAGS</td>
<td>Department of Accounting and General Services</td>
</tr>
<tr>
<td>GC</td>
<td>General Conditions, issued by the Department of the Attorney General</td>
</tr>
<tr>
<td>GET</td>
<td>General Excise Tax</td>
</tr>
<tr>
<td>GP</td>
<td>General Provisions</td>
</tr>
<tr>
<td>Procurement Officer</td>
<td>The contracting officer for the State of Hawai‘i, State Procurement Office</td>
</tr>
<tr>
<td>State</td>
<td>State of Hawai‘i, including its departments, agencies, and political subdivisions</td>
</tr>
</tbody>
</table>
1.4 RFP SCHEDULE AND SIGNIFICANT DATES

The schedule represents the State’s best estimate of the schedule that will be followed. All times indicated are Hawai‘i Standard Time (HST). If a component of this schedule, such as "Proposal Due date/time" is delayed, the rest of the schedule will likely be shifted by the same number of days. Any change to the RFP Schedule and Significant Dates shall be reflected in and issued in an addendum. The approximate schedule is as follows:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Release of Request for Proposals</td>
<td>11-17-2014</td>
</tr>
<tr>
<td>Due date to Submit Questions</td>
<td>11-24-2014</td>
</tr>
<tr>
<td>State’s Response to Questions</td>
<td>12-02-2014</td>
</tr>
<tr>
<td>Proposals Due date/time</td>
<td>12-18-2014</td>
</tr>
<tr>
<td>Proposal Evaluations</td>
<td>12-22-2014</td>
</tr>
<tr>
<td>Notice of Award</td>
<td>12-29-2014</td>
</tr>
<tr>
<td>Estimated Contract Start Date (Notice to Proceed)</td>
<td>01-15-2015</td>
</tr>
</tbody>
</table>

1.5 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will not be held for this solicitation.

1.6 QUESTIONS AND ANSWERS PRIOR TO OPENING OF PROPOSALS

All questions shall be submitted by the due date specified in Section 1.4, RFP Schedule and Significant Dates, as amended. If an Offeror believes that any provision of the RFP is unclear, potentially defective or would prevent it from providing a meaningful Offer, it shall submit questions through HlePRO requesting clarification on or before the deadline specified in Section 1.4, RFP Schedule and Significant Dates, as amended. 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 will respond to questions through Addenda/Amendments by the date specified in Section 1.4, RFP Schedule and Significant Dates, as amended.

**It is SPO's intent to award a contract without discussions but SPO reserves the right to conduct discussions, if required.**

1.7 CONTRACT TYPE

Any contract award resulting from this solicitation will be a firm-fixed price contract payable upon successful completion of performance milestones.

1.8 CONTRACT TERM

The contract term shall be for a period of 365 days from the date of Notice to Proceed.

Unless terminated, the Contractor and the State may extend the term of the contract for one (1) additional 12-month period or portions thereof without the necessity of re-soliciting, upon mutual agreement in writing at least sixty (60) days prior to the expiration of the contract. The contract price or commission paid to the Contractor for the extended period shall remain the same or as described in the offer.
SECTION TWO

BACKGROUND AND SCOPE OF WORK

2.1 PROJECT OVERVIEW AND HISTORY

The goal of this project is to provide State agencies, chief procurement officers, purchasing staff, contractors, vendors, and the taxpayer a one-stop, online guide to how the State procures goods, services, construction, and health and human services and how to participate in the procurement process in a clear, transparent, efficient and compliant manner. Based on data gathering, evaluations, assessments and recommendations this project will research, develop and implement a transformative model for the State procurement process and an online State Procurement Manual.

2.2 SCOPE OF WORK

All services to be provided to the SPO shall be in accordance with this RFP, including its attachments and any addenda.

The Scope of Work for this solicitation is set forth below and is hereby incorporated by reference into this solicitation and any subsequent contract award.

The State of Hawai‘i, State Procurement Office (“SPO”) is seeking consulting services to perform a business process assessment to review the State’s current procurement processes and procedures, query stakeholders for feedback on process/procedural improvements, identify procurement-related user-defined criteria to aid in the implementation of procurement modules in a state-wide Enterprise Resource Planning (“ERP”) solution, identify key areas for improvement and propose a model for future procurement process transformation and deliver a State Procurement Manual that reflects the process.

I. Project Goal

The goal of this project is to provide State agencies, chief procurement officers, purchasing staff, contractors, vendors, and the taxpayer a one-stop guide to how the State procures goods, services and construction and how to participate in the procurement process in a clear, transparent, efficient and compliant manner. Based on data gathering, evaluations, assessments and recommendations this project will research, develop and implement a transformative model for the State procurement process and an online State Procurement Manual.

II. Project Description

Procurement activities are critical components of all governmental functions. The purpose of the Hawai‘i Procurement Code is to (1) provide for fair and equitable treatment of all persons dealing with the procurement system; (2) foster broad-based competition among vendors while ensuring accountability, fiscal responsibility, and efficiency in the procurement process; and (3) increase confidence in the integrity of the system. Standing Committee Report No. S8-93, 1993, Senate Journal at 39.

With the development and eventual deployment of a statewide ERP solution that will contain procurement-related functionality for both HRS 103D and 103F procurements,
the SPO requires an immediate assessment of the current procurement environment. This assessment will lead to the identification of user-defined criteria at key stages of the procurement process to aid in the procurement related modules of the ERP solution. The assessment will also lead to recommendations for standardizing and streamlining the procurement and contract management process, maximizing automation and developing clear, transparent, and compliant guidance and practices for agencies, vendors and the public. The final deliverables will consist of a matrix of ERP procurement-related defined criteria and a State Procurement Manual.

Many of the State’s procurement practices need to be examined for improvement opportunities, to include procurement workflows, allocation of scarce procurement resources, and methods to measure performance and success of the procurement function statewide. The current situation of documenting processes and procedures via agency-specific desk manuals, statutory interpretations and conflicting web resources results in a lack of clear guidance and inconsistencies between, and among, SPO and other agencies. Agency-level spot solutions and work-arounds are emerging to address these gaps, evidencing the need for a comprehensive and standardized strategy to address these issues.

This project will enable the SPO to hear from stakeholders on how to improve the procurement process by making it more responsive while driving internal and external efficiencies. This project will identify the required procurement process changes and solutions to include: outreach and data gathering, assessment, communication and training, and developing user-defined criteria to aid in ERP implementation.

III. Phased Approach

The project will be conducted in a phased approach wherein each task will build the foundation and utilize the data, assessments, and recommendations from the previous phase to inform the subsequent tasks. The initial tasks will consist of foundational activities required to ultimately transform the procurement processes, develop the user-defined criteria for each relevant procurement milestone in the acquisition lifecycle, and perform the transitional planning to enable the SPO, and the entire State procurement community, to evolve to a new target procurement environment.

As a result, the tasks described below may vary slightly during contract performance depending on the assessment and recommendations accepted by the SPO. Deliverables will be required within each task that will trigger SPO decision points and aid in further definitizing the subsequent tasks. While this is a decisional phased approach, the order of the tasks and activities listed does not imply a strict sequential approach to project delivery. It is expected that the selected consultant will describe in its proposal how these tasks and activities will be performed and the scheduling of these activities based on the consultants’ expertise and proposed delivery model.

*Deliverables:*
- Schedule of Performance Payment Milestones
- Updated project schedule based on notice to proceed

*Schedule:*
- Due five (5) days after notice to proceed
IV. Project Tasks

A. Task 1: State Procurement Process Assessment

The consultant shall perform an overall assessment of the current condition of the State procurement processes and procedures.

The consultant’s responsibilities shall include all activities required to assess the procurement process and provide the deliverables required below. The following is a non-exclusive list of tasks the consultant shall perform:

1. Identify project goals and objectives and share with stakeholders.
2. Conduct interviews of key procurement staff, chief procurement officers, and stakeholders concerning the current procurement process and their suggestions to improve the process.
3. Evaluate current policies, procedures, working-level documentation and internal, agency-specific processes related to procurement.
4. Identify strategic directions established for the state that may affect procurement procedures or the contract lifecycle, example.g., Governor initiatives, strategic plans, etc.
5. Evaluate the current organizational structure of the procurement process.
6. Identify all current technology supporting procurement functions at a state-wide and agency level.
7. Identify, collect, review and evaluate additional key procurement-related documents, e.g., standardized forms, templates, etc.
8. Evaluate these documents for necessity, duplication, standardization, and ease of use then provide recommendations.
9. Identify the fundamental procurement processes and procedures consistent among all agencies and provide an ERP matrix of user-defined criteria for key stages of the acquisition lifecycle.

Assumptions:

- SPO assumes the selected consultant has a thorough knowledge of the Hawai‘i Procurement Code for both HRS Section 103D and 103F procurements and organizations. Providing detailed documentation of the current (as-is) procurement process is not within the scope of this contract. The SPO understands that a high-level examination and understanding of the existing processes by the selected consultant is required in order to develop the ERP user-defined criteria and evaluate the impact of recommended changes; however, the SPO does not want to expend a great deal of resources in developing detailed documentation of the current processes. Note: The SPO has existing process workflows for some of its business practices attached hereto as Appendix.

- At a minimum, Consultant shall interview the individuals listed in Appendix A.
- At a minimum, ERP user-defined criteria will be required at the stages identified and highlighted in Appendix B.

Deliverables:
- State Assessment Report – draft/final
- ERP user-defined criteria matrix – draft
**Schedule:**
- Six (6) weeks

B. Task 2: Governmental and Peer State Comparisons, Evaluation, and Recommendations

The consultant shall perform a comparative evaluation of Hawai‘i’s procurement processes and procedures with other states and governmental agencies.

The consultant’s responsibilities shall include all activities required to conduct the comparison and provide the deliverables listed below. The following is a non-exclusive list of tasks the consultant shall perform:

1. Compare and contrast the procurement functions of Hawai‘i to relevant peer states.
2. Evaluate relevant government best practices for procurement lifecycle functions.
3. Identify and evaluate efficient procurement organizational models and process workflows.
4. Identify and evaluate the differences between the sample States’ and Hawai‘i’s processes and procedures.
5. Develop alternative models and recommendations for a future, transformed Hawai‘i procurement process.
6. Identify and assess the gaps between the State Assessment Report and the future procurement model.
7. Provide recommendations to address the identified gaps.
8. Recommend strategies in the areas of organizational planning, business processes, and workforce transition and training.
9. Identify any statutory-, regulatory- and/or policy-related implications that may affect the ability to implement the recommended model and recommendations.
   a. Provide guidance on alternative options and recommendations to address these impediments up to, and including, legislative change.
   b. Reflect the schedule and lead times for these options in your project schedule in Task 3 below.
10. Identify and compare alternatives for implementing the strategies.

**Assumptions:**
- Comparison shall be limited to three (3) states: Washington, Oregon and Alaska.
- Procurement best practices can include sources such as the Federal Acquisition Regulation (“FAR”) and associated agency regulations, the American Bar Association Model Codes, etc.

**Deliverables:**
- Peer State Assessment Report – draft/final
- Alternative Models for a Future Transformed Procurement Process – draft/final
- Gap Analysis Report and Recommendations – draft/final
- ERP user-defined criteria matrix – final

**Schedule:**
- Three (3) weeks

C. Task 3: Develop and Deploy an Online, State Procurement Manual

The consultant shall develop a State Procurement Manual patterned on the acquisition lifecycle and incorporating the ERP user-defined criteria in association with OIMT. This
The manual shall provide government procurement professionals, chief procurement officers, government stakeholders, contractors, vendors, and the taxpayer a one-stop shop for procurement guidance. The manual will allow users to access statutory requirements, SPO guidance, templates, samples, forms, training, and vendor registration and guidance associated with the acquisition lifecycle. The manual will be presented in a guided user interface platform that provides customized information and guidance based on the user.

Based on the SPO selected model and recommendations from Task 2 the consultant shall develop a Work Plan and Roadmap to achieve the targeted transformation model for the procurement function within the State.

A. Procurement Manual Work Plan and Roadmap

The consultant shall develop a Procurement Manual Work Plan and Roadmap. The following is a non-exclusive list of tasks the consultant shall perform:

1. Develop a project schedule and roadmap, including a recommended, prioritized sequence of critical path activities, to achieve the transformation of the state to the future model to be represented in the online procurement manual.
2. Identify any and all ancillary projects and or acquisitions required to support or achieve the future model and ultimate Procurement Manual.
3. Coordinate with OIMT concerning ERP user-defined criteria and plans associated with a future procurement module.

B. Deploy the Online Procurement Manual

Once the project schedule and roadmap are approved, the consultant’s responsibilities shall include all activities required to develop and deploy the online Procurement Manual. The following is a non-exclusive list of tasks the consultant shall perform:

1. Provide a graphic representation of the steps in the procurement and acquisition lifecycle.
   a. The lifecycle should reflect the fundamental steps in the acquisition that are standard for state government agencies, as identified in the State Assessment Report, and should not encompass any agency-specific activities.
   b. ERP user-defined criteria must be represented in the process.
2. Provide a series of swim-lane flowcharts associated with the steps in the lifecycle for each procurement method.
3. Swim lanes shall represent key members of the acquisition lifecycle to include, but not limited to, the requiring agency, the procurement professional, the contractor/vendor, finance, etc.
4. Identify and map the key documents that will be linked to each activity represented in the lifecycle flowcharts. Provide recommendations on unnecessary, duplicative, or superfluous documents, forms, etc.
5. Gather and digitize the key documents identified above along with statutes, administrative rules, templates, samples, forms, guidance and training to be linked to the lifecycle for ease of access, (e.g., all forms shall allow user to fill in, ability to search the document and approval transmission online, etc.)
6. Develop the online Procurement manual based on the SPO-approved flowchart submittals utilizing the existing and recommended technology.
7. Conduct testing utilizing the SPO personnel. During testing SPO will develop a list of items that need to be either completed or corrected. Consultant will resolve all items that need completion or correction prior to Final Acceptance.

8. Develop a training manual and quick guide sheet detailing how to navigate the procurement manual and an administrator quick guide that allows the SPO to update the procurement and training manuals as needed.

Assumptions:
- While the tasks above describe flowchart deliverables for SPO approval the online manual does not necessarily have to be represented in a flowchart manner. SPO expects the consultant to provide SPO with options on how to deliver and represent the manual based on the consultant’s expertise.
- Only open source or existing software, hardware and technology shall be used to create and deploy the manual.
- SPO shall retain access and full administrative rights to change, modify, enhance and upload any future data to the Online Procurement Manual.
- Related source code shall be the property of the SPO, as reflected in the Special Provisions.

Deliverables:
- Resource-loaded Project Schedule – draft/final
- Transformation Work Plan and Roadmap – draft/final
- Procurement Lifecycle Representation – draft/final
- Procurement Method Swim Lane Flowcharts by Procurement Method – draft/final
- Digitized key procurement documents and forms
- Online Procurement Manual (fully functional, all SPO identified items resolved)

Schedule:
- Ten (10) weeks

V. Statement of Work Appendices

Appendix A: List of Persons to Interview
Appendix B: ERP User Defined Criteria
Appendix C: Procurement Process Workflows
SECTION THREE

PROPOSAL FORMAT AND CONTENT

3.1 OFFEROR’S AUTHORITY TO SUBMIT AN OFFER

The State will not participate in determinations regarding an Offeror's authority to sell a product or service. If there is a question or doubt regarding an Offeror's right or ability to obtain and sell a product or service, the Offeror shall resolve that question prior to submitting an offer.

3.2 REQUIRED REVIEW

3.2.1 Before submitting a proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and other relevant document, to ensure Offeror understands the requirements of the RFP. 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.

3.2.2 Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the SPO in writing prior to the deadline for written questions as stated in the RFP 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 of a defective solicitation and exposure of proposal(s) upon which award could not be made.

3.3 PROPOSAL PREPARATION COSTS

Any and all costs incurred by the Offeror in preparing or submitting a proposal shall be the Offeror’s sole responsibility whether or not any award results from this RFP. The State shall not reimburse such costs.

3.4 TAX LIABILITY

3.4.1 Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Contractor is advised that they are liable for the Hawai‘i GET at the current 4.5% for sales made on Oahu, and at the 4% rate for the islands of Hawai‘i, Maui, Moloka‘i, and Kaua‘i. 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, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

3.4.2 Federal I.D. Number and Hawai‘i General Excise Tax License I.D. Offeror shall submit its current Federal I.D. No. and Hawai‘i General Excise Tax License I.D. number in the space provided on Offer Form, page OF-1, 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.
3.5 PROPERTY OF STATE

All proposals become the property of the State of Hawai'i.

3.6 CONFIDENTIAL INFORMATION

3.6.1 If an Offeror believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld from disclosure as confidential, then the Offeror shall inform the Procurement Officer named on the cover of this RFP in writing and provide justification to support the Offeror’s confidentiality claim. Price is not considered confidential and will not be withheld.

3.6.2 An Offeror shall request in writing nondisclosure of information such as designated trade secrets or other proprietary data Offeror considers to be confidential. Such requests for nondisclosure shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

3.7 PROPOSAL OBJECTIVES

3.7.1 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.

3.7.2 Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content.

3.7.3 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.

3.7.4 The proposal shall describe in detail the Offeror’s ability and availability of services to meet the goals and objectives of this RFP as stated in Section 2.2 SCOPE OF WORK.

3.7.5 Offeror shall submit a proposal that includes an overall strategy, milestone schedule and plan for the work proposed as well as expected results and possible shortfalls.

3.8 INSURANCE

Offeror’s Certificates of Insurance evidencing coverage in accordance with this RFP and the contract shall be provided prior to contract award.

3.9 PROPOSAL FORMS

3.9.1 The Offeror's proposal shall respond to and include items specified in this RFP and any subsequent addendum. Any proposal offering any other set of terms and conditions or exceptions that conflict with the terms and conditions provided
in the RFP or in any subsequent addendum may be rejected without further consideration as a conditional proposal.

3.9.2 **Offer Form, Page OF-1.** Offer Form, OF-1 is required to be completed using Offeror’s exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable, in the appropriate space on Offer Form, OF-1 (SECTION SEVEN, Attachment 1). Failure to do so may delay proper execution of the Contract.

The Offeror’s authorized signature on the Offer Form, OF-1 shall be an original signature in ink, which shall be required before an award, if any, can be made. The submission of the proposal shall indicate Offeror’s intent to be bound.

3.9.3 **Offer Form, Page OF-2.** Pricing shall be submitted on Offer Form OF-2 (SECTION SEVEN, Attachment 2). The price shall be the all-inclusive cost, including the GET, to the State. No other costs will be honored. Any unit prices shall be inclusive.

### 3.10 PROPOSAL CONTENTS

Proposals must be limited to fifty (50) pages, excluding the transmittal letter and any requested resumes. The proposals shall:

3.10.1 Include a transmittal letter to confirm that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP.

3.10.2 Include a signed Offer Form OF-1 with the complete name and address of Offeror’s firm and the name, mailing address, and telephone number of the person the State should contact regarding the Offeror’s proposal.

3.10.3 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.

3.10.4 Provide all of the information requested in this RFP in the order specified.

3.10.5 Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.

a. Transmittal Letter.

   See SECTION SEVEN, Attachment 1, Offer Form OF-1.

b. Experience and Capabilities.

   1) A list of at least three (3) recent and relevant client references that may be contacted by the State to provide information on the
Offeror's past and current job performance. Offeror shall provide names, titles, organizations, telephone numbers, email and postal addresses. (“Recent” means within the past three (3) years. “Relevant” means work of a similar scope and magnitude of the current solicitation.)

2) The number of years Offeror has been in business and the number of years Offeror has performed services specified by this RFP.

3) A list of key personnel and associated resumes for those who will be dedicated to this project.

4) A 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.

5) A list of sample projects and/or examples of written plans of a similar scope and magnitude of this solicitation.

c. Offer’s Project Approach/Proposal including:

1) A high-level workplan for accomplishing the Scope of Work including a graphical representation of the Offeror’s vision of how the Online Procurement Manual will “look” on the website. (The workplan will be the Offeror’s delivery model/business solution for accomplishing the work.),

2) A project schedule for completion of the work to include all critical path tasks, and

3) A risk mitigation plan listing the top five potential project risks and Offeror’s plan to mitigate those risks and others that could arise on the project.

d. Pricing.

See SECTION SEVEN, Attachment 2, Offer Form OF-2.

3.11 RECEIPT AND REGISTER OF PROPOSALS

Proposals will be received and receipt verified by two or more procurement officials on or after the date and time specified in Section One, or as amended.

The register of proposals and proposals of the Offeror(s) shall be open to public inspection upon posting of award pursuant to section 103D-701, HRS.

3.12 BEST AND FINAL OFFER (BAFO)

If the State determines a BAFO is necessary, it shall request one from the Offeror. The
Offeror shall submit its BAFO and any BAFO received after the deadline or not received shall not be considered.

3.13 MODIFICATION PRIOR TO SUBMITTAL DEADLINE OR WITHDRAWAL OF OFFERS

3.13.1 The Offeror may modify or withdraw a proposal before the proposal due date and time.

3.13.2 Any change, addition, deletion of attachment(s) or data entry of an Offer may be made prior to the deadline for submittal of offers.

3.14 MISTAKES IN PROPOSALS

3.14.1 Mistakes shall not be corrected after award of contract.

3.14.2 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 mistake, the proposal may be corrected or withdrawn pursuant to this section.

3.14.3 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.

3.14.4 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 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 price, quality, or quantity. If discussions are not held or if 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 price, quality or quantity.
SECTION FOUR

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 possible points used to score the proposals is 100.

1) Cost of services, see, SECTION SEVEN, Attachment 2, Offer Form OF-2 (40)

2) Offeror’s Overall Project Approach/Business Solution (35)
   a. Work Plan, see, SECTION THREE - 3.10.5.c.1,
   b. Project Schedule, see SECTION THREE - 3.10.5.c.2, and
   c. Mitigation Plan, see SECTION THREE - 3.10.5.c.3.

3) Recent and relevant experience and capability in performing work of a similar scope and magnitude as this solicitation as described in SECTION THREE (3.10.5.b). (15)
   a. Number of years in the business and number of years performing services specified in this RFP
   b. Reference and client listings

4) Sample projects and/or examples of written plans, organizational charts, contact trees, etc. (10)
SECTION FIVE

CONTRACTOR SELECTION AND CONTRACT AWARD

5.1 EVALUATION OF PROPOSALS

The Procurement Officer, or an evaluation committee of at least three (3) qualified State employees selected by the Procurement Officer, shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section Four of this RFP.

Prior to holding any discussion, a priority list shall be generated consisting of offers determined to be acceptable or potentially acceptable. However, proposals may be accepted without such discussions.

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

5.2 DISCUSSION WITH PRIORITY LISTED 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 RFP 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. It is SPO’s intent to award a contract without discussions but, SPO reserves the right to enter into discussions, as indicated above, if required.

5.3 AWARD OF CONTRACT

Basis of Award. 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 set forth in the RFP.

5.4 RESPONSIBILITY OF OFFERORS

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

1. Chapter 237, General Excise Tax Law;
2. Chapter 383, Hawai‘i Employment Security Law;
3. Chapter 386, Worker’s Compensation Law;
4. Chapter 392, Temporary Disability Insurance;
5. Chapter 393, Prepaid Health Care Act; and
6. §103D-310(c), Certificate of Good Standing (“COGS”) for entities doing business in the State.

The State will verify compliance on Hawai‘i Compliance Express (“HCE”).
**Hawai'i Compliance Express.** The HCE 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.

Vendors/contractors/service providers should register with (HCE) prior to submitting an offer at https://vendors.ehawaii.gov. The annual registration fee is $12.00 and the ‘Certificate of Vendor Compliance’ is accepted for the execution of contract and final payment.

**Timely Registration on HCE.** Vendors/contractors/service providers are advised to register on HCE soon as possible. If a vendor/contractor/service provider is not compliant on HCE at the time of award, an Offeror may not receive the award.

5.5 PROPOSAL AS PART OF THE CONTRACT

This RFP and all or part of the successful proposal may be incorporated into the contract.

5.6 PUBLIC EXAMINATION OF PROPOSALS

Except for portions of the proposal that the Offeror has labeled confidential and/or proprietary, the proposals shall be made available for public inspection upon posting of award pursuant to HRS §103D-701.

If a person is denied access to a State procurement record, the person may appeal the denial to the office of information practices in accordance with HRS §92F-42(12).

5.7 DEBRIEFING

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the basis for 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 written request.

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

5.8 PROTEST PROCEDURES

Pursuant to HRS §103D-701 and HAR §3-126-3, an actual or prospective Offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Any protest shall be submitted in writing to the Procurement Officer at:

STATE PROCUREMENT OFFICE
1151 Punchbowl Street, Room 416
5.9 APPROVALS

Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General, and to all further approvals, including the approval of the Governor, as required by statute, regulation, rule, order, or other directive.

5.10 CONTRACT EXECUTION

The successful Offeror receiving award shall enter into a formal written contract in the form as in Exhibit B. No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to issuance of a Notice to Proceed by the Procurement Officer. The State of Hawai‘i is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period.

5.11 INSURANCE

5.11.1 Prior to the contract start date, the Contractor shall procure at its sole expense and maintain insurance coverage acceptable to the State in full force and effect throughout the term of the Contract. The Offeror shall provide proof of insurance for the following minimum insurance coverage(s) and limit(s) in order to be awarded a contract. The type of insurance coverage is listed as follows:

1. Commercial General Liability Insurance

Commercial general liability insurance coverage against claims for bodily injury and property damage arising out of all operations, activities or contractual liability by the Contractor, its employees and subcontractors during the term of the Contract. This insurance shall include the following coverage and limits specified or required by any applicable law: bodily injury and property damage coverage with a minimum of $1,000,000 per occurrence; and with an aggregated limit of $2,000,000. The commercial general liability policy shall be written on an occurrence basis and the policy shall provide legal defense costs and expenses in addition to the...
limits of liability stated above. The Contractor shall be responsible for payment of any deductible applicable to this policy.

2. Automobile Liability Insurance

Automobile liability insurance covering owned, non-owned, leased, and hired vehicles with a minimum of $1,000,000 for bodily injury for each person, $1,000,000 for bodily injury for each accident, and $1,000,000 for property damage for each accident.

3. Appropriate levels of per occurrence insurance coverage for workers’ compensation and any other insurance coverage required by Federal or State law.

5.11.2 The Contractor shall deposit with the SPO, on or before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the SPO that the provisions of the Contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the SPO during the entire term of the Contract. Upon request by the SPO, the Contractor shall furnish a copy of the policy or policies.

5.11.3 The Contractor will immediately provide written notice to the SPO should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed up expiration.

5.11.4 The certificates of insurance shall contain the following clauses:

1. “The State of Hawai’i is added as an additional insured as respects to operations performed for the State of Hawai’i.”

2. “It is agreed that any insurance maintained by the State of Hawai’i will apply in excess of, and not contribute with, insurance provided by this policy.”

5.11.5. Failure of the Contractor to provide and keep in force such insurance shall constitute a material default under the Contract, entitling the State to exercise any or all of the remedies provided in the Contract (including without limitation terminating the Contract). The procuring of any required policy or policies of insurance shall not be construed to limit the Contractor’s liability hereunder, or to fulfill the indemnification provisions of the Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be responsible for the full and total amount of any damage, injury, or loss caused by the Contractor’s negligence or neglect in the provision of services under the Contract.

5.12 REQUIREMENTS FOR PERFORMANCE BONDS

A performance bond is not required for this solicitation.

5.13 PAYMENT

Incremental payments shall be made to the awarded Contractor in accordance with successful completion of performance milestones set forth in the contract. Within five (5)
days of the Notice to Proceed Contractor shall provide an updated schedule based on
the date of Notice to Proceed along with a Schedule of Performance Milestones for
payment purposes. Payment will not be made until an approved schedule of
performance milestones is submitted and accepted.

5.14 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be
construed to invalidate the entire contract.
SECTION SIX
SPECIAL PROVISIONS

6.1 OFFER GUARANTY

A proposal security deposit is NOT required for this RFP.

6.2 ACCEPTANCE AND TESTING

Final acceptance of the project will only be provided upon delivery of all named project deliverables, including any required SPO revisions/changes, along with completion of testing the Online Procurement Manual and resolution of all SPO-identified items/tasks that need to be completed and/or corrected. Defects identified within one year after final acceptance shall be subject to the requirements of provision 6.4 below.

6.3 INTELLECTUAL PROPERTY RIGHTS

The State reserves the right to unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the work product, and to transfer the intellectual property to third parties for State purposes.

6.4 WARRANTIES AND DISCLAIMER OF IMPLIED WARRANTIES

Warranty for the Online State Procurement Manual shall be for the period of one year from the date of final acceptance of the Online Procurement Manual. All defects identified during the 1-year warranty period shall be corrected within 5 days from notice of the defect or issue.

6.5 CERTIFICATION OF OFFEROR CONCERNING WAGES, HOURS AND WORKING CONDITIONS OF EMPLOYEES SUPPLYING SERVICES (include as applicable)

All Offerors for service contracts shall comply with section 103-55, Hawai‘i Revised Statutes, which provides as follows:

Wages, hours, and working conditions of employees of CONTRACTOR supplying services: Before any prospective Offeror is entitled to submit any offer for the performance of any contract to supply services in excess of $25,000 to any governmental State Procurement Office, Offeror shall certify that the services to be performed will be performed under the following conditions:

Wages: The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work.

Compliance with labor laws: All applicable laws of the Federal and State governments relating to workers compensation, unemployment compensation, payment of wages, and safety will be fully complied with.
No contract to perform services for any governmental contracting State Procurement Office in excess of $25,000 shall be granted unless all the conditions of this section are met. Failure to comply with the conditions of this section during the period of the contract to perform services shall result in cancellation of the contract.

This section shall not apply to:

1. Managerial, supervisory, or clerical personnel.
2. Contracts for supplies, materials, or printing.
3. Contracts for utility services.
4. Contracts to perform personal services under paragraphs (2), (3), (12), and (15) of section 76-16, paragraphs (7), (8), and (9) of section 46-33, and paragraphs (7), (8), and (12) of section 76-77, Hawai'i Revised Statutes, (HRS).
5. Contracts for professional services.
6. Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions.
7. Contracts with nonprofit institutions.
SECTION SEVEN

ATTACHMENTS AND EXHIBITS

- Attachment 1: OFFER FORM, OF-1
- Attachment 2: OFFER FORM, OF-2
- Appendix A: LIST OF PERSONS TO INTERVIEW
- Appendix B: ERP USER-DEFINED CRITERIA
- Appendix C: PROCUREMENT PROCESS WORKFLOWS
- Exhibit A: GENERAL PROVISIONS
- Exhibit B: CONTRACT FORM and AG GENERAL CONDITIONS