

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

CONSULTING SERVICES FOR THE CREATION OF THE NEW JERSEY GREEN FUND

2020-RFQ/P-106

DATE SEPTEMBER 17, 2020 FINAL

ADDENDUM #1

The following constitutes an Addendum, which can be a Clarification and/or Modification to the above referenced solicitation.

This Addendum is divided into the following parts:

PART 1: Answers to bidder questions; and/or

PART 2: Additions, deletions, clarifications, and modifications to the RFQ/P.

PART 1: Answers to bidder questions;

No.	PART 1: Questions	PART 1: Answers
1	General Question: Can NJEDA confirm that there is no page limit for the proposal?	<i>Yes, confirming there isn't a page limit for the proposal.</i>
2	General Question: Does NJEDA anticipate the need for the contractor to hold licenses such as broker-dealer or municipal advisor?	<i>No, the Authority doesn't anticipate requiring Contractor to hold broker-dealer or municipal advisor licenses.</i>
3	RFQ/P Section 1.1 Purpose & Intent, Pg 5: Pricing in most public tenders the client will indicate a maximum budget for a given project. Are you able to share your expected budget for this tender?	<i>No. Please provide your most competitive pricing needed to deliver on the scope of work as described in the RFQ/P.</i>
4	RFQ/P Section 1.1 Purpose & Intent, Pg 5: a. For the duration of the project, will NJEDA help facilitate stakeholder engagement with the appointed contractor? b. Will there be support in ensuring the contractor reaches out and consults the right internal and external stakeholders?	<i>a. Yes, the Authority will help facilitate the stakeholder engagement. However, the Contractor must be prepared to support the engagement and, where appropriate, execute engagement tasks.</i> <i>b. Yes, the Authority will work with the Contractor to confirm the stakeholder approach.</i>

5	<p>RFQ/P Section 1.2 Background, Pg 7:</p> <p>a. What are the revenues available from the RGGI scheme to capitalize the Green Fund?</p> <p>b. We understand this will be 20-25% of RGGI's revenue, is there a figure for this?</p> <p>c. Will this revenue be available annually to re-capitalize the Fund?</p>	<p><i>a. As stated in RFQ/P Section 1.2, “[t]he RGGI program operates through quarterly auctions of GHG emissions allowances and, under the State’s RGGI enabling legislation, 60 percent of the auction proceeds New Jersey receives are allocated to the Authority for it to program. Consistent with the Energy Master Plan, the initial three-year RGGI Strategic Funding Plan adopted in April 2020 calls for the Authority to create a statewide green financing mechanism, and to dedicate between 20 and 25 percent of the [Authority’s] RGGI funding allocation to this initiative.” As a percentage of the State’s overall RGGI proceeds, this equates to 12.5 to 15 percent.</i></p> <p><i>b. The NJ Department of Environmental Protection currently forecasts that the proceeds from New Jersey’s first three years of renewed participation in RGGI will be in the range of \$240 million. Based on this forecast, the allocation of RGGI funding to support the Green Fund would be in the range of \$ 28.6 to 36 million over the three-year period. The actual amount of proceeds received by New Jersey during the three years could be impacted, positively or negatively, by many market and non-market factors.</i></p> <p><i>c. Governor Murphy is strongly committed to New Jersey’s participation in RGGI and to the use of the State’s RGGI funding to reduce carbon emissions. As stated in the RFQ/P, during Phase I of the project, the Contractor will collaborate with EDA in evaluating potential funding sources for the Green Fund in addition to RGGI funds, including private sources.</i></p>

6	<p>RFQ/P Section 1.4.8 – Subconsultants/Subcontractors, Pg. 14: Subsequent to our proposal, would we be able to call upon a subcontractor? If so, is there a governance process to onboard them as part of the project?</p>	<p><i>Yes, you may call upon Subcontractor(s) subsequent to submitting your proposal. See Section 1.4.8 Subconsultants/Subcontractors (would need to complete and submit a Subcontractor Utilization form for approval) and Section 4.2.4.13 Subcontract Utilization Plan.</i></p>
7	<p>RFQ/P Section 1.4.8 – Subconsultants/Subcontractors, Pg. 14: If our company had a desire to work with another company, we can only work with them as a subcontractor. Is that correct?</p>	<p><i>Yes, that is correct. See Sections 1.4.8 and 4.2.4.13 regarding the use of Subconsultants/Subcontractors.</i></p>
8	<p>RFQ/P Section 3.1.1.1 – Phase IA Deliverables (Target Timeframe: 2-3 Months) Will NJEDA facilitate introductions with other stakeholders to meet the scope of work requirements?</p>	<p><i>Yes, the Authority will help facilitate the stakeholder engagement. However, the Contractor must be prepared to support the engagement and, where appropriate, execute engagement tasks.</i></p>
9	<p>RFQ/P Section 3.1.1.2 – Description of Expected Phase 1A Activities:</p> <p>a. Can NJEDA clarify what the legal analysis of governance structures entails?</p> <p>b. Can NJEDA confirm that the legal analysis of governance structures is focused on fund implementation structures rather than legal feasibility?</p>	<p><i>a. Consistent with Section 3.1.1.2D, expected Phase IA activities will include legal analysis of alternative organizational as well as governance structures, including the legal feasibility of those structures. Examples of issues that might be examined include what role, if any, the Authority might play in the governance of a non-profit organization deemed independent of government, and what kinds of laws and rules would apply to any contractual relationships that were to be implemented between and independent, non-profit Green Fund and the Authority or any other NJ government entity.</i></p> <p><i>b. Legal analysis regarding governance structures would encompass legal feasibility as well as fund implementation structures. However, the Authority does not anticipate that the Contractor would need to engage New Jersey legal counsel in order to</i></p>

		<i>fulfill its work commitments during Phase IA because, as noted in this section, "Proposer may rely to a significant extent on Authority staff and other NJ state government personnel to analyze relevant issues of New Jersey law."</i>
10	<p>RFQ/P Section 3.1.2.1 – Phase IB Deliverables (Target Timeframe: 6-8 Weeks) , Pg. 21:</p> <p>a. Can NJEDA clarify the need for proforma financials as part of Phase 1B deliverables?</p> <p>b. Will the Contractor be required to project potential revenues and costs for the proposed Fund?</p>	<p><i>a. The proforma financials should be regarded as a corollary of the business plan to be developed. Together, they will provide a roadmap for Green Fund growth and development, establish a set of objectives against which the Green Fund's performance can be measured, and provide an efficient means of sharing the Green Fund's plans with third parties such as potential capital sources and strategic partners.</i></p> <p><i>b. The Authority and the Contractor will collaborate to develop the various key assumptions that will be needed to prepare projected financials on a pro-forma basis that are consistent with the proposed business plan.</i></p>
11	<p>RFQ/P Section 3.1.2.1 – Phase IB Deliverables (Target Timeframe: 6-8 Weeks), Pg. 21:</p> <p>Our experience tells us that the current timelines set out in the RFP are tight, especially for phase IB which we would estimate might take 3-4 months, given the breadth and depth of activities required. We noted (p5) that the contract is to be awarded for 12 months, with a 6-month extension option. Does this mean that NJEDA is open to phases taking longer than suggested in the RFP?</p>	<p><i>The Authority is open to the possibility of Phases 1A and 1B taking longer than what is stated in the RFQ/P. The Authority has changed the Target Timeframe for Phase IB Deliverables from 6-8 weeks to 8-10 weeks. See Part 2, #2 below.</i></p> <p><i>In particular, it is recognized that many of the tasks described in Section 3.0, Scope of Work will require the timely cooperation of, and collaboration with, Authority personnel in order to meet established timelines. While the Authority is open to this possibility, as stated in Section 4.2.2 – Technical Management Overview and Approach of the RFQ/P, "(I)t is essential to the Authority that the Project commence promptly following Contract award,</i></p>

		<i>and be executed expeditiously, as contemplated in Section 3.0, Scope of Work. Proposer's timelines to complete each of the Phases are critical to the Authority.</i>
12	RFQ/P Section 3.1.3.2 Description of Expected Phase II Activities, Pg 23: Does NJEDA anticipate the need for technical support for Phase 2, especially as it relates to "back-office systems/procedures, [...], technical support function"?	<i>The Authority does not anticipate the need for this support.</i>
13	RFQ/P Section 4.2.2 Vol One-Tech Proposal, Org & Personnel Qualifications/Experience, Pg. 27: Can NJEDA confirm that companies with no audited financial statements can self-disclose financial information that has not been reviewed independently?	<i>No, the Authority may require as a condition of award that a Proposer provide financial statements that have been audited or otherwise independently reviewed.</i>
14	RFQ/P Section 4.2.4.6 Source Disclosure Certification, Pg 34: Source Disclosure form is required to be submitted, prior to any award of Contract for services. If company is not US based, can they submit a proposal?	<i>A non-US based company may submit a proposal. The Authority would appreciate bidders submitting the completed Source Disclosure form with their proposal and any non-US based proposals will be reviewed and considered based on the information on the Source Disclosure form.</i>
15	RFQ/P Section 5.5 Contractor Responsibilities, Pg 37: Would the Authority agree to the following changes to this Section in red? "The Contractor shall have sole responsibility for the complete effort specified in the contract, subject to the Authority responsibilities as set forth in a Task Order . If the RFQ/P permits subcontracting, payment will be made only to the Contractor. The Contractor shall have sole responsibility for all payments due any subcontractor. The Contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The Contractor shall, without additional compensation, during the applicable warranty period as set forth in a task order , correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the Contractor of responsibility	<i>No, the Authority cannot agree to these changes.</i>

	<p>for the technical adequacy of its work. The Authority shall approve each deliverable that conforms in all material respects to the requirements therefor set forth in the applicable Task Order. Approval of a deliverable shall be deemed given by the Authority if the Authority has not delivered to the Contractor a notice that such deliverable does not conform with the foregoing within fifteen days of delivery. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the Authority may have arising out of the Contractor's performance of this contract."</p>	
16	<p>RFQ/P Section 5.12.3 Remedies for Failure to Comply with Material Contract Requirements, Pg 41: Would the Authority agree to change the phrase "the price paid and the defaulting contractor's price" to "the price paid to an alternative supplier for the terminated services, and the defaulting contractor's price for such services"?</p>	<p>No, the Authority cannot agree to these changes.</p>
17	<p>RFQ/P Section 6.7 – Evaluation Criteria, Pg 44 Can NJEDA clarify the relative weighting of each evaluation criterion?</p>	<p>No, the Authority will not disclose the weighting criteria. The weighting criteria will be fixed and timestamped, internally prior to the bid opening date and time.</p>
18	<p>Exhibit A – Section 2, Time, Pg 1: Would the Authority agree to change the phrase "the price paid and the defaulting contractor's price" to "the price paid to an alternative supplier for the terminated services, and the defaulting contractor's price for such services"?</p>	<p>No, the Authority cannot agree to these changes.</p>
19	<p>Exhibit A – Section 6, Indemnification, Pg 3: Would the Authority consider the following changes to this Section in red? The Vendor shall defend, indemnify, protect and hold harmless the State of New Jersey and the Authority, and its officers, agents, servants and employees from and against any and all third party suits, claims, demands, losses or damages for bodily injury, death, or damage to real or tangible personal property of any kind to the extent directly and proximately arising out of or claimed to arise out of any negligent or willful act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors in the performance of services under this Contract. The Vendor shall, at its own expense, appear, defend and pay all charges for attorneys and all costs and other expenses</p>	<p>No, the Authority cannot agree to these changes.</p>

	<p>arising from such suit or claim or incurred in connection therewith. If any judgment shall be rendered against the State of New Jersey and the Authority or its officers, agents, servants, and employees for which indemnification is provided under this Section 6, the Vendor shall, at its own expense, satisfy and discharge the same.</p> <p>The Vendor shall be liable to the Authority for any reasonable costs, as determined by a court of competent jurisdiction, incurred by the Authority to correct, modify, or redesign any technical information, reports, findings, analyses, surveys or drawings generated or produced by Vendor or any Work performed by the Vendor or its subcontractor(s) that is found during the applicable warranty period as set forth in the applicable Task Order, to be defective or not in accordance with the provisions of the Contract as a result of any negligent act, error, or omission on the part of the Vendor, its officers, agents, servants, employees and subcontractors. The Vendor shall be given a reasonable opportunity (not less than thirty (30) days) to correct any deficiency.</p> <p>The indemnification obligation set forth in Section 6 is not limited in any way by the insurance coverage required pursuant to Section 7 of this Contract and shall survive the terms of this contract.</p>	
20	<p>Exhibit A – Section 7 Insurance, Pg 3: Would the Authority consider the following changes to this Section in red?</p> <p>The Vendor shall procure and maintain, at its own expense, liability insurance for damages of the kinds and in the amounts hereinafter provided, from insurance companies licensed, admitted, or and approved to do business in the State of New Jersey. The Vendor shall obtain this coverage from A VII or better - rated companies as determined by A.M. Best Company or the equivalent rating from another nationally recognized rating provider. The types and minimum amounts of insurance required are as follows:</p> <p>(a) Commercial General Liability Insurance.</p> <p>The minimum limits of liability for this insurance shall be \$1,000,000 per occurrence and \$2,000,000 in the aggregate and cover liability based on property damage, death and bodily injury.</p>	<p><i>No, the Authority cannot agree to these changes.</i></p>

<p>The Commercial General Liability Insurance policy shall include name the Authority and as additional insured specific to the Vendor's acts or omissions in performance under this agreement. The coverage to be provided under this policy shall be at least as broad as the standard, basic, unamended and unendorsed commercial general liability policy and shall include contractual liability coverage pursuant to policy terms and conditions.</p> <p>(b) Workers' Compensation and Employers' Liability.</p> <p>Workers' Compensation Insurance shall be provided in accordance with the requirements of the laws of this State and shall include an endorsement to extend coverage to any State, which may be interpreted to have legal jurisdiction. Employers' Liability Insurance shall also be provided in an amount acceptable to the Authority, \$1,000,000 per accident, \$1,000,000 each employee by disease, and \$1,000,000 policy limit by disease.</p> <p>(c) Professional Liability Insurance.</p> <p>The Vendor shall carry Errors and Omissions and/or Professional Liability Insurance sufficient to protect the Vendor from any liability arising out of professional obligations performed pursuant to this Contract. The insurance shall be in the amount of \$1,000,000 each claim and in such policy form as shall be approved by the Authority.</p> <p>Professional Liability Insurance shall include coverage for Contingent Bodily Injury and Property Damage.</p> <p>(d) Cyber Security Insurance.</p> <p>The Vendor shall carry Cyber Security Insurance in the amount of \$1,000,000 each claim for wrongful or negligent acts which shall include coverage for breach of the Privacy Act or HIPAA regulations. This coverage will be either a part of or separate from the Professional Liability Insurance.</p> <p>(e) Automobile Liability Insurance.</p> <p>The Consultant Firm shall carry Commercial Automobile Liability insurance, at all times. The policy shall cover any owned, hired or non-owned automobiles / vehicles used by the insured or its staff with minimum limits for liability for bodily injury and property damage shall not be less than \$1 million per accident occurrence as a combined single limit.</p>	
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	<p>The General Liability, Professional Liability and Cyber Security policies are to be written on a claims-made or occurrence basis. If coverage is written on a claims-made basis; the Vendor shall maintain continuous claims-made coverage for the life of the contract and any extensions thereto and for a period of two (2) years beyond the expiration of the contract. If continuous claims-made coverage is not maintained, Tail Coverage shall be purchased to cover claims received up to two (2) years beyond the expiration of the contract.</p> <p>Limits indicated above may be provided through a combination of underlying and excess policies as needed.</p> <p>ACORD Certificates of Insurance acceptable to the Authority in respect to each of the aforementioned policies shall be filed with the Authority prior to commencement of Work. All policies and corresponding certificates must show thirty (30) days prior written notice of cancellation (10 days' notice for non-payment cancellation) to the Authority. If the insurance policies cannot be endorsed to provide notice of cancellation to third parties, then it is the responsibility of the Vendor to provide notice of cancellation to the Authority within forty-eight (48) hours of receipt of notification from their insurance company unless Vendor obtains replacement coverage meeting the terms and conditions hereunder without lapse.</p>	
21	<p>Exhibit A – Section 8 - Termination, Pg 5: Would the Authority consider <u>adding</u> the phrase “and provided that the defaulting party has failed to cure the default during such thirty (30) days” at the end of this section?</p>	<p>No, the Authority cannot agree to these changes.</p>
22	<p>Exhibit A – Section 9 - Confidential Information of the Authority, Pg 5: Would the Authority consider <u>removing</u> the indemnity from this Section, as breaches of confidentiality would be direct claims against the Vendor?</p>	<p>No, the Authority cannot agree to these changes.</p>
23	<p>Exhibit A – Section 11 – Time for Completion and Damages, Pg 7: a. Would the Authority consider <u>removing</u> the word “essential” from the first sentence, as whether</p>	<p>a. No, the Authority cannot agree to these changes.</p>

	<p>timing is essential will depend on the circumstances of the services to be provided?</p> <p>b. Would the Authority consider <u>adding</u> the phrase “unless such failure is cured within ten (10) days of the time specified” after the phrase “or extension of time granted by the Authority” in this Section?</p>	<p><i>b. No, the Authority cannot agree to these changes.</i></p>
24	<p>Exhibit A, Section 14 (B) – General Conditions: In paragraph B, would the Authority consider <u>adding</u> the phrase “as set forth in a written Task Order between the parties” at the end of this paragraph?</p>	<p><i>No, the Authority cannot agree to these changes.</i></p>
25	<p>Exhibit A: Would the Authority consider <u>adding</u> the following limitation on damages to the Agreement?</p> <p>Each party, its affiliates and subcontractors, and their respective personnel shall not be liable to the other party for any claims, liabilities, or expenses relating to or in connection with this Agreement a Task Order (“Claims”) for an aggregate amount in excess of the fees paid by the Authority to Vendor under such Task Order, except (i) to the extent resulting from their recklessness, bad faith or intentional misconduct, or (ii) for payment for Services performed. In no event shall a party, its affiliates or subcontractors, or their respective personnel be liable to the other party for any loss of use, data, goodwill, revenues or profits (whether or not deemed to constitute a direct Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense relating to or in connection with this Agreement or Task Order. The terms of this Section shall not apply to any Claim for which one party has an express indemnification obligation under this Agreement or applicable Task Order. In circumstances where any limitations or exculpations set forth herein are unavailable, the aggregate liability of a party, its affiliates and subcontractors, and their respective personnel for any Claim shall not exceed and amount that is proportional to the relative fault that their conduct bears to all other conduct giving rise to such Claim.</p>	<p><i>No, the Authority cannot agree to these changes.</i></p>
26	<p>RFQ/P Fee Schedule, Exhibit B Can NJEDA clarify the experience / education requirements for the proposed personnel categories in Exhibit B1 / Fee Schedule?</p>	<p><i>No. The proposed personnel categories are based upon the nature of the work to be performed rather than education or experience requirements.</i></p>

PART 2: Additions, deletions, clarifications, and modifications to the RFQ/P;

No.	PART 2: Additions, deletions, clarifications and modifications to the RFQ/P.	PART 2: Answers
1	RFQ/P Section 4.2.3 Fee Schedule & Fee Schedule Form, Exhibit B: Generic Title Headings have been changed from four categories to eight.	<i>The Hourly Rate Standardized Category Title Headings have been changed to the following: SENIOR PARTNER/EXECUTIVE; MID-LEVEL PARTNER/EXECUTIVE; JUNIOR PARTNER/EXECUTIVE; SENIOR PROJECT MANAGER; PROJECT MANAGER; ASSOCIATE; ANALYST/RESEARCH; ADMINISTRATION/SUPPORT STAFF, per the REVISED FEE SCHEDULE, dated 9/17/20. Submit the REVISED FEE SCHEDULE, dated 9/17/20 with your Proposal, reflecting the revised generic title headings.</i>
2	RFQ/P Section 3.1.2.1, Phase IB Deliverables (Target Timeframe: 6-8 weeks.	<i>Target Timeframe is changed to 8-10 weeks.</i>
3	RFQ/P Section 4.2.2 -Volume One-Technical Proposal, Organizational & Personnel Qualifications/Experience (II) & Personnel Qualifications/Experience (V): Proposals are to address the generic title category for each key-team member submitted, per the REVISED Fee Schedule (dated 9/14/20), Hourly Rates.	<i>NOTE, the Authority has listed REVISED Generic Titles, per the REVISED Fee Schedule, dated 9/17/20, per Part 2, Question 1, above. "The Proposer must list each contract-specific key-team member and include the generic title category for the contract-specific key-team member, per the Hourly Rate, REVISED Fee Schedule, dated 9/17/20. Proposals must identify who will be the lead contact with the Authority and also indicate who a lead back-up contact would be in the event the lead contact is</i>

		<i>unable to perform (make sure you also state the generic title category they are considered to be, per the REVISED Fee Schedule, dated 9/17/20)</i>