

College of Tropical Agriculture and Human Resources University of Hawai'i at Mänoa



Department of Agriculture State of Hawaii

## Title: Grow Hawaii Agriculture Initiative 2021 (GHA21)

- Agency:Hawaii Department of Agriculture (HDOA)Office of the Chairperson
- Action: Announcement of Request for Proposals (RFP-21-03-OC) for projects to increase the GDP of agriculture via increasing the production of commercial agricultural enterprises, including the value-added industry

### **Description:**

The Pre-COVID share of Hawaii GDP from tourism was 16.5%<sup>1</sup>, yet the COVID-19 environment has decimated that portion of the GDP and visitor arrivals to Hawaii are projected to take 6 years to recover from the COVID-19 pandemic<sup>2</sup>.

The Pre-COVID share of Hawaii real GDP from Agriculture was 1.0%<sup>3</sup> which comes primarily from 13% of farms that contribute 90% of sales of the State's agricultural products<sup>4</sup>. The greatest opportunity to increase Hawaii GDP contributed by Agriculture is to incentivize a significant increase in annual sales from commercial agricultural enterprises, including the related value-added industry. A commercial agricultural or agricultural related enterprise for this proposal is defined as one that has total annual sales of \$50,000 or more averaged over 3 years; not including the most recent COVID-19 influenced period.

The most cost-efficient way of increasing the total value of Hawaii agricultural production is for economically viable farmers, ranchers and associated industries (i.e. value-added) to increase their contribution to the Hawaii GDP by implementation of one or more of the following **Grow Hawaii Agriculture** Strategies:

- 1. **Expansion** Expanding the size, diversity and/or scope of operations.
- 2. **Input Chain Enhancement** Enhance production through addressing challenges in supply/cost of inputs to an agricultural enterprise.
- 3. Technology Increasing production efficiency through use of new and emerging technologies.

<sup>&</sup>lt;sup>1</sup> State of Hawaii, 2020. Hawaii GDP by Industry, 2018. DBEDT-READ, Records.

<sup>&</sup>lt;sup>2</sup> State of Hawaii, 2020. State Economist, DBEDT-READ.

<sup>&</sup>lt;sup>3</sup> Loke and Leung, 2016. The Contribution of Agriculture to Hawaii's Economy, 2013. EI-27. UH-CTAHR, 2016.

<sup>&</sup>lt;sup>4</sup> State of Hawaii, 2020. Farm by Annual Sales and Sales Class, 2017. HDOA-MANB, 2020.

- 4. **Supply Chain Enhancement** Address the supply chain bottlenecks that plague Hawaii agriculture, i.e. lack of infrastructure (cold storage, processing, distribution challenges), establishment of cooperative ventures, etc.
- 5. Value-added Products Increase the value-added potential; either at their hands or by that of another business entity.

The closing date and time for receipt of proposals under this RFP is **12:00 P.M. (Noon) HST**, **Monday, May 3, 2021**. Proposals received after this deadline will <u>not</u> be processed by staff or reviewed by the Evaluation Committee (EC).

## **Contact Information:**

The contact person for this solicitation is Matthew K. Loke, Ph.D., Agriculture Development Division Administrator, (808) 973-9576 or <u>matthew.k.loke@hawaii.gov</u>.

Offerors may submit an electronic proposal with all attachments in MS-Word format via email to <u>Marci.Clingan@hawaii.gov</u> and/or send or deliver a proposal with all attachments in hardcopy to the address below. The proposal (electronic or hardcopy) must be received by 12:00 P.M. (Noon) HST, Monday, May 3, 2021 as evidenced by the HDOA time clock.

Hawaii Department of Agriculture (HDOA) **Grow Hawaii Agriculture** (21-03-OC) Office of the Chairperson 1428 South King Street Honolulu, HI 96814-2512

Receipt of proposals will be acknowledged by email, whenever practical.

Bid security is not required for this RFP.

### **Eligible Offerors:**

Proposals are encouraged from all and any commercial agricultural or agricultural related enterprise as defined above.

## **Responsibility of Offerors:**

Offerors are advised that in order to be awarded a contract under this solicitation, they must 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, Hawaii 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.
- 7. Copies of Form W-9, Schedule F (or C) of Federal Tax Returns (recent 3 years).

Offerors may collectively apply for certification of compliance with all the above on Hawaii Compliance Express (HCE).

<u>Hawaii Compliance Express</u>. HCE is an electronic system that allows businesses to register online through a simple wizard interface at <u>http://vendors.ehawaii.gov</u> to acquire a "Certificate of Vendor Compliance." The HCE provides current compliance status as of the issuance date. The "Certificate of Vendor Compliance" indicating that vendor's status is compliant with the requirements of §103D-310(c), HRS, shall be accepted for both contracting purposes and final payment. The annual registration fee paid to the Hawaii Information Consortium, LLC is currently \$12.00.

<u>Timely Registration on HCE.</u> Vendors/contractors/service providers are encouraged to register on HCE as soon as possible. If a valid certificate is not submitted on a timely basis for award of a contract, an offeror will not receive the award.

<u>Final Payment Requirements</u>. Contractors are required to submit a tax clearance certificate for final payment on the contract. A Certificate of Vendor Compliance, not over two months old, will be acceptable for final payment on the contract.

## **Eligible Proposals Overview:**

Eligible offerors shall develop complete proposal that addresses the requirements of this RFP. All and any commercial agricultural or agricultural related enterprise that meets the criteria outlined above is eligible to participate. The funds will be supplied at the initiation of the project with the expectation that the realization of estimated increase in sales is realized within 24 months. HDOA reserves the right to extend the contract in accordance with the AG-008 103D General Conditions, paragraph 19, Modifications of Contract, or other applicable provision. Proposals shall include a plan that addresses quantifiable/estimated outcomes that demonstrate measures and action steps under the following broad categories: Overview of the Proposal, Business Plan, and Execution.

### Minimum Qualifications:

- 1. All funded projects must demonstrate a strong element of "common good" for Hawaii agriculture as a whole and ultimately for the State of Hawaii.
- 2. Minimum annual gross agricultural sales of \$50,000 averaged over 3 years that make a profit.
- 3. Provide a detailed business plan (template provided) describing how they plan to achieve an increase in sales from their current production through one or more of the Grow Hawaii Agriculture strategies. The plan should include:
  - Documented evidence of current production.
  - Anticipated sales goal of future production broken down by year and component of business.
  - $\circ$  Evaluation that the anticipated future production is attainable within <u>2 years</u>.
  - Limitations that currently prevent the increased production.
  - How the funding would be used to meet the State, business, or individual farm goal(s)
  - What will be the effect on job creation?

Grow Hawaii Agriculture funds will be awarded to about 6 projects (6 funded at up to \$250,000 or some alternate combination deemed most advantageous to the State) that would be expected to be completed in 24 months. Project funds will be available July 2021.

## **Project Oversight:**

HDOA's Office of the Chairperson will partner with the successful entities to oversee the planning and implementation of the **Grow Hawaii Agriculture** projects and will monitor the performance of all project activities and ensure that work follows the business and execution plans, is completed within the required timeline and in compliance with all program regulations.

## **Proposal Guidelines:**

Proposals must show how **Grow Hawaii Agriculture** funds will be utilized to increase sales of the enterprise.

- 1. Proposals should be typed, single spaced, 12 pitch, black Calibri font, and with one-inch margins.
- 2. Each page should be numbered, with offeror's name on the header.
- 3. An electronic version of the proposal including all attachments (in MS Word Format) may be submitted to <u>Marci.Clingan@hawaii.gov</u> and/or a proposal including all attachments in hardcopy, may be sent, or delivered to:

Hawaii Department of Agriculture (HDOA) **Grow Hawaii Agriculture** (21-03-OC) Office of the Chairperson 1428 South King Street Honolulu, HI 96814-2512

The electronic or hardcopy proposal must be received by the HDOA by 12:00 P.M. (Noon), HST, Monday, May 3, 2021, as evidenced by the HDOA time clock.

- 4. The proposal packet can include documentation showing that the offeror is compliant <u>http://vendors.ehawaii.gov/hce/sp,lash/welcome.html</u>.
- 5. Include the Contact and Title page (see below) and signed Endorsement Statement (see below).

Any and all costs incurred by an 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 will not reimburse such costs.

Upon submission, the proposal and business plan provided in support, subject to redaction of any confidential or proprietary information contained therein, shall become the property of the State of Hawaii and be deemed a public record.

Before submitting a proposal, each offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and other relevant document, to ensure that offeror understands the requirements of the RFP. Offeror must also become familiar with all state, local, and federal laws, rules, regulations, and ordinances that may in any manner affect cost, progress, or performance of the work under this RFP.

## **Proposal Format:**

The proposal shall include the following:

- 1. Contact Information
  - Primary contact: Name and Title:

Business Entity (exact legal name as registered with the Hawaii Department of Commerce and Consumer Affairs): Address: Phone: E-mail: Web Address: Name and Title:

- Alternate contact: Name and Title: Business Entity: Address: Phone: E-mail: Web Address:
- 2. Project Title and Abstract
  - Title of project.
  - Start date and anticipated complete date.
- 3. Project Purpose/Potential Impact/Innovation
  - Specify Grow Hawaii Agriculture Strategy.
  - State goals and objectives.
- 4. Expected Quantifiable/Measurable Outcomes Quantifiable/Measurable outcomes must show how the proposed project will increase production, sales and grow jobs with a justified expectation of this increase.
- 5. Business Plan
  - Identify the activities necessary to accomplish project goals and objectives.
  - Indicate who will do the work for each activity and include a brief summary of the person's experience/qualifications.
  - Include timelines for accomplishing each activity where multiple activities are planned.
- 6. Budget Narrative of Cost and Pricing

Provide sufficient information in paragraph text about the budget categories listed for each activity to demonstrate that funds will be expended on eligible activities that meet the purpose of the project. Should these items be included in the budget, the narrative should describe:

- Personnel
  - Provide name and service being provided.
  - $\circ$  Include whether this cost is based on a flat fee or an hourly rate.
- Travel
  - Destination, purpose of trip, number of people traveling, number of days traveling, estimated airfare costs, estimated ground transportation costs, estimated lodging and meal costs, estimated mileage costs, total.

- Equipment
  - Provide an itemized list of rentals or purchases.
  - Provide a brief narrative on the intended use.
  - Provide the cost.
- Supplies
  - Provide an itemized list.
  - Estimate the dollar amount for each item.
- Contractual
  - Project manager fee can be shown in this category stated as a flat fee or an hourly rate.
  - $\circ$   $\,$  Provide a short description of the services each contract covers.
  - $\circ$   $\,$  When possible, break out the specific costs associated with the contract.
  - $\circ$   $\,$  Include the flat rate fee or the total hourly rate fee for each contract.
  - No work shall be subcontracted or assigned without prior written approval of the HDOA. If subcontractor(s) will be used, include a statement from each subcontractor, signed by an individual authorized to legally bind the subcontractor, stating the description of services to be performed by the subcontractor and the subcontractor's willingness to perform for the offeror.
- Other provide description and costs.
- Total

## **Cost/Price Table**

Item/Activity	Grow Hawaii Agriculture funds	In-kind match (if applicable)	Comments
Personnel			
Travel			
Equipment			
Supplies			
Contractual			
Other - specify			
TOTAL			

# Items included in the Budget should be included in the work plan to show where the expense will be utilized.

- 1. Project Oversight
  - Who will oversee the project activities?
  - How will oversight be performed? Include timelines and milestones.
  - Include communication strategy with the HDOA.
- 2. Project Commitment
  - Describe how all partners commit to and will work toward the goals and outcome measures of the proposed project.

- 3. References
  - A list of references that may be contacted by the HDOA as to offeror's past and current job performance. Include names, titles, organizations, telephone numbers, email, and postal addresses.
- 4. Endorsement Statement (see below)
  - Include endorsement statement in proposal and sign.
- 5. Adverse Actions
  - A summary listing of judgments or pending lawsuits or actions against offeror, adverse contract actions, including terminations, suspensions, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations. If none, so state.

## **Evaluation Review Process:**

Each proposal will be evaluated by an evaluation committee to determine that it meets the requirements of the RFP. Proposals will be evaluated strictly on a merit basis according to the following criteria. The total number of points used to score a proposal is 100.

٠	Justified, predicted increase in sales	25 points
•	Increase in sales per funded dollar	25 points
•	Amount of matching funds (no required percentage)	10 points
•	Increase in job creation	20 points
•	Overall Business Plan quality	10 points
•	Budget	10 points

Proposals will be evaluated by members of the Evaluation Committee (EC). A numerical score sheet shall be used for all proposals by each member of the EC. For each proposal, members will assign a point value and after all members have evaluated and scored each of the proposals, the scores for the entire committee will be averaged to determine a proposal's final score. Award will be made by the Chairperson, Board of Agriculture, to the responsive and responsible offerors whose proposals are determined to be the most advantageous to the State.

## **Contractual Terms and Conditions:**

The successful offeror will contract with the Hawaii Department of Agriculture (HDOA) as an independent contractor and shall agree to comply with all terms and conditions required by law set forth in AG-008 103D General Conditions, issued by the Department of the Attorney General. To view a full copy of the General Conditions, please go to:

http://spo.hawaii.gov/wp-content/uploads/2014/02/103D-General-Conditions.pdf

The RFP and the successful offerors' proposals may become part of the contract. All proposals shall become the property of the State.

No work is to be undertaken by an offeror awarded a contract prior to the official commencement date in the contract. The State shall not be liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the offerors prior to the official commencement date.

### **Insurance Endorsements:**

Prior to the contract start date, the Contractor shall procure and maintain at its sole expense insurance coverage acceptable to the State 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:

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; 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.

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.

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

The Contractor shall deposit with the State, on or before the contract start date, insurance endorsements necessary to satisfy the State that these provisions have been complied with, and to keep such insurance in effect and provide the insurance endorsements to the State during the entire term of the Contract. Upon request by the State, the Contractor shall furnish a copy of the policy or policies.

The State shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the State, the insurance provisions in the Contract do not provide adequate protection, the State may request that Contractor obtain additional insurance sufficient in coverage, form, and amount to provide the protection required. The request shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks involved. If the Contractor is unable to provide the additional coverage as requested, the State reserves the right to terminate the Contract with prior written notice.

The insurance policy required by the Contract shall contain the following clauses:

- "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Agriculture, 1428 South King Street, Honolulu, HI 96814-2512."
- 2. "The State of Hawaii, its departments, attached agencies, officers, employees, and agents are added as additional insured with respect to operations performed for the State of Hawaii."
- 3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under the Contract, entitling the State to exercise any or all of the remedies provided in the

Contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder or to fulfill the indemnification provisions and requirements of the Contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with the Contract.

#### **Contract Reports:**

Successful offerors will be required to credit the HDOA in any presentations, materials, or property rights resulting from this funding. Additionally, successful offerors must submit progress and financial reports periodically upon request and submit a final project and a financial report <u>no later</u> than 30 days from completion of the project.

#### **Contract Term:**

The term of the contract shall be from the effective date of the contract to the end of the project period, unless an extension is granted in accordance with the AG-008 103D General Conditions, paragraph 19, Modifications of Contract, or other applicable provision.

#### **Pre-Proposal Conferences:**

No pre-proposal conferences are scheduled for this RFP.

#### **Priority-listed Offerors:**

In accordance with Hawaii Administrative Rules (HAR) §3-122-53, discussions may be conducted with "priority listed offerors", however, the HDOA may accept proposals without discussion.

### Acknowledgement of Proposals:

Receipt of proposals will be acknowledged to the respective offeror by e-mail, whenever practical. Therefore, offerors shall provide an e-mail address in the proposal. There will be no acknowledgment of late proposals. Late proposals shall be returned to the offeror unopened.

### **Confidentiality:**

The names of offerors, the names of individuals identified in the proposals, the content of proposals, and the committee evaluations of proposals will be kept confidential during the evaluation process, except to those involved in the evaluation and award process. Upon posting of award, all proposals both successful and unsuccessful, the contract, and the contract file shall be available for public inspection. Offerors shall designate in writing any portion of their proposal that contains trade secrets or any other proprietary data that are to remain confidential. In accordance with HAR §3-122-58, such information shall be marked and readily separable from the rest of the proposal, in order to facilitate public access to the non-confidential portion of the proposal.

### **Right to a Debriefing:**

Pursuant to HAR §3-122-60, non-selected offerors may request a debriefing to inform them of the basis for the contract award.

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

A protest by the requestor submitted pursuant to HRS §103D-303(h) following a debriefing, shall be filed within five (5) working days.

## **Protest:**

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers; and further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract.

The notice of award, if any, resulting from this solicitation shall be posted on the Procurement Reporting System, which is available on the SPO website: <u>http://www.hawaii.gov/spo2/source/</u> Any protest pursuant to HRS §103D-701 and HAR §3-126-3, shall be submitted in writing to:

Chairperson, Board of Agriculture 1428 South King Street Honolulu, HI 96814-2512

The HDOA reserves the right to cancel this solicitation and reject any or all proposals received in whole or in part; request additional information on project proposals; recommend partial funding for proposals, and link the release of project funds to completion of necessary, timely progress reports. All awards and contracts are subject to the availability and receipt of Grow Hawaii Agriculture funds.

The Hawai'i Department of Agriculture does not discriminate on the basis of race, color, sex, national origin, age, or disability, or any other class as protected under applicable federal or state law, in administration of its programs, or activities, and, the Department of Agriculture does not intimidate or retaliate against any individual or group because they have exercised their rights to participate in actions protected, or oppose action prohibited, by 40 C.F.R. Parts 5 and 7, or for the purpose of interfering with such rights.

If you have any questions about this notice or any of the Department's non-discrimination programs, policies, or procedures, you may contact:

Morris Atta, Acting Non-Discrimination Coordinator Hawai'i Department of Agriculture 1428 S. King Street, Honolulu, HI 96814 (808) 973-9560 <u>hdoa.titlevi@hawaii.gov</u>

If you believe that you have been discriminated against with respect to a Department of Agriculture program or activity, you may contact the Non-Discrimination Coordinator identified above.

To request language or accessibility for this RFP, please contact the Office of the Chairperson, at (808) 973-9560 or email: <u>hdoa.info@hawaii.gov</u>. Please allow sufficient time for HDOA to meet accommodation requests.

#### **Endorsement Statement:**

Please include the following language below in your proposal and sign:

I agree to all of the terms, conditions, and provisions of this RFP. I certify that the information provided is true and correct to the best of my knowledge. If awarded a contract under this solicitation, I agree the organization will assume sole responsibility of any and all debts or liabilities that may be incurred from this project; and will provide the required documentation to HDOA upon request. I understand that if this proposal is funded, I will be required to sign a contract agreement and other necessary documentation containing terms and conditions upon which **Grow Hawaii Agriculture** funds will be released.

Signature

Date

Title

## CONTACT AND TITLE PAGE GROW HAWAII AGRICULTURE INITIATIVE

Title of Project:				
Amount Requested:				
Primary contact: Name and Title:	Alternate contact: Name and Title:			
Business Entity:	Business Entity:			
Address:	Address:			
Phone: E-mail: Web Address:	Phone: E-mail: Web Address:			
State Tax ID	Federal Tax ID			

Project Partners (Name and Title):

**Name** – MUST be as shown on the Hawaii Compliance Express certificate <u>or</u> as recorded for legal purposes such as tax identification, DCCA, DLIR.

Title – indicate if title authorizes signing on behalf of the Business Entity.

**Business Entity** – i.e. corporation, partnership, joint venture, sole proprietorship, or other legal form as shown on legal documents.

Address – official address of the business entity as shown on legal documents; nine-digit zip code.