



Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

**REQUEST FOR PROPOSALS
(RFP) # FY 2015-2016-020**

GRANT MONITORING SERVICES

**EXHIBIT III LOCAL VENDOR REFERENCE QUALIFICATIONS &
COMMUNITY BENEFIT PLAN**

**PREPARED BY:
CITY OF HALLANDALE BEACH
HUMAN SERVICES DEPARTMENT
PROCUREMENT DEPARTMENT**

LOCAL VENDOR PREFERENCE AND COMMUNITY BENEFIT PLAN

LOCAL VENDOR PREFERENCE

How a proposer qualifies for Tier 1, Tier 2 or Tier 3 LVP:

The City of Hallandale Beach Procurement Code, Section 23-6, Local Vendor Preference (LVP) may be granted by application of the guidelines below.

All proposers must provide the documentation/paperwork requested below in order for the Procurement Department to grant the LVP status. Please note that the paperwork/documentation being requested below is retroactive, must be dated, one (1) year prior to the bid/proposal due date.

Please note that the submission of incomplete/incorrect information and/or omissions of detailed information as required per this section may deem the LVP preference from being granted.

In order to grant Local Vendor Preference the firm being requested as a Local Vendor must provide and perform work within the scope of this RFP. The points for each Tier are specified below. The type of business a firm is able to perform will be determined through what is stated on the Business Tax Receipt (BTR) which provides the category/type of business a firm is able to perform. In addition, the comments/descriptions on the BTR will be reviewed.

Proposer must provide the following submittal to be granted Tier 1, 2 or 3 LVP:

In order to grant the Local City of Hallandale Beach Vendor preference, the firm must submit the specified paper work/documents stated below and must provide the submittal of the LVP labeled as Exhibit A with all the following requirements for the firm(s), letters a-d below.

Firm must clearly label the LVP submittal "Local City of Hallandale Beach Vendor Preference", Exhibit A. The submittal must include:

- a) The Tier applicability being required.
- b) The name of the company that meets the Tier applicability.
- c) Copy of the forms required to apply for the specific Tier preference.
- d) The percentage (%) of the total project work which equals to the project cost which will be provided and performed by the Local Vendor whose name is provided for letter b above. Exact type of service, or direct labor or a bona fide service that Local Vendor will provide to the project.

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Tier 1 LVP:

A Tier 1 "local City of Hallandale Beach vendor" shall mean a resident which has a valid homestead from Broward County Property Appraiser's in the City's limits and the resident owns a business within the City limits with a valid business tax receipt issued by the City that authorizes the business to do business in the City and that authorizes the business to provide the goods, services or construction to be purchased.

Documentation to provide to receive LVP Tier 1:

Business tax receipt (BTR) from Hallandale Beach:

The valid business tax receipt shall have been issued by the City at least one (1) year prior to the bid or proposal due date. The business must have a physical address located within the City limits. Post office boxes shall not be utilized for the purpose of establishing said physical address. Proof of business tax receipt must be submitted with response to the solicitation.

Homestead in Hallandale Beach:

Proof of the homestead must be submitted with the response to the solicitation. A valid homestead from Broward County Property Appraiser's in the City's limits must be provided. The homestead shall have been issued by the County at least one (1) year prior to the bid or proposal due date.

Tier 2 LVP:

A Tier 2 "local City of Hallandale vendor" shall mean a business within the City limits that has a valid business tax receipt issued by the City that authorizes the business to do business in the City and that authorizes the business to provide the goods, services or construction to be purchased. The valid business tax receipt shall have been issued by the City at least one (1) year prior to the bid or proposal due date.

Documentation to provide to receive LVP Tier 2:

Business tax receipt (BTR) from Hallandale Beach:

The business must have a physical address located within the City limits. Post office boxes shall not be utilized for the purpose of establishing said physical address. Proof of business tax receipt must be submitted with response to the solicitation. The valid business tax receipt shall have been issued by the City at least one (1) year prior to the bid or proposal due date.

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Tier 3 LVP:

A Tier 3 “local City of Hallandale vendor” shall mean a resident which has a valid homestead from Broward County Property Appraiser’s in the City’s limits at least one (1) year prior to the bid or proposal due date. Additionally, the resident owns a business outside of the City limits. The valid Business Tax Receipt shall have been issued at least one (1) year prior to the bid or proposal due date. Post office boxes shall not be utilized for the purpose of establishing said physical address. Proof of the Business Tax Receipt must be submitted with response to the solicitation.

Documentation to provide to receive LVP Tier 3:

Homestead in Hallandale Beach:

Proof of the homestead must be submitted with the response to the solicitation. A valid homestead from Broward County Property Appraiser’s in the City’s limits must be provided with the submission. The homestead shall have been issued by the County at least one (1) year prior to the bid or proposal due date. Proof of homestead must be submitted with the response to the solicitation.

Business Tax Receipt (BTR) for the business from City business is conducting business:

Proof of the Business Tax Receipt from business outside City limits must be submitted with response to the solicitation. A valid Tax Receipt from the City in which the business is located must be provided with the submission. The Business Tax Receipt must have been issued at least one (1) prior to the bid or proposal due date.

Process to apply the Local Vendor Preference to Competitive proposal.

The Procurement Department will review the submission of Exhibit A by the proposer and review of the proper documentation that has been submitted for the requested LVP tier, as well as, all requirements for the LVP. If the complete information/documentation/paperwork has been provided by the proposer, the Procurement Department will advise the evaluation committee to provide the following points to be awarded based on the tier applicability.

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Evaluation Points – Local Vendor Preference

The points shall be awarded as follows:

Tier 1 Local Vendor Preference: If 100% through 50% of the Project Work submitted as a response to a solicitation will be provided and performed by a Tier 1 Local Vendor then the firm will receive, through the evaluation process, a total of ten (10) points.

Tier 2 Local Vendor Preference: If 49% through 20% of the Project Work submitted as a response to a solicitation will be provided and performed by a Tier 2 Local Vendor then the firm will receive, through the evaluation process, a total of five (5) points.

Tier 3 Local Vendor Preference: If 19% through less than 5% of the Project Work submitted as a response to a solicitation, will be provided and performed by a Tier 3 Local Vendor then the firm will receive, through the evaluation process, a total of two and half (2.5) points.

	Total project work to be performed	Total Points awarded
Tier 1 Local Vendor	100 % to 50%	10
Tier 2 Local Vendor	49% to 20%	5
Tier 3 Local Vendor	19% to less than 5%	2.5

The percentage of Tier 1, Tier 2 or Tier 3 local vendor participation will be calculated by the proposer's cost and/or expenditure percentage (%) of the Project Work to be provided and performed by a local Tier 1, Tier 2 or Tier 3 local vendor subcontractor for providing direct labor or a bona fide service, submitted and identified in the proposal.

Exemptions to Tier 1, Tier 2 and Tier 3.

The City will not count toward a proposer Tier 1, Tier 2 or Tier 3 local vendor participation any portion or portions of the local vendor subcontractor's work that is subcontracted back to as follows:

- a) The proposer, either directly, or through any other company or firm owned or controlled by the proposer.
- b) Any nonlocal business.
- c) A Tier 1, Tier 2 or Tier 3 local vendor shall not be permitted to subcontract all or a majority of the sub contractual portion of the work to another nonlocal business. A Tier 1, Tier 2 or Tier 3 local vendor subcontractor shall be prohibited from engaging in a sub contractual agreement with the intent of collecting a broker's fee or commission.

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A Tier 1, Tier 2 or Tier 3 local vendor subcontractor shall also be prohibited from entering into a sub contractual agreement with a firm whose employees perform none of the direct labor or service activities specified in the contract.

- d) Participation by a Tier 1, Tier 2 or Tier 3 local business shall not be considered and the Tier 1, Tier 2 or Tier 3 local vendor shall be disqualified if the owner of the Tier 1, Tier 2 or Tier 3 enters into an agreement with a nonlocal business with the intent of securing employment with that nonlocal business during the course of performing a City contract.

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COMMUNITY BENEFIT PLAN (CBP)
BONUS POINTS

WHAT IS A CBP:

Please note that the submission of a CBP is encouraged but not required as detailed in this section.

CBP is a plan of action that firms may commit to in order to ensure that all projects in the City provide a form of tangible benefit to the community. As successful response needs to include a percentage commitment toward CBP activities. The CPB commitment must be an overall percentage (%) of the project cost.

If your firm wishes to submit a Community Benefit Plan (CBP) such CBP commitment must be include:

- a. an overall percentage (%) of the project cost to be pledged for the project

AND

- b. detailed information as to how the percentage (%) pledged will be achieved

Accordingly, proposers must demonstrate and provide a proposed CBP which has identifiable and observable community benefits for the community surrounding the Project and the City of Hallandale Beach. A responsive CBP should include a well-defined approach that the selected firm will take to ensure the firm's Philanthropic participation in City-sponsored, Community based organizations and/or programs, such as the Police Athletic League (PAL), City's Food Pantry, Future Foundation and City's local transit Program (Minibus). Other eligible activities must include, community outreach, mentoring, training and/or apprenticeships, or any other types of identifiable ancillary benefits for the community.

If your firm is providing a CBP, the CBP **must** be labeled as Exhibit B. The CBP commitment must include:

- a. an overall percentage (%) of the project cost to be pledged for the project

AND

- b. detailed information as to how the percentage (%) pledged will be achieved

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Please note that the submission of a CBP is encouraged but not required as detailed in this section. If firm(s) wish to provide a pledge for the CBP, below is the information that must be submitted.

What is the evaluation committee responsibilities during evaluation of the CBP:

The evaluation committee appointed to review proposals is to grant the assigned points stated in the evaluation criteria grid to those firms that best meets the CBP for each project.

What will the evaluation committee be looking for when reviewing the CBP:

The evaluation committee appointed to review proposals will grant the assigned points stated below and in the evaluation criteria grid of the RFP, Exhibit I, to those firms that best meets the CBP for each project.

* The City reserves the right to award higher or lower points than the one stated below. Your firm's response/proposal must:

- a. clearly stipulate the CBP percent (%) commitment/pledge for the project,

AND

- b. it must provide details as to how that percent (%) commitment will be achieved. Based on your firm's detailed explanation of how the CPB will be accomplished is how the Evaluation Committee will evaluate and score the points in addition to the percentage (%) pledged.

CBP Elements:

The CBP is composed of two (2) main elements:

- 1) Workforce Utilization
- 2) Hallandale Beach Vendor Utilization

1) Workforce Utilization:

The successful CBP Plan must detail **how** the firm will maximize the utilization of Hallandale Beach Residents as a part of the project.

The plan should include:

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- What specific actions steps will be taken to recruit and or train residents.
- How will the firm mobilize in the community to be successful in accomplishing the CBP.
- The evaluation committee will give firms greater emphasis to workforce utilization.

2) Hallandale Beach Vendor Utilization:

A successful CBP Plan must detail what incentives and/or business practice the firm is willing to put in place to maximize the utilization of Hallandale Beach Vendors.

Example:

The contractor will host training for local subs to build capacity

The contractor will leverage relationships to assist in bid bond attainment

The contractor will provide local vendor preference regarding bid submittal

As successful response must include a percentage commitment towards CBP activities. This commitment is an overall percentage of the project cost.

Example:

ABC and Associates commits to a 30% community benefit plan commitment. The following sets forth how that commitment is proposed to be fulfilled.

* The City reserves the right to award higher points than stated below and such would be provided in the solicitation evaluation criteria.

The percentage of CBP stipulated by the firm in their proposal will be evaluated and the following points will be granted based on the Total project % of the total amount of project work pledged for CBP:

100%- 50% of total project work to be pledged to be for CBP	=	15 points *
49% - 20% of total project work to be pledged to be for CBP	=	10 points *
19% - 5% of total project work to be pledged for CBP	=	2.5 points *
4%-0% of total project work to be pledged for CBP	=	0 points

What is the difference between LVP and CBP:

The Local Vendor Preference, as explained above, is granted if the appropriate and complete submission of the documents requested, as required by the specific Tier of LVP, is provided by the proposer with their proposal. The Procurement Department makes the determination, upon review of the paperwork/documents submitted by the requesting firm(s) for the

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applicable tier of LVP. In addition to the paper work/documentation that must be provided with the proposal, the proposer must clearly specify the information required as Exhibit A with the following information:

- a) The Tier applicability being required.
- b) The name of the company that meets the Tier applicability.
- c) Copy of the forms required to apply for the specific Tier preference.
- d) The percentage (%) of the total project work which equals to the % of project cost which will be provided and performed by the Local Vendor whose name is provided for letter b above.

The evaluation committee grants the LVP based on the review made by the Procurement Department of the correct submission of information, as well as, the correct % of project work to be granted per Tier definition of LVP.

COMMUNITY BENEFIT PROGRAM

The following outlines the City's Community Benefit Program, its origin, the evolution of the program, lessons learned, and suggested changes moving forward. The objective of the Community Benefit Program is to create a tangible sustainable community impact after the project is complete by capitalizing on the significant upswing in development in the City.

HOW THE COMMUNITY BENEFIT PROGRAM BEGAN

The City of Hallandale Beach began the implementation of a Community Benefit Program (CBP) in 2011 with the Foster Park Community Center Project. That project was used as a pilot to assess the effectiveness of such a program. The analysis of the project concluded that CBP was feasible in a City of our size. The Foster Park Community Center also provided great experience on ways to modify the program for future projects.

On May 15, 2013, the City codified the Community Benefit Program under Section 23-3 of the City's Code of Ordinance by setting forth the definition of what a Community Benefit Plan is:

Sec. 23-3. - Definitions.

* * *

Community benefit plan means a plan that may be required for capital construction projects if it meets the feasibility threshold as established by policy. When a solicitation

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requires it proposers must demonstrate and provide a proposed community benefit plan which has identifiable and observable community benefits for the community surrounding the project and the city. The benefits should include the approach for ensuring that both prime and subcontractors utilize local residents in every phase of the project of the city, community outreach, mentoring, training, apprenticeships, or any other types of identifiable ancillary benefits for the community. The city manager may only waive this requirement if the highly technical nature of the work makes the community benefit component unfeasible.

During the adoption of the ordinance, the City Commission established the feasibility threshold to determine when a Community Benefit Plan is required for certain projects and when it is optional. The threshold established requires the inclusion of a CBP for all Capital Improvement Projects over \$1 Million. CBPs are encouraged for all non-Capital Projects, as well as Capital Improvements Projects less than \$1 Million.

Currently the program operates as follows:

Within all Request for Proposals, the City requires all responses to include a percentage commitment toward CBP benefits. The CBP commitment must be an overall percentage (%) of the project cost (contract cost). This percent commitment creates a fair and equitable objective evaluation of the proposed CBP in the evaluation process. The points assessed by the percent commitment is calculated as follows:

Request for Proposals

CBP is required when the solicitation is \$1 Million or greater:

100%-50% = 25 points
49%-20% = 20 points
19%-5% = 15 points
4%-0% = 0 points

CBP receives bonus points when solicitation is less than \$ 1 Million:

100%-50% = 15 points
49%-20% = 10 points
19%-5% = 2.5 points
4%-0% = 0 points

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The following provides an example of how the above is applied:

The City releases a RFP for a project whose **contract value** is estimated to be over \$1 Million. Contractor A submits a response proposal and meets the minimum qualifications set forth in the RFP. Within Contractor A's proposal, that firm commits to ensuring that their Community Benefit Plan will equate to at least 25% of the Project Cost. Contractor A will receive 20 points under that evaluation criterion (since CBP commitment is between 49% and 20%). Each member of the evaluation committee will award 20 points for Contractor A under the Community Benefit Plan evaluation criteria.

The same calculation applies for project under \$1 Million; however, in a project with an estimated contract value less than \$1 Million, Contractor A would receive 10 points (since CBP commitment is between 49% and 20%). Those points are awarded as bonus points above the 100 possible points.

IMPLEMENTATION OF A COMMUNITY BENEFIT PLAN (CBP)

City contracts who have a Community Benefit Plan shall be monitored by the Hallandale Opportunity Project, a City program within the Human Services Department. The Hallandale Opportunity Project (HOP) serves as the Workforce Development Initiative for the City of Hallandale Beach. HOP has oversight of the City's Community Benefit Program and manages projects and programs that support residents prepare for careers and strengthen the workforce for employers. It administers workforce development funds and coordinates providers of job training and education programs to meet the needs of residents and employers.

1. WHAT IS A LOCAL VENDOR AND HOW IS LOCAL VENDOR PARTICIPATION CALCULATED

As provided in the Code of Ordinance, in order to be considered local a subcontractor/vendor must fall into one of the three tier categories:

- Tier 1: Homestead Resident and Hallandale Beach Business Tax Receipt greater than 1 year
- Tier 2: Hallandale Beach Business Tax Receipt greater than 1 year
- Tier 3: Homestead Resident and Business Tax Receipt greater than 1 year outside of the City

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The intent of the tiered system is to provide a greater benefit to Tier 1 (those individuals who both live and work in the city, followed by those businesses who are located in the City, followed by individuals who reside in the City). Therefore, Contractor shall calculate the use of local vendor participation utilizing the following calculation:

- Tier 1: 100% dollar value
- Tier 2: 75% dollar value
- Tier 3: 50% dollar value

An example of how to calculate based on the above tiers is as follows:

Local Vendor Participation				
Contracted Amounts				
	Tier 1	Tier 2	Tier 3	Non-Tier
General Condition (GC)		\$ 3,206,135.40		
General Contractor		\$ 535,521.80		
Electric				\$ 246,580.00
Earthwork				\$ 432,982.75
Demolition		\$ 1,853,224.45		
Landscape				\$ 311,761.86
Fencing				\$ 73,485.00
Low Voltage			\$ 321,300.84	\$ 343,699.16
Field House		\$ 278,971.00		
Paving				\$ 17,264.00
Striping				\$ 7,896.50
Concrete				\$ 233,112.50
Vertical Construction	\$ 60,000.00			\$ 4,839,238.00
Total	\$ 60,000.00	\$ 5,873,852.65	\$ 321,300.84	\$ 6,506,019.77
Total all Tiers	\$ 12,761,173.26			

Tiered CBP (100/75/50)		
\$ amt of %	% allocation	Tier
\$ 2,404,601.55	75%	Tier 2
\$ 401,641.35	75%	Tier 2
\$ -	0%	Non Local
\$ -	0%	Non Local
\$ 1,389,918.34	75%	Tier 2
\$ -	0%	Non Local
\$ -	0%	Non Local
\$ 160,650.42	50%	Tier 3 *Partial
\$ 139,485.50	75%	Tier 2
\$ -	0%	NonLocal
\$ -	0%	Non Local
\$ -	0%	Non Local
\$ 60,000.00	100%	Tier 1 * Partial
\$ 4,556,297.16		
	Total CBP Tiered	\$ 4,556,297.16
	CBP % of Contract	35.70%

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2. CONTRACTUAL LANGUAGE REQUIREMENT FOR CONTRACTOR AND ALL SUBCONTRACTORS

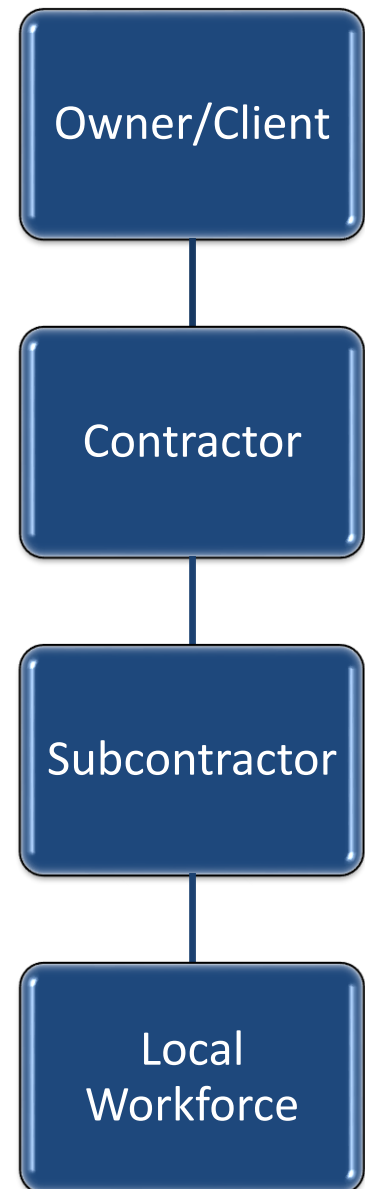
Illustration A:

There are several organizational tiers involved in projects. The City contractually requires the contracting entity, the Contractor, to provide a CBP commitment. However, it is rare nor the intention of the program to fulfill the entire CBP commitment through that one contracting entity. Therefore, all the tiers (see Illustration A) must participate in the commitment for success of the project and to achieve the CBP's overall goal to create a "sustainable tangible impact to the Community after the project is complete."

The definition of CBP with the Code of Ordinance includes the language which reinforces this concept of not only the participation of the contractor but the subcontractor as well:

The benefits should include the approach for ensuring that both prime and subcontractors utilize local residents in every phase of the project of the city, community outreach, mentoring, training, apprenticeships, or any other types of identifiable ancillary benefits for the community.

As a result, the following language (or similar language to be negotiated) the following language shall be included in all subcontractor agreements between the Contractor and subcontractors:



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[Insert Contractor name] requires that all subcontractors commit to supporting the City of Hallandale Beach Community Benefit Program. Subcontractors will be required to commit TBD% of their total contract value to hiring local Hallandale Beach vendors and residents. A list of local vendors and residents that your firm intends to hire MUST be submitted with your company's bid documents by completing Exhibit XX.

The following information MUST be included in Exhibit XX and submitted with the bid package:

- *Local Vendors: company name, address, phone, contact, copy of business tax license, scope of work and value.*
- *Local Residents: resident name, address, phone, copy of driver's license, scope of work, pay rate, projected hours assigned to project.*
- *Acknowledgment: an authorized company official must sign and have notarized Exhibit XX to acknowledge that you understand and commit to the requirements of the described Community Benefit Plan.*

3. DEFINITION OF WORKFORCE

The intent of the CBP is to create a sustainable tangible impact to the Community after the project is complete.

Local workforce shall be defined as follows:

Local Workforce shall be defined as any worker that is directly working on the project, either during construction or in operations after construction, who resides within the City as a renter or homesteaded property owner. Those classified as local workforce shall be provided with not only work directly on the project, but also provided the opportunity to generate a tangible sustainable impact after the project is complete. This may include, but not be limited to, participation in an apprentice program, mentorship program, training, long term employments beyond the term of the project, etc.

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4. DEFINITION OF CBP CALCULATION

The CBP commitment is an overall percentage (%) of the project cost. The total percent CBP commitment with the RFP is contractually placed within the approved contract. The calculation of that percent commitment has not been defined and it's being calculated on a project by project basis. Using the example of Table 1 above. The contractor committed to 50% CBP in their request for proposal submission. The contractor's CBP commitment in the contract is as follows:

- 50% local vendor/subcontractor utilization
- 33% local workforce utilization
- Other

Therefore, when determining if the contractor met their 50% CBP, as committed in the RFP, that percent calculation would be the financial sum of the components above.

5. MONITORING AND REPORTING OF CBP

Contractor shall provide a monthly CBP report to the City's HOP Administrator, in a format to be provided by the HOP Administrator. Contractor shall provide certified payroll which identifies the residential address of the local workforce. In addition, the City has retain an outside independent monitor who will be performing a financial and programmatic monitoring to ensure compliance with the CBP.