

State of Delaware

Economic Evaluation of Wetland Ecosystem Services in Delaware

Request for Proposal
Contract No. NAT-09001Ecoservice
September 8, 2009

- *Deadline to Respond* -
Monday, September 28, 2009
4:00p.m. EDT/EST

September 8, 2009

ALL OFFERORS:

The enclosed packet contains a "REQUEST FOR PROPOSAL" for a report on the ecosystem services provided by Delaware's wetland habitats and the economic value they provide to the citizen's of Delaware. The proposal consists of the following sections:

REQUEST FOR PROPOSAL

- 1 SPECIAL PROVISIONS
 - 2 SPECIFICATIONS
 - 3 PROPOSAL REPLY SECTION
- B - NON-COLLUSION STATEMENT AND ACCEPTANCE

The proposal reply section must be completely and correctly executed and returned to the Watershed Assessment Section with the Proposal package by Monday, September 28, 2009, 4:00 p.m. to be considered.

Proposals shall be submitted to:

**State of Delaware
Department of Natural Resources and Environmental Control
Division of Water Resources—Watershed Assessment
Attn: Amy Jacobs
820 Silver Lake Blvd, Suite 220
Dover, DE 19904-2464**

Please review and follow the information and instructions contained in the general and special provisions section of the request. Should you need additional information, please call Amy Jacobs, Watershed Assessment Section, DNREC Division of Water Resources, at 302-739-9939 or email her at amy.jacobs@state.de.us.

SPECIAL PROVISIONS

1. **COMPETITIVE SEALED PROPOSAL:**

It has been determined by the Director, Office of Management and Budget, pursuant to **Delaware Code Title 29, Chapter 6924 (a)** that this solicitation be offered as a request for competitive sealed proposals because the use of competitive sealed bidding is not in the best interest of the State. The use of competitive sealed proposals is necessary to:

- Conduct Oral or written discussions with offerors concerning technical and price aspects of their proposals;
- Afford offerors an opportunity to revise their proposals;
- Compare the different price, quality and contractual factors of the proposals submitted.

2. **CONTRACT REQUIREMENTS:**

This contract will be issued to cover the Economic Evaluation of Wetland Ecosystem Services in Delaware requirements for all State Agencies and shall be accessible to any School District, Political Subdivision, or Volunteer Fire Company.

3. **CONTRACT PERIOD:**

Each contractor's contract shall be valid upon award of the contract through December 1, 2010. Each contract may be renewed for a period of 1 year through negotiation between the contractor and the Department of Natural Resources and Environmental Control Division of Water Resources. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

4. **PRICES:**

Prices and/or rates shall remain firm for the term of the contract, unless further negotiations are deemed necessary by the State.

The pricing policy that you choose to submit must address the following concerns

- a. The structure must be clear, accountable and auditable.
- b. It must cover the full spectrum of services required.
- c. Costs and compensation must be consistent with the rates established or negotiated as a result of this RFP or P.O. issued based on this contract.

5. **PROPOSAL BOND REQUIREMENT:**

Bid Bond Waived.

6. **PERFORMANCE BOND REQUIREMENT:**

Performance Bond Waived.

7. **MANDATORY INSURANCE REQUIREMENTS:**

NOTE: Non-applicable for universities and local/state government agencies.

Certificate of Insurance and/or copies of insurance policies for the following:

1. As a part of the contract requirements, the contractor shall obtain at its own cost and expense and keep in force and effect during the term of this contract, including all extensions, the minimum coverage limits specified below with a carrier satisfactory to the State. All contractors shall carry Comprehensive General Liability and at least one of the other coverages depending on the type of service or product being delivered.
 - a. Comprehensive General Liability - \$1,000,000.00 per person/\$3,000,000 per occurrence.
 - and
 - b. Medical/Professional Liability - \$1,000,000.00 per person/\$3,000,000 per occurrence.
 - or
 - c. Miscellaneous Errors and Omissions - \$1,000,000.00 per person/\$3,000,000 per occurrence.
 - or
 - d. Product Liability - \$1,000,000.00 per person/\$3,000,000 per occurrence.
2. Automotive Liability Insurance covering all automotive units used in the work with limits of not less than \$100,000 each person and \$300,000 each accident as to bodily injury and \$25,000 as to property damage to others.
3. Forty-five (45) days written notice of cancellation or material change of any policies shall be required.
4. Before any work is done hereunder, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

**State of Delaware
Department of Natural Resources and Environmental Control
Division of Water Resources—Watershed
820 Silver Lake Blvd, Suite 220
Dover, DE 19904-2464**

Note: The State of Delaware shall not be named as an additional insured.

8. **BASIS OF AWARD:**

The Watershed Assessment Section, Division of Water Resources, shall award this contract to the most qualified and responsive offeror who best meets the terms and conditions of the proposal. The award will be made on the basis of cost, product/service evaluation, and prior history of service and capability.

The Watershed Assessment Section, Division of Water Resources, reserves the right to reject any or all proposals in whole or in part, to make multiple awards, partial awards, award by types, item by item, or lump sum total, whichever may be most advantageous to the State of Delaware. The intent though is to award this contract to one offeror.

Offerors submitting proposals may be afforded an opportunity for discussion and revision of proposals. Revisions may be permitted after submissions of proposals and prior to award for the purpose of obtaining best and final offers. Negotiations may be conducted with responsible offerors who submit proposals found to be reasonably likely to be selected for award. The contents of any proposal shall not be disclosed so as to be available to competing offerors during the negotiation process.

9. **FUNDING OUT:**

The continuation of this contract is contingent upon funding appropriated by the legislature.

10. **PAYMENT:**

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt of a correct invoice. **The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.**

11. **DOCUMENT(S) EXECUTION:**

Both the non-collusion statement that is enclosed with this Request for Proposal and the contract form delivered to the successful contractor for signature shall be executed by a representative who has the legal capacity to enter the organization into a formal contract with the State of Delaware, Government Support Services. The awarded vendor(s) will be required to complete the new W-9 Form by visiting the Division of Accounting's Website: <http://accounting.delaware.gov> .

12. **PERSONNEL:**

- a. The Contractor represents that they have, or will secure at their own expense, all personnel required to perform the services required under this contract.
- b. All of the services required hereunder shall be performed by the Contractor or under his direct supervision, and all personnel, including subcontractors, engaged in the work shall be fully qualified and shall be authorized under State and local law to perform such services.
- c. None of the work or services covered by this contract shall be subcontracted without the prior written approval of the State.

13. **METHOD OF PAYMENT:**

- a. For each P.O. issued as part of this contract, the State will pay contractor within thirty (30) days of receipt of the Contractor's billing, the amount which is legitimately earned by the Contractor, and supported by payroll data and an itemized accounting of reasonable reimbursable direct non-salary costs. A current progress report of the work shall accompany each billing.

Final settlement for total payment to the Contractor will be made within thirty (30) days from the date of final written State acceptance of the work and services as agreed to in the P.O.

- b. No premium time for overtime will be paid without prior written State authorization. Indirect overhead cost shall not be applied to the premium portion of the overtime.

14. **CHANGES:**

Both parties may, from time to time, require changes in the services to be provided by the Contractor under the Scope of Work. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the Agency and the Contractor shall be incorporated in written amendments to the Purchase Order.

15. **INTEREST OF CONTRACTOR:**

The Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree in providing products or performing services required under this contract. The Contractor further covenants that in the performance of this contract, no person having any such interest shall be employed.

16. **PUBLICATION, REPRODUCTION AND USE OF MATERIAL:**

No material produced in whole or part under this contract shall be subject to copyright in the United States or in any other country. The State shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared under this contract; provided, however, that the State agrees not to use any design or engineering plans prepared by the Contractor for anything other than their intended purpose under this Contract. The Contractor shall have the right to publish any and all scientific findings. Appropriate acknowledgment and credit for the State's support shall be given in the publication.

17. **ASSIGNMENT OF ANTITRUST CLAIMS:**

As consideration for the award and execution of this contract by the State, the Contractor hereby grants, conveys, sells, assigns, and transfers to the State of Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, relating to the particular goods or services purchased or acquired by the State pursuant to this contract.

18. **REMEDIES:**

Except as otherwise provided in this contract, all claims, counterclaims, disputes, and other matters in question between the State and the Contractor arising out of, or relating to, this contract, or a breach of it may be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Delaware.

19. **AMENDMENTS:**

This contract may be amended, in writing, by mutual agreement of the parties.

20. **AGENCY'S RESPONSIBILITIES:**

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.

21. **CONFIDENTIALITY:**

Specific attention should be given to the identification of those portions of your proposal which you deem to be confidential or proprietary information which should not be disclosed under the Delaware Public Information Act. Offerors are advised that upon request for this information from a third party, the Procurement Officer is required to make an independent determination as to whether the information may be or must be divulged to the party.

22. **CONTRACT DOCUMENTS:**

The Definitions and General Provisions and any Special Instructions, Specifications, Request for Proposal, Proposal, Purchase Order, and Contract shall be a part of and constitute the entire Agreement entered into by the State of Delaware and any offeror. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter:

- Contract
- Request for Proposal
- Specifications or Scope of Work
- Definitions & General Provisions
- Proposal
- Purchase Order
- Special Instructions

23. **ASSIGNMENT:**

This contract shall not be assigned except by express written consent from the Director, Delaware Department of Natural Resources and Environmental Control, Division of Water Resources, of the State of Delaware.

24. **COVENANT AGAINST CONTINGENT FEES:**

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees. For breach or violation of this warranty, the State shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

25. **GRATUITIES:**

- a. If it is found, after notice and hearing, by the State that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor or any agent of the State with a view toward securing a contract, or securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performance of this contract, the State may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract and/or may pursue such other rights and remedies provided by law or under this agreement; provided that the existence of the facts upon which the State makes such findings shall be in issue and may be reviewed in proceedings pursuant to the Remedies clause of this contract; and

26. **GRATUITIES (Continued):**

- b. In the event this contract is terminated pursuant to subparagraph “a”, the State shall be entitled (i) to pursue the same remedies against the Contractor, and (ii) to exemplary damages, as a penalty in addition to any other damages to which it may be entitled by law, in an amount which shall be not less than three, nor more than ten, times the costs incurred by the Contractor in providing any such gratuities to any such officer or employee. The amount of such exemplary damages shall be in the sole discretion of the State.

27. **AFFIRMATION:**

The Contractor must affirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.

28. **AUDIT ACCESS TO RECORDS:**

The Contractor shall maintain books, records, documents, and other evidence pertaining to this Contract to the extent and in such detail as shall adequately reflect performance hereunder. The Contractor agrees to preserve and make available to the State, upon request, such records for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Contractor agrees to make such records available for inspection, audit, or reproduction to any official State representative in the performance of his/her duties under the Contract. Upon notice given to the Contractor, representatives of the State or other duly authorized State or Federal agency may inspect, monitor, and/or evaluate the cost and billing records or other material relative to this Contract. The cost of any Contract audit disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the State for disallowances shall be drawn from the contractor's own resources and not charged to Contract cost or cost pools indirectly charging Contract costs.

29. **STATE OF DELAWARE BUSINESS LICENSE:**

NOTE: Non-applicable for universities and local/state government agencies.

Prior to receiving an award, the successful contractor shall either furnish **Department of Natural Resources and Environmental Control** with proof of State of Delaware Business Licensure or initiate the process of application where required. An application may be requested in writing to: Division of Revenue, Carvel State Building, P.O. Box 8750, 820 N. French Street, Wilmington, DE 19899 or by telephone to one of the following numbers: (302) 577-8200 -- Public Service, (302) 577-8205 -- Licensing Department.

Information regarding the award of this contract will be given to the Division of Revenue. Failure to comply with the State of Delaware licensing requirements may subject your organization to applicable fines and/or interest penalties.

30. **HOLD HARMLESS:**

The successful contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the successful offeror, its employees, and invitees on or about the premises and which arise out of the successful offeror's performance, or failure to perform as specified in the Agreement.

31. **NON-PERFORMANCE:**

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product or service on the open market. Any difference in cost between the contract prices herein and the price of open market product or service shall be the responsibility of the contractor. Under no circumstances shall monies be due to the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

32. **FORCE MAJEURE:**

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

33. **EXCEPTIONS:**

Offerors may elect to take minor exception to the terms and conditions of this Request for Proposal. The Watershed Assessment Section, Division of Water Resources, shall evaluate each exception according to the intent of the terms and conditions contained herein, but the Watershed Assessment Section, Division of Water Resources, must reject exceptions that do not conform to State bid law and/or create inequality in the treatment of offerors. Exceptions shall be considered only if they are submitted with the proposal or before the date and time of the proposal opening.

34. **BUSINESS REFERENCES:**

In order to have your proposal considered, please supply three (3) business references consisting of current or previous customers of similar size and scope with your reply. Please include name, address, telephone number and the name of a contact person.

35. **FORMAL CONTRACT AND/OR PURCHASE ORDER:**

No employee of the Contractor(s) is to begin and work prior to receipt of a State of Delaware Purchase Order signed by authorized representatives of the agency requesting service, properly processed through the State of Delaware Accounting Office. The Purchase Order shall serve as the authorization to proceed with work in accordance with the bid specifications and the special instructions, once it is received by the Contractor.

36. **PROPOSAL/CONTRACT EXECUTION:**

Both the non-collusion statement that is enclosed with this Request for Proposal and the contract form delivered to the successful contractor for signature **MUST** be executed by a representative who has the legal capacity to enter the organization into a formal contract with the State of Delaware, Watershed Assessment Section, Division of Water Resources.

37. **ADMINISTRATION:**

Please give the name of the employee who will be administrative manager of this contract. Also please list other jobs she/he has done of this magnitude for other customers.

38. **CONTRACTOR RESPONSIBILITY:**

The State will enter into a contract with the successful contractor. The successful contractor shall be responsible for all products and services as required by this RFP. Subcontractors, if any, shall be clearly identified in the financial proposal.

39. **SUBCONTRACTS:**

Subcontracting is permitted under this Request for Proposal. However, every subcontractor must be identified in the Proposal and agreed to in writing by the State or as are specifically authorized in writing by the Agency during performance of the contract. Any substitutions in or additions to such subcontractors, associates, or consultants will be subject to the prior written approval of the State.

The contractor shall be responsible for compliance by the subcontractor with all terms, conditions and requirements of the RFP and with all local, State and Federal laws. The contractor shall be liable for any noncompliance by any subcontractor. Further, nothing contained herein or in any subcontractor agreement shall be construed as creating any contractual relationship between the subcontractor and the State.

40. **TERMINATION OF P.O.'s:**

- a. Termination for Cause If, for any reasons, or through any cause, the Contractor fails to fulfill in timely and proper manner its obligations, or if the Contractor violates any of the covenants, agreements, or stipulations of this contract, the Agency shall have the right to terminate the P.O. by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the contractor in the performance of the P.O. shall, at the option of the Agency, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the Agency.
- b. Termination for Convenience The Agency may terminate the P.O. at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the department, become its property and the Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials which are usable to the Agency.

41. **RIGHTS AND OBLIGATIONS:**

The rights and obligations of each party to this agreement shall not be effective, and no party shall be bound by the terms of this agreement, unless and until a valid executed purchase order has been approved by the Secretary of Finance, and all procedures of the Department of Finance have been complied with. A separate purchase order shall be issued for every project.

43. **TERMINATION OF CONTRACT:**

- a. Termination for Cause - If, for any reasons, or through any cause, the Contractor fails to fulfill in timely and proper manner its obligations under this Contract, or if the Contractor violates any of the covenants, agreements, or stipulations of this Contract, the State shall thereupon have the right to terminate this contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least 5 days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the Contractor under this Contract shall, at the option of the State, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to the State.
- b. Termination for Convenience - The State may terminate this Contract at any time by giving written notice of such termination and specifying the effective date thereof, at least sixty (60) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, models, photographs, reports, supplies, and other materials shall, at the option of the State, become its property and the Contractor shall be entitled to receive compensation for any satisfactory work completed on such documents and other materials, and which is usable to the State.

SPECIFICATIONS

I. INTRODUCTION:

A. PURPOSE:

The Watershed Assessment Section, Division of Water Resources, has as its goal this Request for Proposal to identify a vendor and execute a contract to produce a report on the ecosystem services provided by Delaware's wetland habitats and the economic value they provide to the citizen's of Delaware

The requirements of the study are as follows:

1. Determine the ecosystem services provided by the various types of wetlands in Delaware based on hydrogeomorphic classification. These include:

Flat - Flats are wetlands that are most common on interfluves, in the headwaters of watersheds, or large floodplain terraces. The landforms have little change in elevation and lacks any significant slope. The dominant water source is generally precipitation; however, groundwater has a varying contribution to these systems. Some flats are perched and have very little ground water contribution, whereas other flats systems receive significant inputs of ground water during late winter/ early spring when saturation of upper soil horizons from precipitation meets with saturation of lower soil horizons caused by rising ground water tables resulting in a continuous saturated soil from the surface to the groundwater table. These zones then separate when the groundwater lowers and the surface wide subsides due to evapotranspiration. Flats lose water by evapotranspiration, overland flow, and seepage to underlying groundwater. Flats transmit water to depressions in the landscape via surface and subsurface lateral flow. They are distinguished from flatwood upland areas by their poor vertical drainage, slow lateral drainage, and low hydraulic gradients.

Slope - Wetlands normally found where there is discharge of groundwater to the land surface, either on sloping land or flat areas at the base of a slope (i.e. toe slope). The dominant hydrologic source is groundwater and flows downslope in a unidirectional flow. Slope wetlands may or may not have a channel; if a channel is present, it carries water away from the wetland.

Depression - Wetlands located in low points in the landscape characterized by closed elevation contours that allow the accumulation of surface water. Potential water sources are precipitation, overland flow and groundwater. Depressional wetlands may have any combination of inlets and outlets or lack them completely. The predominant direction of flow is from the higher elevations toward the center of the depression. The predominant hydrodynamics are vertical fluctuations that range from diurnal to seasonal. Depression wetlands may lose water through evapotranspiration, intermittent or perennial outlets, or recharge to groundwater.

Nontidal Riverine – Wetlands that occur in floodplains and riparian corridors in association with stream channels. Dominant water sources are overbank flow from channel or subsurface hydraulic connections between the stream channels and wetlands. Additional sources may be interflow, overland flow from adjacent uplands, tributary inflow, and precipitation. When overbank flow occurs, surface flow down the floodplain may dominate hydrodynamics. In headwaters, riverine wetlands often intergrade with slope, depressional, poorly drained flat wetlands, or uplands as the channel and bank disappear. Perennial flow is not required. Riverine wetlands lose surface water via the return of floodwater to the channel after flooding and through surface water flow to the channel during rainfall events. They lose subsurface water by discharge to the channel, movement to deeper groundwater, and evapotranspiration. Associated slope wetlands which are typically located at the toe-slope of the floodplain in the coastal plain physiographic region and are dominated by ground water inputs are included in this subclass.

They are not identified as a separate subclass because they are typically very small and are located within a riverine wetland.

Tidal Fringe (Subclasses: Estuarine and Freshwater) - Wetlands that occur along estuaries and rivers and are under the influence of sea level. They intergrade landward with riverine wetlands where tidal current diminishes and river flow becomes the dominant water source. Additional water sources may be groundwater discharge and precipitation. The interface between the tidal fringe and riverine classes is where bidirectional flows from tides dominate over unidirectional ones controlled by floodplain slope of riverine wetlands. Because tidal fringe wetlands frequently flood and water table elevations are controlled mainly by sea surface elevation, tidal fringe wetlands seldom dry for significant periods. Tidal fringe wetlands lose water by tidal exchange, by overland flow to tidal creek channels, and by evapotranspiration. Two subclasses are distinguished in Delaware, freshwater tidal fringe and saltwater tidal fringe.

2. Assign marketable values to each service in each wetland class.
3. Produce a summary report with detailed methods and findings.

The time schedule for completing this project is one year following the award of the contract with scheduled deadlines during that time period. Additional details and background information are provided in Section III.

B. **GUIDELINES:**

Offerors proposal must respond to each and every requirement outlined in the RFP in order to be considered responsive. Proposals must be clear and concise.

Offerors submitting proposals may be afforded an opportunity for discussion and revision of proposals. Revisions may be permitted after submissions of proposals and prior to award for the purpose of obtaining best and final offers.

Negotiations may be conducted with responsible offerors who submit proposals found to be reasonably likely to be selected for award. The contents of any proposal shall not be disclosed so as to be available to competing offerors during the negotiation process.

II. **FORMAT FOR PROPOSAL**

A. **INTRODUCTION:**

This section prescribes the mandatory format for the presentation of a proposal in response to this Request for Proposal. Each offeror must provide every component listed below, in the order shown in subsections. A proposal may be rejected if it is incomplete or conditional.

B. **COVER LETTER:**

Each proposal will have a cover letter on the letterhead of the company or organization submitting the proposal. The cover letter shall briefly summarize the offeror's ability to provide the services specified in the Request for Proposal. The cover letter must be signed by a representative who has the legal capacity to enter the organization into a formal contract with the State of Delaware, Division of Water Resources, Watershed Assessment Section.

C. TABLE OF CONTENTS:

Each proposal must include a Table of Contents with page numbers for each of the required components of the proposal.

D. DESCRIPTION OF SERVICES:

Each proposal must contain a detailed description of how the offeror will provide each of the services outlined in Sections I A. & III A. of this Request for Proposal.

E. NUMBER OF COPIES WITH MAILING OF PROPOSAL:

Four copies of the Proposal will be submitted in a sealed envelope clearly marked with the name of the offeror and labeled. One of the copies shall be marked "Master Copy" and will contain original signatures in all locations requiring an offeror signature. The remaining four copies do not require original signatures.

III. BACKGROUND INFORMATION

A. OVERVIEW

It is the goal of this Request for Proposal to identify a vendor and execute a contract to assess and assign values to the ecosystem services provided by Delaware wetlands. The ecosystem services and value analysis will be conducted by hydrogeomorphic types for all wetlands in Delaware. At the completion of the project, the vendor will supply a detailed report of the methods and results.

The Delaware Department of Natural Resources and Environmental Control (DNREC) is expanding efforts to protect wetland resources in the State through non-regulatory programs including education and outreach, monitoring and assessment, and restoration. To improve our capacity to strategically implement these efforts throughout the State, we require a better understanding of the type and value of ecosystem services provided by Delaware wetland types.

Wetlands provide a wide range of ecosystem services (e.g., fish and fiber production, water supply support, water purification, climate regulation, flood regulation, coastal protection, recreational opportunities, and tourism) that contribute to human well-being. Costanza et al. estimated the average global value of wetland ecosystem services in US 1994 dollars to be almost \$15K ha⁻¹ yr⁻¹, which is the peak value reported for any biotic community. The rate of growth in coastal environments predicts continued wetland loss and degradation while increasing the demand for ecosystem services by the growing human populations. The predicted loss of wetlands and reduction in their functional capacity diminishes the ecosystem services that support human welfare. Important policy decisions must take into account the concessions made between wetland impacts and human well-being.

Recently an assessment was performed by Costanza et al. to determine the value of New Jersey's ecosystem services and natural capital. The total value of the state's wetland habitats reached \$9.4 billion/yr for freshwater wetlands and \$1.2 billion/yr for saltwater wetlands. Disturbance regulation (\$3.0 billion/yr) rose to the highest ranking value; following were water filtration (\$2.4 billion/yr), and water supply (\$1.3 billion/yr) for freshwater wetlands, and waste treatment (\$1.0 billion/yr) for saltwater wetlands. Wetlands contributed more value in ecosystem services than New Jersey's other ecosystems.

The state of Delaware is rich in wetland resources with an estimated 354,000 acres covering over 30% of the state. These wetlands provide essential ecosystem services to the citizens of Delaware including wildlife habitat, beautiful viewscapes, removing nutrients and pollutants from water, mediating climate change, and protecting people and infrastructure from storm events and flooding. Because Delaware has lost 54% of its wetlands since the 1780's, the protection of remaining wetlands is even more critical to

ensure that they will continue to provide these services in the future. From the early 1980's through the early 1990's, 1,900 acres of wetlands were lost. The losses were primarily comprised of nontidal wetlands, mostly forested. The greatest threat to wetlands in Delaware is direct and indirect impacts from development. Between 1990 and 2000 the population in Delaware grew by 62% statewide and in Sussex County which has the greatest density of wetlands, the population exploded by almost 200%. With this increase in population, there has been a similar increase in landuse conversion from forested and agricultural lands to suburban development. Understanding the economic value of wetlands and the services that they perform will provide information to make more informed decisions in the future.

The quantification and economic valuation of wetland ecosystem services can be used to support decisions in Delaware related to wetland protection, enhancement, and restoration. Potential uses for the valuation data also include: public education, water quality trading, flood mitigation, creating funding sources for restoration as a part of the Pollution Control Strategies (PCS) to meet mandated Total Maximum Daily Loads (TMDLs), a wetland banking or in-lieu fee program, informing the 401 Water Quality Certification process, and cost/benefits analysis of projects. The ecological and economic value of wetlands will also serve as a critical tool to reach landowners, citizens, municipalities, county officials as well as state legislators on the value of wetlands. For this information to be used to base management decisions, the economic valuation needs to be specific to wetlands in Delaware. This could be achieved by adapting the methods of previous studies from other states or regions or using a different approach that is applicable in Delaware.

Ecosystem service valuation can also be used in combination with wetland condition data to better understand the relationship of services and wetland condition. The Wetland Monitoring and Assessment Program has generated wetland condition data for the Inland Bays, Nanticoke, and St. Jones Watersheds, and will soon complete data analysis for the Murderkill watershed. The quantification of ecosystem services and their values could be employed in the future by incorporating them into models utilizing wetland condition data to determine the effect of changing wetland condition (either degrading or improving) on wetland services.

IV. PROPOSAL EVALUATION PROCEDURES:

A. SELECTION COMMITTEE:

A Selection Committee with expertise in Delaware wetlands and natural resource management, protection and restoration will evaluate the proposals and select the vendor to be contracted for the project.

B. REQUIREMENTS OF THE OFFEROR:

The purpose of this section is to assist the Selection Committee to determine the ability of the prospective contractors to provide the services described in the application. The response should contain at a minimum the following information:

Brief history of the organizations, including accreditation status, if applicable.

Applicant's experience, if any, in providing similar services. At least three references are required.

Brief history of the subcontractor of the organization, if applicable. At least three references of subcontractor, if applicable.

Describe the methodology/approach used for completing this project including a work plan.

C. CRITERIA AND SCORING

Selection Committee members will assign up to the maximum number of points listed for each of the items listed below based on written materials submitted by each applicant. Each item will receive the average of points assigned by Selection Committee members.

Item No.	Rating Item	Maximum Possible Points
1	Previous experience applying economic valuation to ecosystem services	40
2	Ability of the proposed products to be used to make management decisions in Delaware	20
3	Project team's qualifications, and capacity to complete project on time	10
4	Familiarity with Delaware's wetlands	10
5	Projected Cost of the service	15
6	Use of MBE, WBE, or SBE	5
Total		100

V. PREBID MEETING

Prebid Meeting Waived.

PROPOSAL REPLY SECTION

Please fill out the attached forms fully and completely and return to the Division of Water Resources, Watershed Assessment Section, Department of Natural Resources and Environmental Control by Monday September 28, 2009, 4:00 p.m at which time the proposals will be opened.

Proposals shall be submitted to:

**State of Delaware
Department of Natural Resources and Environmental Control
Division of Water Resources—Watershed Assessment
Attn: Amy Jacobs
820 Silver Lake Blvd, Suite 220
Dover, DE 19904-2464**

PUBLIC PROPOSAL OPENINGS

The public proposal opening insures the citizens of Delaware that contracts are being proposed fairly on a competitive basis and comply with Delaware procurement laws. The agency conducting the opening is required by law to publicly open the proposals at the time and place specified and the contract shall be awarded within ninety (90) days thereafter. The main purpose of the proposal opening is to reveal the name(s) of the offeror(s), not to serve as a forum for determining the apparent low offerors. The disclosure of additional information, including prices, shall be at the discretion of the contracting agency until such time that the responsiveness of each proposal has been determined.

NOTE: ONLY THE OFFEROR'S NAME WILL BE READ AT THE OPENING

CONTRACT NO.: NAT-09001Ecoservice _ _ _
TITLE: Economic Evaluation of Wetland Ecosystem Services in Delaware
OPENING DATE: September 28, 2009

NON-COLLUSION STATEMENT

This is to certify that the undersigned offeror has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal submitted this date to the Division of Water Resources, Watershed Assessment Section.

It is agreed by the undersigned offeror that the signed delivery of this proposal represents the offeror's acceptance of the terms and conditions of this Request for Proposal including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Division of Water Resources, Watershed Assessment Section.

NAME OF OFFEROR _____

NAME OF AUTHORIZED REPRESENTATIVE
(Please type or print) _____

SIGNATURE _____ TITLE _____

ADDRESS OF OFFEROR _____

PHONE NUMBER _____ FAX NUMBER _____

PURCHASE ORDERS SHOULD BE SENT TO:

(COMPANY NAME) _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

STATE OF DELAWARE

FEDERAL E.I. NUMBER _____ LICENSE NUMBER _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE MUST BE SIGNED AND NOTARIZED FOR YOUR PROPOSAL TO BE CONSIDERED

SWORN TO AND SUBSCRIBED BEFORE ME this ____ day of _____, ____.

Notary Public _____ My commission expires _____

City of _____ County of _____ State of _____