

## Notice of Intent to Award

Proposers:

Thank you for your proposal in response to the RFP for the Value Added Reseller (VAR) Master Contracts, SBC Project #529/000-06-2015. The State has completed the evaluation of proposals and the scoring matrix is attached for your review. Pursuant to SBC Policy 18.01, the procurement file is now open for public inspection. Public inspection of the procurement file may be arranged by contacting the RFP Coordinator, Nickie Smith at [Nickie.Smith@tn.gov](mailto:Nickie.Smith@tn.gov). This begins a 7 calendar day period during which protests will be considered. Particulars of the protest policy and requirements can be read in the State Building

Commission Policies and Procedures available on the website of the Office of the State Architect (<http://www.tn.gov/finance/OSA/documents/SBCPolicyMASTER.pdf>).

The best evaluated proposers are CS3, Inc. for the Middle and Western Divisions and SmartWatt Energy for the Eastern Division, and are anticipated to be recommended for approval at the State Building Commission meeting currently scheduled for 1-25-16.

Protests must be addressed to Commissioner Bob Oglesby at 312 Rosa L. Parks Avenue, William R. Snodgrass TN Tower/ 22<sup>nd</sup> Floor, Nashville, TN 37243, and must include specific issue(s), justification(s) for the protest and a protest bond. To ensure prompt attention to protests, please also email a PDF copy of the protest and the protest bond to [Nickie.Smith@tn.gov](mailto:Nickie.Smith@tn.gov).

This notice is NOT an acceptance of any proposal, and the State retains the right to reject any or all proposals. In accordance with the subject procurement process and State law, this notice shall NOT create rights, interests, or claims of entitlement in the above named or any proposer. No proposer shall acquire any such right unless and until a fully signed contract is received by the contract parties, in accordance with all applicable Tennessee laws and regulations.

We appreciate your interest in doing business with the State of Tennessee.

			CS3, Inc.			SmartWatt						
			<b>General Qualifications &amp; Experience (maximum = 15)</b>									
			Evaluator 1	7	10							
			Evaluator 2	12.5	14							
			Evaluator 3	13	11							
			Evaluator 4	13	11							
			Evaluator 5	11	12							
			<b>Proposer Average</b>	<b>11.30</b>	<b>11.60</b>							
			<b>Technical Qualifications, Experience &amp; Approach (maximum = 45)</b>									
			Evaluator 1	20	32							
			Evaluator 2	36	42							
			Evaluator 3	36	41							
			Evaluator 4	34	37							
			Evaluator 5	38	33.5							
			<b>Proposer Average</b>	<b>32.80</b>	<b>37.10</b>							
			<b>CS3, Inc.</b>	<b>SmartWatt</b>				<b>CS3, Inc.</b>	<b>SmartWatt</b>			
Technical Proposal (maximum = 60)	54.33	60.00	Technical Proposal (maximum = 60)	54.33	60.00	Technical Proposal (maximum = 60)	54.33	60.00				
			<i>East Division</i>			<i>Middle Division</i>			<i>West Division</i>			
Cost Proposal (maximum = 40)	N/A	40.00	Cost Proposal (maximum = 40)	40.00	32.14	Cost Proposal (maximum = 40)	40.00	30.84	Min threshold in order to open cost proposal = 49 points			
Grand Total Evaluation Points (maximum = 100)	N/A	100.00	Evaluation Points (maximum = 100)	94.33	92.14	Grand Total Evaluation Points (maximum = 100)	94.33	90.84				

**Value Added Reseller Evaluation Spreadsheet**

<b>I. Evaluated % Overhead and Profit Margin</b>														<b>Defined as % of project cost to include O&amp;P, taxes, travel etc. as defined in section C.3.b.ii of the <i>pro forma</i></b>		
	<b>\$25,000 UP TO \$99,999</b>			<b>\$100,000 up to \$499,999</b>			<b>\$500,000 up to \$999,999</b>			<b>Over \$1,000,000</b>						
	<b>Technologies</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>Estimated Total Project %</b>		
1	Lighting Improvement	53.81%	5.0%	2.7%	43.50%	20.0%	8.7%	40.18%	15.0%	6.0%	37.32%	10.0%	3.7%	50%		
2	Electric Motor Systems	53.81%	1.0%	0.5%	43.50%	5.0%	2.2%	40.18%	4.0%	1.6%	37.32%	2.0%	0.7%	12%		
3	Electrical Power Systems	53.81%	1.0%	0.5%	43.50%	1.0%	0.4%	40.18%	3.0%	1.2%	37.32%	3.0%	1.1%	8%		
4	Control Systems	53.81%	2.0%	1.1%	43.50%	6.0%	2.6%	40.18%	7.0%	2.8%	37.32%	10.0%	3.7%	25%		
5	Miscellaneous/ Other	53.81%	1.0%	0.5%	43.50%	1.0%	0.4%	40.18%	2.0%	0.8%	37.32%	1.0%	0.4%	5%		
				5.4%			14.4%			12.5%			9.7%	100%		
			<b>I.A</b>	<b>Evaluated / Weighted Average Margin (%) =</b>									<b>41.9%</b>			
<b>II. Evaluated % of Labor Burden</b>														<b>Defined as insurance, benefits, etc. based on Labor rates as defined in Section C.3.b.i of the <i>pro forma</i></b>		
			<b>II.A</b>	<b>Respondent Labor Burden (not to exceed 39% of Base Salary) =</b>									<b>31.39%</b>			
			<b>II.B</b>	<b>Evaluated/Weighted Labor Burden (%) = (Labor/Materials factor) x % Labor Burden =</b>									<b>10.8%</b>			
<b>III. Evaluated % Bond Cost</b>														<b>III.A</b>	<b>Bond Cost % provided by the Respondent =</b>	<b>1.10%</b>
<b>IV. Total Reposndent Evaluated % Cost = I.A + II.B + III.A</b>														<b>Total % =</b>	<b>53.76%</b>	
<b>Cost Proposal Score:</b>				<b>Lowest Evaluated % Cost</b>				<b>X</b>	<b>40 (max points) =</b>				<b>40.00</b>	<b>Points</b>		
				<b>Evaluated % Cost of Proposal Being Evalutaed</b>												
<b>Legend</b>				<b>State Use - Solicitation Coordinator Signature, Printed Name &amp; Date:</b>												
	<b>Respondent Input</b>															
	<b>State Input</b>															
	<b>Calculated</b>															

**Value Added Reseller Evaluation Spreadsheet**

<b>I. Evaluated % Overhead and Profit Margin</b>														<b>Defined as % of project cost to include O&amp;P, taxes, travel etc. as defined in section C.3.b.ii of the pro forma</b>		
		<b>\$25,000 UP TO \$99,999</b>			<b>\$100,000 up to \$499,999</b>			<b>\$500,000 up to \$999,999</b>			<b>Over \$1,000,000</b>					
	<b>Technologies</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>% Margin</b>	<b>Expected % of Work</b>	<b>Calculated Margin (% Margin x % Work)</b>	<b>Estimated Total Project %</b>		
1	Lighting Improvement	53.81%	5.0%	2.69%	43.50%	20.0%	8.70%	40.18%	15.0%	6.03%	37.32%	10.0%	3.73%	50%		
2	Electric Motor Systems	53.81%	1.0%	0.54%	43.50%	5.0%	2.18%	40.18%	4.0%	1.61%	37.32%	2.0%	0.75%	12%		
3	Electrical Power Systems	53.81%	1.0%	0.54%	43.50%	1.0%	0.44%	40.18%	3.0%	1.21%	37.32%	3.0%	1.12%	8%		
4	Control Systems	53.81%	2.0%	1.08%	43.50%	6.0%	2.61%	40.18%	7.0%	2.81%	37.32%	10.0%	3.73%	25%		
5	Miscellaneous/ Other	53.81%	1.0%	0.54%	43.50%	1.0%	0.44%	40.18%	2.0%	0.80%	37.32%	1.0%	0.37%	5%		
				5.38%				14.36%				12.46%			9.70%	100%
			<b>I.A</b>	<b>Evaluated / Weighted Average Margin (%) =</b>									<b>41.90%</b>			
<b>II. Evaluated % of Labor Burden</b>														<b>Defined as insurance, benefits, etc. based on Labor rates as defined in Section C.3.b.i of the pro forma</b>		
			<b>II.A</b>	<b>Respondent Labor Burden (not to exceed 39% of Base Salary) =</b>									<b>31.39%</b>			
			<b>II.B</b>	<b>Evaluated/Weighted Labor Burden (%) = (Labor/Materials factor) x % Labor Burden =</b>									<b>10.77%</b>			
<b>III. Evaluated % Bond Cost</b>														<b>III.A</b>	<b>Bond Cost % provided by the Respondent =</b>	<b>1.10%</b>
<b>IV. Total Respondent Evaluated % Cost = I.A + II.B + III.A</b>														<b>Total % =</b>	<b>53.76%</b>	
<b>Cost Proposal Score:</b>				<b>Lowest Evaluated % Cost</b>				<b>X</b>		<b>40 (max points) =</b>				<b>30.84</b>	<b>Points</b>	
				<b>Evaluated % Cost of Proposal Being Evaluated</b>												
<b>Legend</b>	<b>Respondent Input</b>			<b>State Use - Solicitation Coordinator Signature, Printed Name &amp; Date:</b>												
	<b>State Input</b>															
	<b>Calculated</b>															

**Value Added Reseller Evaluation Spreadsheet**

I. Evaluated % Overhead and Profit Margin		Defined as % of project cost to include O&P, taxes, travel etc. as defined in section C.3.b.ii of the <i>pro forma</i>													
		\$25,000 UP TO \$99,999			\$100,000 up to \$499,999			\$500,000 up to \$999,999			Over \$1,000,000				
	Technologies	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	Estimated Total Project %	
1	Lighting Improvement	22.00%	5.0%	1.1%	21.00%	20.0%	4.2%	20.00%	15.0%	3.0%	19.00%	10.0%	1.9%	50%	
2	Electric Motor Systems	22.00%	1.0%	0.2%	21.00%	5.0%	1.1%	20.00%	4.0%	0.8%	19.00%	2.0%	0.4%	12%	
3	Electrical Power Systems	22.00%	1.0%	0.2%	21.00%	1.0%	0.2%	20.00%	3.0%	0.6%	19.00%	3.0%	0.6%	8%	
4	Control Systems	22.00%	2.0%	0.4%	21.00%	6.0%	1.3%	20.00%	7.0%	1.4%	19.00%	10.0%	1.9%	25%	
5	Miscellaneous/ Other	22.00%	1.0%	0.2%	21.00%	1.0%	0.2%	20.00%	2.0%	0.4%	19.00%	1.0%	0.2%	5%	
				2.2%			6.9%			6.2%			4.9%	100%	
			I.A	Evaluated / Weighted Average Margin (%) =									20.27%		
II. Evaluated % of Labor Burden		Defined as insurance, benefits, etc. based on Labor rates as defined in Section C.3.b.i of the <i>pro forma</i>													
			II.A	Respondent Labor Burden (not to exceed 39% of Base Salary) =									59.00%		
			II.B	Evaluated/Weighted Labor Burden (%) = (Labor/Materials factor) x % Labor Burden =									20.2%		
III. Evaluated % Bond Cost			III.A	Bond Cost % provided by the Respondent =									0.95%		
IV. Total Repondent Evaluated % Cost = I.A + II.B + III.A														Total % =	41.46%
Cost Proposal Score:				Lowest Evaluated % Cost				X	40 (max points) =				40.00	Points	
				Evaluated % Cost of Proposal Being Evalutaed											
Legend		State Use - Solicitation Coordinator Signature, Printed Name & Date:													
	Respondent Input														
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	Calculated														



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	\$25,000 UP TO \$99,999				\$100,000 up to \$499,999			\$500,000 up to \$999,999			Over \$1,000,000											
Technologies	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	% Margin	Expected % of Work	Calculated Margin (% Margin x % Work)	Estimated Total Project %									
1	Lighting Improvement	22.00%	5.0%	1.10%	21.00%	20.0%	4.20%	20.00%	15.0%	3.00%	19.00%	10.0%	1.90%	50%								
2	Electric Motor Systems	22.00%	1.0%	0.22%	21.00%	5.0%	1.05%	20.00%	4.0%	0.80%	19.00%	2.0%	0.38%	12%								
3	Electrical Power Systems	22.00%	1.0%	0.22%	21.00%	1.0%	0.21%	20.00%	3.0%	0.60%	19.00%	3.0%	0.57%	8%								
4	Control Systems	22.00%	2.0%	0.44%	21.00%	6.0%	1.26%	20.00%	7.0%	1.40%	19.00%	10.0%	1.90%	25%								
5	Miscellaneous/ Other	22.00%	1.0%	0.22%	21.00%	1.0%	0.21%	20.00%	2.0%	0.40%	19.00%	1.0%	0.19%	5%								
				2.20%				6.93%				6.20%			4.94%	100%						
												I.A	Evaluated / Weighted Average Margin (%) =								20.27%	
II. Evaluated % of Labor Burden														Defined as insurance, benefits, etc. based on Labor rates as defined in Section C.3.b.i of the <i>pro forma</i>								
												II.A	Respondent Labor Burden (not to exceed 39% of Base Salary) =						59.0%			
												II.B	Evaluated/Weighted Labor Burden (%) = (Labor/Materials factor) x % Labor Burden =						20.2%			
III. Evaluated % Bond Cost																						
												III.A	Bond Cost % provided by the Respondent =						0.95%			
IV. Total Respondent Evaluated % Cost = I.A + II.B + III.A																						
												Total % =				41.46%						
Cost Proposal Score:				Lowest Evaluated % Cost				X		40 (max points) =		40.00		Points								
				Evaluated % Cost of Proposal Being Evaluated																		
Legend	Respondent Input			State Use - Solicitation Coordinator Signature, Printed Name & Date:																		
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	Calculated																					