

# Montgomery County Green Bank Request for Proposals (RFP) for Greenhouse Gas Reduction Fund (GGRF) Program Administration

## Questions and Answers April 30, 2024

**1. Are you seeking consultants to respond to more than one of the functions in the scope of work? Furthermore, is it worth pursuing for those who only respond to one of the functions, or would you prefer to have a consultant or consulting firm able to work on multiple functions?**

Respondents may respond to any number of functions in the scope, including just one, if desired. The Green Bank is prioritizing the skills and experience of the individuals proposed to manage each function, whether proposed as a team or not. The Green Bank will notify respondents if certain but not all functions of a proposal are preferred.

Consultants may combine several functions of this RFP into a single consultant proposal. For example, a consultant may be a Program Coordinator and Financial Assistance Coordinator if the skillset of the consultant promotes such a combination.

**2. The Standard Agreement was not attached. Can we get a copy of it?**

The Standard Agreement may be found in the RFP section of the Montgomery County Green Bank website. For the avoidance of doubt, we are posting it alongside the responses to these questions.

**3. Can the Green Bank supply a draft/preliminary organizational chart for the GGRF program administration including contractor support as well a narrative regarding information flow and responsibilities of each role?**

GGRF Program Administration consultants will report to the Chief Executive Officer (CEO) and will collaborate with Green Bank staff and the other consultants. Consultants may propose a hierarchy/organizational chart of the consultant functions if desired. As answered in Question 1, consultants may fulfill multiple functions as appropriate.

The Program Coordinator consultant is intended to manage compliance, and therefore will be expected to manage program resources alongside the CEO, Chief Credit Officer (CCO), and Chief Investment Officer (CIO). The consultant will collaborate most closely with the Green Bank's Finance and Administration Department, Portfolio Administration, and the Impact and Reporting Consultant. This type of role may be found in the market advertised as a "senior director" or "officer" level role depending on experience.

The Impact and Reporting Coordinator consultant is intended to work under the direction of the CEO and Program Coordinator. The consultant should evaluate MCGB's current impact reporting and make recommendations for improvements as well as recommendations for ongoing monitoring and evaluation techniques. Whereas EPA reporting is the primary GGRF output of concern for this role, the Green Bank is keen to work with the consultant on improving impact measurement. The consultant will work in close partnership with the MCGB Investment Team, Financial Assistance Coordinators, and Portfolio Administration to achieve the reporting deliverables and implement additional impact measurement techniques as appropriate. This type of role may be found in the market advertised as a "program manager," "associate," or "director" level role depending on experience.

The Market Building and Predevelopment Coordinator consultants are intended to work under the direction of the CEO in close coordination with the Green Bank's Investment and Communications Teams. The consultants are expected to deepen the Green Bank's engagement with the community and the Green Bank's workforce development activities. An individual may fulfill one or both functions. Market building activities include marketing, community outreach, and workforce development. A consultant in this area will be expected to coordinate with the Green Bank's Communications director on program implementation in the community. Predevelopment activities include site and building assessments, technical and financial feasibility, and engineering support. The Green Bank has a Technical Assistance Program (TAP) that covers predevelopment activities. A consultant in this area will be expected to coordinate closely with the Green Bank's TAP director to grow the program and deepen its activities. These types of roles may be found in the market advertised as a "program manager," "associate," or "director" level role depending on experience.

The Financial Assistance Coordinators are intended to work under the direction of the CEO, CIO, and CIO in close coordination with the Green Bank's Investment Team. Consultants will work on transactions dependent on experience level and familiarity with the Montgomery County market. Experienced consultants focused on originations would be asked to conduct business development and originate transactions using Green Bank policies and procedures. Less experienced consultants focused on originations would be asked to support the business development and originations of programs and transactions being worked on by Green Bank Directors and the CIO. Both experienced and less experienced consultants focused on underwriting will support the origination of transaction with credit analysis, and for those with more experience support the CCO in portfolio administration projects. Portfolio servicing consultants of all experience levels will support the Portfolio Administration team on transactions reaching financial close and ongoing servicing/covenant compliance requirements. These types of roles may be found in the market advertised as an "associate," "director," or "senior director" level role depending on experience.

**4. In Section 2.2, Program Objective 2, there is a number “1.” Is that a typo or is there a footnote we should be aware of.**

The number “1” is intended to be a footnote regarding the definition of Low-Income and Disadvantaged Communities (LIDAC). The EPA expects a minimum of 40% of deployment to be in or for the benefit of LIDAC communities in accordance with the White House Council on Environmental Quality Climate and Economic Justice Screening Tool (CEJST).

**5. Can Green Bank explain how the Green Bank staff team will work seamlessly with the contractors engaged?**

See Question 3.

**6. Can you please confirm that this is the applicable/most current link for EPA’s Guidance on Selected Items of Cost which provides recipients and applicants an understanding of how EPA determines allowability of the following items of cost: EPA’s Guidance on Selected Items of Cost for Recipient.**

2 CFR 200 governs the cost items to be associated with the GGRF funding. EPA has released specific budget guidance for the NCIF award that is available on the EPA’s NCIF award website and will be shared with selected consultants. The Green Bank developed a budget using this guidance in advance of the original application. Per guidance, the cost items allowed are Personnel, Fringe, Travel, Equipment, Supplies, Contractual, Other, Indirect Costs, Financial Assistance – Contractual, Financial Assistance – Other.

**7. Do you have a preference for bringing on a mix of individual contractors vs. one firm that could potentially cover all aspects of the work?**

The Green Bank does not have a preference.

**8. What is the intended level of effort for these roles? The RFP asks for the proposal to include the "level of effort needed to fulfill [the] work" but the scope of the work for the roles is very general in nature. The LOE is really dependent on how much of the services listed in the RFP are required. Are you envisioning these being full-time, 50%, 25% or some other level of effort?**

The Green Bank anticipates up to four full work year equivalents to achieve the overall scope of work in the one-year period of performance. Level of effort for the option years will be determined in early 2024. Respondents may propose varying levels of effort, as may be desired, for individual functions.

**9. Do you see opportunities for individual contractors to serve in a hybrid role - for example, splitting time between Market Building and Financial Assistance roles?**

Yes. See Question 1.

**10. Are you subject to any limitations on contracted rates and what can be included in the rate?**

The Green Bank has not placed any limitations on rates but will competitively evaluate the rate proposals.

**11. There was a reference to a Green Bank Standard Agreement in the RFP document, but I did not see any contract attached. Will that contract be provided as well?**

See Question 2.

**12. Could you please let me know if you're seeking consultants to respond to more than one of the functions in the scope of work? Furthermore, is it worth pursuing for those who only respond to one of the functions, or would you prefer to have a consultant or consulting firm able to work on multiple functions?**

See Question 1.

**13. Are either joint proposals or prime/sub proposals permitted given the multi-layered scope of work, or should firms only indicate what services they can provide?**

See Question 1.

**14. Does the MCGB have organizational documents, if yes, can you share them?**

Yes, the Green Bank has charter and funding legislation by Montgomery County, it has foundational documents as a 501c3 nonprofit corporation, and has Bylaws among other policies. Documents that are not up on the Montgomery County Government or Green Bank websites may be shared with selected respondents.

**15. Does the MCGB have existing investment parameters or limitations? Such as, a. No investment can be more than \$x; b. No investment can be less than \$x; c. Diversification parameters; d. Sector/asset limitation; e. Etc.?**

Yes, the Green Bank has investing parameters that are set by Standard Operating Procedures and a Commercial Investment Process. Priority sector investments are listed in the Request for Proposals and the EPA's Notice of Funding for the NCIF competition. The Green Bank expects specific covenants to be set around concentration and other credit matters by the EPA in May or June.

**16. Do you anticipate the MCGB to raise debt funds as part of its capitalization in the bank or capital markets?**

Yes, the Green Bank is currently investigating capital markets issuances. This workstream to date has not been directly associated with the use of NCIF funds; however, the Green Bank is interested in exploring this activity.

**17. Can the offeror bill separately for mandated travel and incidental expenses, separate from the time and material costs?**

Respondents may bill separately for incidental expenses associated with pre-approved Green Bank events and travel outside the County. The Green Bank does not anticipate additional fees for travel to and from local meetings such as at Green Bank headquarters in Rockville, MD.

**18. How often do you expect Offeror personnel to be in MCGB's offices?**

Respondents are not expected to be in the Green Bank's offices in Rockville, MD except for meetings or other functions that require in-person collaboration. The Green Bank currently has shared office space. Contractors may make use of the office space in a hoteling manner (e.g., available desks/conference rooms). Green Bank staff currently work predominantly remotely but will be switching to three in-office days in early 2025, at which point additional space will be available for contractors who wish to work from the Green Bank's offices more frequently.

**19. Does MCGB have an operational plan that they can share?**

The Green Bank has an annual workplan for FY25 that will be approved by the Board of Directors in June. Contractors may review the workplan if selected. The primary operational plan for GGRF consultants stems from the Request for Proposals and EPA Notice of Funding.

**20. Please elaborate on the current state (process, methodology, and quality) of how impact and reporting data is being collected.**

The Green Bank collects myriad impact and performance data, primarily through a Salesforce system, as transactions are developed. These data are presented to management/Investment Committee/Board of Directors when staff seek approvals. Transaction approvals using scoring systems for credit, impact, and market subsidization details. The Green Bank anticipates that the Impact and Reporting consultant(s) will help the Green Bank with updated types and processes of data collection once the EPA further defines the types of outputs, outcomes, and other reporting requirements it needs.

**21. Across each relevant impact category, please elaborate on MCGB's current capacity to quantify outcomes (Climate benefits, Air pollution, Equity, Community, Market transformation, Workforce, eg.) and impacts.**

The Green Bank tracks ten characteristics related to project and activity outputs. It tracks three major project scope areas, four measures of mitigation impact, eight measures of equity impact, six measures of economic impact, and activities within nine different sectors. These measures are reflected in past annual reports and the impact section of the Green Bank website. The Green Bank will look to GGRF consultants to help align additional metrics as desired by the EPA or that are best practice.

**22. Are existing investments measured in accordance with the methodologies of core EPA reporting tools (ie CO-Benefits Risk Assessment (COBRA), EPA Avoided Emissions and Generation Tool (AVERT), etc.) and global GHG reporting protocols (ie. Global Protocol for Community-Scale Greenhouse Gas Emission Inventories (GPC), etc.)?**

No. The Green Bank occasionally uses the EPA's Greenhouse Gas Equivalencies Calculator to verify estimations of avoided emissions.

**23. To what extent will the offeror need to design and facilitate training and capacity-building support?**

Consultants who are responding to the Market Building and Predevelopment Coordinator(s) and Financial Assistance Coordinator(s) should consider how they would engage in training and capacity-building support. The Green Bank's anticipated award includes funding to support community outreach, marketing, workforce development, the development of new financial products, and technical predevelopment assessments. Consultants will be expected to recommend such programs to the Green Bank, which once approved may be carried out by the consultants, staff, or by third parties.

**24. Please elaborate on anticipated support requirements for additional partners and lenders in the network.**

A key goal of the Green Bank and the GGRF is to leverage funds. The Green Bank utilizes many forms of financial structuring to achieve such leverage, such as loan participations, co-lending, credit enhancements, etc. The Green Bank is an open network for partners and lenders to achieve this goal, and therefore is always seeking additional partners to increase the level of co-investment. Consultants may need to engage with new partners and lenders, especially as new products and services are developed. Consultants will be expected to recommend programs or outreach for this purpose, which once approved may be carried out by the consultants, staff, or by third parties.

**25. To what extent has MCGB identified and begun to develop programs and financial products? Please describe them.**

The Green Bank has five broad programs in place – bridge loans, loss reserves, developer debt, term debt, and project support. Within each, the Green Bank has programs and facilities that sometimes are with specific partners and sometimes open windows for the market. With respect to the GGRF, the Green Bank will be seeking to expand programming with respect to distributed renewables that help inure IRA benefits to County end-users. It will also be seeking to grow EV infrastructure and vehicle transformation beyond a relatively small program currently available for affordable housing. Finally, it will be seeking to standardize and replicate financial structures that have been used for building decarbonization to date across various sectors.

**26. What types of community engagement activities are currently taking place?**

The Green Bank hosts events, workshops, and webinars dedicated to market education. Green Bank staff engage in events throughout the year to network, educate, and build connections. Finally, the Green Bank works with certain community partners to develop programs that address regional clean energy and climate risk considerations.

**27. Has MCGB identified potential partners? If so, please describe the efforts undertaken.**

See Question 24.

**28. Do you expect the offeror to provide assistance in the following: a. Underwriting and bond placement services for debt issued by MCGB; b. Underwriting and bond placement services for companies or projects MCGB is contemplating investing or co-lending to?**

Respondents are not prohibited from proposing these services. However, the Green Bank anticipates separate procurements at the right time that a bond program has been developed.

**29. Do you expect the offeror to develop financial models and perform financial analyses to assess the viability and potential returns of 1) individual investments by made by MCGB? And 2) The overall MCGB portfolio?**

Financial Assistance consultants will be able to access the Green Bank's tools for evaluating individual investments and programs. Consultants dedicated to new originations would work with the Chief Investment Officer on the best investment resource approach, which may require independent analysis by consultants and/or coordination with staff. Green Bank underwriters will conduct a credit analysis on top of a deal lead's work. Consultants are not expected to evaluate the overall financial performance of the portfolio.

**30. Do you expect the offeror to develop financial models and perform financial analyses to assess individual project creditworthiness?**

Financial Assistance consultants will be able to access the Green Bank's tools for evaluating individual investments and programs. Green Bank underwriters will conduct a credit analysis on top of a deal lead's work.

**31. Do you expect the offeror to assist with the negotiation, documentation, and execution of investment transactions on behalf of MCGB?**

Financial Assistance consultants with an adequate level of experience may propose to engage in these activities alongside Green Bank staff.

**32. Who will MCGB be using to draft loan documents, intercreditor agreements, waivers, etc.?**

The Green Bank utilizes outside counsel to draft and review closing documentation. The Chief Credit Officer and Portfolio Administration manage ongoing servicing needs in coordination with the CEO and Investment Committee.

**33. What is the MCGB's anticipated share of the CGC award?**

Award amounts will be finalized in May or June. The Green Bank anticipates an award that at a minimum will double annual funding and deployment targets.

**34. Please provide a copy of the Green Bank's Standard Agreement referenced.**

See Question 2.

**35. Evaluation states that the Green Bank will evaluate "relevant examples of like work." Please indicate if there is a format and desired information for relevant past performance examples that bidders should include.**

Respondents may use any format desired.

**36. Evaluation states that “the most important of the evaluation criteria is the experience of individuals.” Please indicate how price will be evaluated in comparison to other evaluation criteria and whether the overall selection determinations will be based on best value.**

The evaluation will take into consideration four factors, including experience of individuals, subject matter knowledge, cost, and relevant examples of like work. The Green Bank anticipates proposals to be submitted with varying permutations of the above and it will evaluate accordingly. See Question 3 for additional information on the expectations of consultant responsibilities.

**37. For the Time & Materials Cost Proposal submission, should bidders propose rates based on defined labor categories or for specific individuals proposed at this time?**

Respondents may propose rates based on defined labor categories or for specific individuals. Given the importance of experience in evaluation, the Green Bank would like to see the initial set of individuals and engage in discussions prior to any switch in personnel during the period of performance.

**38. Is this RFP looking for assistance standing up a new program for GGRF funds, scaling up existing programs (e.g., via the loan origination and portfolio management platform noted in your February 2024 RFP), or potentially both?**

We primarily anticipate scaling up existing programs. We expect that over time we may identify market gaps or efficiencies that may come from creating new programs.

**39. In the RFP response, are you looking for information on approach, pricing, and timeline of completion for the noted scope of work?**

Correct. Given that the scope of work across all the positions is relatively broad, we anticipate receiving time and materials quotes. There will be further discussion with finalists and selected contractors on the precise scope of the contract.

**40. Are you looking for assistance building or enhancing existing technology? If an existing technology, could you share information on the system (e.g., Salesforce, Microsoft) and type of interfaces (e.g., Credit Bureaus, Verification Services) to which we would be adding?**

We do not anticipate this to be a need at this point from the contractor. The Green Bank uses a Salesforce-based CRM system which we expect to update with appropriate fields to track GGRF eligibility and reporting.

**41. Have any awards been made to-date (noting that awards will be made on a rolling basis between May 13 and July 31)? We did not see an update on your website, so wanted to confirm.**

No awards have been made yet.

**42. Will there be dependencies on CGC for MCGB’s NCIF program design (e.g., will CGC provide guidance on financial assistance instruments that should be used)?**

We anticipate that most dependencies will stem from the EPA’s Terms and Conditions, which flow to the Green Bank as a subgrantee.

**43. Do you envision the coordinator positions in Section 3 to each be filled by 1 full time equivalent (FTE) resource (e.g., should 'Program Coordinator' be 1 person, multiple people with total hours of 1 FTE, or can hours exceed 1 FTE)?**

We are open to different organizational approaches proposed by contractors. We anticipate that Program Coordination will require a higher level of effort in the first six months and lower level of effort in the subsequent six months. We do not envision a need to exceed the hours equivalent to one FTE at this point.

**44. For the Financial Assistance Coordinator Role:**

- a. Can you clarify what is meant by “expected to... deploy financial instruments”? Is this role deploying new/modified instruments into loan operations or is it broader?
- b. Can you expound on the driver(s) that makes Credit Underwriting support the top urgency?
- c. Are the core capabilities (e.g., people, processes, and technologies) in place today to manage life of loan and life of customer?
  - i. If yes, can you describe current approach to staffing and list primary systems/tools for:
    - Originations
    - Credit underwriting
    - Portfolio Servicing

The Green Bank has an investment team with directors focused on business development and originations. We are seeking GGRF Financial Assistance contractors to help promote this team’s work and accelerate their origination of GGRF-eligible projects. As such, a contractor will be expected to help establish and execute the program that motivates deployment. A significant area that will help in that respect is a focus on underwriting so that projects can move seamlessly through our credit reviews and approval processes. The Green Bank has policies and procedures already established for originating transactions and managing the life of the transaction but will welcome contractor feedback on potential improvements.

**45. Would the Montgomery County Greenbank be open to a meeting or call over the next week or so to go through these questions live?**

We are not taking meetings at present as we review incoming proposals.