

State of New Jersey

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Lt. Governor

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
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September 5, 2018

Via Electronic Mail [sal@saljacobs.com] and USPS Regular Mail

Sal Jacobs
Sal Jacobs Plumbing & Heating Septic Service Inc.
575 North Second Road
Hammonton, NJ 08037

Re: I/M/O Bid Solicitation #18DPP00205 Sal Jacobs Plumbing & Heating Septic Service Inc.

T0777 Snow Plowing and Spreading Services

Protest of Notice of Intent to Award

Dear Mr. Jacobs:

This letter is in response to your correspondence of August 31, 2018, on behalf of Sal Jacobs Plumbing & Heating Septic Service Inc. (Sal Jacobs) to the Division of Purchase and Property's Hearing (Division) Unit. In that correspondence Sal Jacobs protests the August 24, 2018, Notice of Intent to Award (NOI) issued by the Division's Procurement Bureau (Bureau) indicating an intent to award a Master Blanket Purchase Orders (Blanket P.O.s)¹ to several Vendors {Bidders} for Bid Solicitation #18DPP00205 - T0777 Snow Plowing and Spreading Services (Bid Solicitation).

BACKGROUND

By way of background, on January 30, 2018, the Bureau issued the Bid Solicitation on behalf of the New Jersey Department of Transportation (NJDOT), to solicit Quotes from qualified Vendors

¹ For consistency, this final agency decision uses terminology employed by the State of New Jersey's *NJSTART* eProcurement system. For ease of reference, the following is a table which references the *NJSTART* term and the statutory, regulatory and/or legacy term.

NJSTART Term	Statutory, Regulatory and/or Legacy Term
Bid Solicitation	Request For Proposal
Bid Amendment	Addendum
Change Order	Contract Amendment
Master Blanket Purchase Order	Contract
Offer and Acceptance Page	Signatory Page
Quote	Proposal
Vendor {Bidder}	Bidder
Vendor {Contractor}	Contractor

ELIZABETH MAHER MUOIO
State Treasurer

MAURICE A. GRIFFIN *Acting Director*

{Bidders} to provide snow plowing and spreading services on all State interstates and highways under the jurisdiction of NJDOT. Bid Solicitation § 1.1 *Purpose and Intent*. It is the State's intent to award Statewide Blanket P.O.s to those responsible Vendors {Bidders} whose Quotes, conforming to this Bid Solicitation are most advantageous to the State, price and other factors considered. <u>Ibid.</u>

On February 28, 2018, the Bureau issued Bid Amendment #1 responding to the questions posed by potential Vendors {Bidders}. On March 16, 2018, the Division's Proposal Review Unit opened 164 Quotes received through the State's *NJSTART* eProcurement system and/or hardcopy format by the submission deadline of 2:00 pm eastern time. Thirty-two Quotes were automatically rejected by the Proposal Review Unit for failure to conform to the mandatory administrative requirements for Quote submission.

The remaining Quotes were forwarded to the Bureau for review and evaluation consistent with the requirements of Bid Solicitation Section 6.7 *Evaluation Criteria* which states:

The following evaluation criteria categories, not necessarily listed in order of significance, may be used to evaluate Quotes {Proposals} received in response to this Bid Solicitation {RFP}. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process.

- A. Experience of firm (Attachment #2): The Vendor's {Bidder's} documented experience in successfully completing Blanket P.O. {Contracts} of a similar size and scope in relation to the work required by this Bid Solicitation {RFP};
- B. Vendor Equipment (Attachment #1): The quantity and type of Vendor {Bidder} trucks and ability to provide equipment; and
- C. Price: The Vendor's {Bidder's} hourly rate. See Section 6.7.1 below.

With respect to the evaluation of the Vendors' {Bidders'} Quote pricing, Bid Solicitation Section 6.7.1 Vendor's {Bidder's} Price Schedule states:

The Bureau will utilize a weighted price model. The price model will be date-stamped and entered into the record before Quote {Proposal} opening.

One (1) or multiple awards will be made to the Vendor {Bidder} submitting the lowest hourly rate for each Snow Section and meeting, at a minimum, the criteria for experience and equipment set forth in this Bid Solicitation {RFP}, in the following order:

Snow Plowing and Hauling Services:

- 1st Vendors {Bidders} supplying all required Class A trucks with equipment:
- 2nd Vendors {Bidders} supplying all required Class A trucks without equipment;
- 3rd Vendors {Bidders} supplying all required Class B trucks with equipment;

4th – Vendors {Bidders} supplying all required Class B trucks without equipment;

 5^{th} – Vendors {Bidders} supplying fewer than the required number of Class A trucks with equipment; and

 6^{th} – Vendors {Bidders} supplying fewer than the required number of Class B trucks without equipment.

For example, Vendors {Bidders} submitting responsive Quotes {Proposals} and able to supply all required Class A trucks with Vendor {Bidder} owned equipment, will be awarded a Blanket P.O. {Contract} before the Vendors {Bidders} supplying Class A trucks without equipment.

Spreading Services:

1st – Vendors {Bidders} supplying all required Class R trucks with an on board wetting system;

2nd – Vendors {Bidders} supplying all required Class R trucks;

3rd – Vendors {Bidders} supplying all required Class Q trucks with an on board wetting system;

4th – Vendors {Bidders} supplying all required Class Q trucks;

5th – Vendors {Bidders} supplying all required Class P trucks with an on board wetting system;

6th – Vendors {Bidders} supplying all required Class P trucks;

7th – Vendors {Bidders} supplying V Box trucks with an on board wetting system:

8th - Vendors {Bidders} supplying V Box trucks;

9th – Vendors {Bidders} supplying mid-body style trucks with an on board wetting system; and

10th - Vendors {Bidders} supplying mid-body style trucks.

For example, Vendors {Bidders} submitting responsive Quotes {Proposals} and able to supply all required Class R trucks, with an on board wetting system, will be awarded a Blanket P.O. {Contract} before the Vendors {Bidders} supplying Class R trucks without an on board wetting system.

The evaluation of Quotes received and submission of Quote pricing was conducted in three phases as set forth in Bid Solicitation Section 1.1 *Purpose and Intent* which states:

Award of this Bid Solicitation {RFP} will be conducted in three (3) consecutive phases, as described further below. All phases will continue until all Snow Sections have been awarded. Pricing shall not be released until completion of all phases and the final Notice of Intent to Award has been issued.

This procurement will be bid in three consecutive phases, numbered One, Two and Three. The first Phase will be Phase One (1). In Phase One (1), the State will attempt to award all Snow Sections. To the extent that any Snow Sections remain un-awarded following Phase One (1), the State will request that all Vendors {Bidders} who submitted a Quote {Proposal} to

this Bid Solicitation {RFP} for Phase One (1) submit a Phase Two (s) price sheet addressing any Snow Sections that remain un-awarded that the Vendor {Bidder} is interested in. The State will attempt to award all remaining Snow Sections in Phase Two (2) based on the Phase Two price sheets received. In the event that any Snow Sections remain un-awarded after Phase Two (2) is completed, the State will request that all Vendors {Bidders} submit a Phase Three (3) price sheet, addressing any Snow Sections that remain un-awarded, that the Vendor {Bidder} is interested in.

Under no circumstances shall any Vendor {Bidder}, when submitting a Phase Two (2) or Phase Three (3) price sheet after being requested to do so by the State, submit any supplemental or additional information regarding any other aspects of its previously-submitted bid. During Phase Two and Phase Three, the State will only consider the price sheets, and will not consider any additional or supplemental information or documents.

- 1. Phase One (1) will apply to all Vendors {Bidders} that have submitted a responsive Quote {Proposal};
- 2. Phase Two (2) will apply to all Snow Sections not awarded and will occur after the Notice of Intent to Award has been issued for Phase One (1) and prior to the issuance of the final Notice of Intent to Award. All Vendors {Bidders} that have submitted a responsive Quote {Proposal}, in response to this Bid Solicitation {RFP}, will be eligible to participate during Phase Two (2); and
- 3. Phase Three (3) will apply to Snow Sections not awarded and will occur after the Notice of Intent to Award has been issued for Phase Two (2) and prior to the issuance of the final Notice of Intent to Award. All Vendors {Bidders} that have submitted a responsive Quote {Proposal}, in response to this Bid Solicitation {RFP}, will be eligible to participate during Phase Three (3).

In other words, only those Vendors {Bidders} whose original submitted Quotes were responsive to the requirements of the Bid Solicitation would be able to participate in, and submit pricing for Phase 2 and Phase 3.

In accordance with the procedure set forth in Bid Solicitation Section 1.1 Purpose and Intent, after the review and evaluation of all Quotes received in response to Bid Solicitation Phase One was completed, the Bureau issued a preliminary notice. That preliminary notice advised the Vendors {Bidders} which snow plowing and spreading sections would be awarded based upon the Phase One submitted Quotes. The preliminary notice also provided Vendors {Bidders} the opportunity to withdraw a submitted Quote or a preliminarily awarded price line. Four Vendors {Bidders} withdraw a submitted Quotes for some or all of the snow plowing and/or and spreading sections originally submitted during Phase One. Thereafter, the Bureau commenced Phase Two to solicit Quotes pricing for those snow plowing and spreading sections for which no responsive Quotes had been received. On June 11, 2018, requests for Phase Two pricing were sent to all Vendors {Bidders} who submitted Quotes which were deemed initially responsive. Phase Two Quote submission pricing was due to the Bureau on June 18, 2018 at 2:00 p.m.

After the review and evaluation of all Quotes received in response to the Bid Solicitation Phase Two was completed, the Bureau issued a second <u>preliminary</u> notice. That second preliminary notice advised the Vendors {Bidders} which snow plowing and spreading sections would be awarded based upon the Phase One and Phase Two submitted Quotes. The second preliminary notice also provided Vendors {Bidders} the opportunity to withdraw a submitted Quote or a preliminarily awarded price line. Thereafter, the Bureau commenced Phase Three to solicit Quote pricing for those snow plowing and spreading sections for which no responsive Quotes had been received in either Phase One or Phase Two. Requests for Phase Three pricing were sent to all responsive Vendors {Bidders} on June 26, 2018 with a Phase Three Quote submission due date of June 28, 2018 at 2:00 p.m.

After the review and evaluation of all Quotes received in response to the Bid Solicitation Phase Three was completed, the Bureau issued a third <u>preliminary</u> notice. That third preliminary notice advised the Vendors {Bidders} which snow plowing and spreading sections would be awarded based upon the Phase One, Phase Two and Phase Three submitted Quotes. The third preliminary notice also provided Vendors {Bidders} the opportunity to withdraw a submitted a Quote or a preliminarily awarded price line.

Thereafter, on August 22, 2018, the Bureau issued a Recommendation Report which recommended Blanket P.O. awards to those responsible Vendors {Bidders} whose Quotes, conforming to the Bid Solicitation are most advantageous to the State, price and other factors considered.² On August 24, 2018, the NOI was issued advising all Vendors {Bidders} that it was the State's intent to award a Blanket P.O.s consistent with the Bureau's Recommendation Report.

On August 31, 2018, the Division received Sal Jacobs' protest challenging the intended Blanket P.O. awards. Specifically, Sal Jacobs protests the award of price line 367 stating:

I am requesting further evaluation of the referenced price line. My company, along with Scrapple Brothers Construction, Inc. have serviced the Buena, Folsom, and Hammonton areas for more than 30 years. We have always taken pride in our work and accomplished all tasks at hand using our equipment. Our close proximity to the service yard has allowed us to arrive within five minutes of receiving the call. Living within the area has provided us with the ability to quickly complete truck repairs when there is a breakdown. For each storm, all trucks were readily available.

At times we were asked to help service other areas upon finishing our route. Without hesitation, we always agreed and followed all requests. Knowing the surrounding towns and roads made this possible. Being from the area, our goal is to keep the highways safe for travelers. We have a superb relationship with our department representatives from the state yard, and feel this has contributed to our excellent work in keeping the roads safe.

In consideration of Sal Jacobs' protest, I have reviewed the record of this procurement, including the Bid Solicitation, the submitted Quotes, the relevant statutes, regulations, and case law. This review of the record has provided me with the information necessary to determine the facts of this matter and to render an informed Final Agency Decision on the merits of the protest. I set forth herein the Division's Final Agency Decision.

² The list of Vendors {Contractors} who are recommended to receive Blanket P.O. awards are listed in the attachment to the Bureau's August 22, 2018 Recommendation Report.

DISCUSSION

As noted above, Bid Solicitation Section 6.7.1 Vendor's {Bidder's} Price Schedule advised Vendors {Bidders} that the Bureau would recommend Blanket P.O. awards for spreading services to the Vendor {Bidder} submitting the lowest hourly rate for each Snow Section, with a preference provided to Vendors {Bidders} that could supply all required trucks on a given line. A further preference was given for equipment, both in class of truck and vehicle equipment. Specifically, Bid Solicitation Section 6.7.1 Vendor's {Bidder's} Price Schedule states:

Spreading Services:

1st – Vendors {Bidders} supplying all required Class R trucks with an on board wetting system;

2nd – Vendors {Bidders} supplying all required Class R trucks;

3rd – Vendors {Bidders} supplying all required Class Q trucks with an on board wetting system;

4th – Vendors {Bidders} supplying all required Class Q trucks;

5th – Vendors {Bidders} supplying all required Class P trucks with an on board wetting system;

6th – Vendors {Bidders} supplying all required Class P trucks;

7th – Vendors {Bidders} supplying V Box trucks with an on board wetting system;

8th – Vendors {Bidders} supplying V Box trucks;

9th – Vendors {Bidders} supplying mid-body style trucks with an on board wetting system; and

10th – Vendors {Bidders} supplying mid-body style trucks.

For example, Vendors {Bidders} submitting responsive Quotes {Proposals} and able to supply all required Class R trucks, with an on board wetting system, will be awarded a Blanket P.O. {Contract} before the Vendors {Bidders} supplying Class R trucks without an on board wetting system.

Here, price line 367 required five (5) Class R Trucks.

LIKE HO	DESCRIPTION
	SPREADING SERVICES – D.O.T.
	REGION: SOUTH
	CREW #: 421 BUENA YARD
367	722 ROUTE 40 EAST HARDING HWY MP 35, BUENA, NJ
A CONTRACTOR OF THE CONTRACTOR	NUMBER OF TRUCKS REQUIRED:
£	CLASS R-5

With its submitted Quote, Sal Jacobs included Attachment #1-Vendor Bidder Equipment Form, indicating that it had three (3) Class P, with a V Box and no wetting system which would be available for use in providing the services required for this spreading section.

ATTACHMENT 1	SNOW PLOWING AND SPREADING SERVICES NIDOT BID SOLICITATION (REP) 18DPP00205	
h	VENDOR (BIDDER) EQUIPMENT FORM	
The Vendor (Bidder) must complete and submit one (1) form for each Section Offered Vendor {Bidder} Name: Sal Jacobs Plumbing and Heating INC		
Snow Section:		
Number of Class A Truck	s	
Number of Class B Truck	s	
Are you able to provide your own plows? YES or NO		
If yes, how many?	3	
	SPREADING ONLY	
Crew #:421 Buena Yard		
Number of Class P Truck	s 3	
Number of Class Q Truck	<u></u>	
Number of Class R Truck	s	
Type of spreading equip	ment V Box	
Are you able to provide	on board wetting? YES or NO _X	
Are your vehicles capable	e of offloading unused material quickly after an event?	
YES_X_ or No		

With respect to the award of price line 367, the Recommendation Report states:

Price Line #367 - the following Vendors {Bidders} submitted responsive Quotes; however, the Quote submitted by AIT is considered to be the overall lowest cost responsive, responsible Quote, most advantageous to the State price and other factors considered. This Section required five (5) Class R Trucks. Therefore, for the reason stated AIT is recommended for award of this price line.

- M&M offered seven (7) Tailgate Mounted Class R Trucks, more than the quantity required for this Section, at a rate of \$240 per hour;
- Sal Jacobs Plumbing & Heating (Sal Jacobs) offered three (3) V Box Class P Trucks, less than the quantity required and incorrect truck class;
- Scrapple Brothers offered two (2) V Box Class P Trucks, less than the quantity required and incorrect truck class; and
- AIT offered five (5) Tailgate Mounted Class R Trucks, the quantity required for this Section, at a rate of \$220 per hour.

While Sal Jacobs may have proposed a lower hourly rate than that of the intended awardee, Sal Jacobs' Quote was for fewer trucks than the quantity required by the price line and was for a different class of truck than that required. Again, as noted above, price line 367 required five (5) Class R Trucks, Sal Jacobs proposed three Class P Trucks. As noted in Bid Solicitation § 6.7.1 *Vendor's {Bidder's} Price Schedule*, a Vendor {Bidder} supplying all required Class R Trucks will awarded a Blanket P.O. before a Vendor {Bidder} supplying a Class Q or a Class P Truck. Here, the Bureau's recommendation for award was

consistent with the Bid Solicitation evaluation criteria. Bid Solicitation § 6.7.1 Vendor's {Bidder's} Price Schedule.

CONCLUSION

While I have no reason to dispute Sal Jacobs' statement that it has a superb relationship with the NJDOT representative and has provided excellent service to the State, based upon the foregoing, I find no reason to disturb the Bureau's recommendation. Accordingly, I sustain the August 24, 2018 Notice of Intent to Award. This is my final agency decision with respect to the protest submitted by Sal Jacobs.

Thank you for your company's continuing interest in doing business with the State of New Jersey and for registering your company with *NJSTART* at www.njstart.gov, the State of New Jersey's eProcurement system. I encourage you to log into *NJSTART* to select any and all commodity codes for procurements you may be interested in submitting a Quote for so that you may receive notification of future bidding opportunities. Please monitor the New Jersey Department of Transportation's, the Division's and the *NJSTART* websites for future bidding opportunities for these services.

Sincerely,

Maurice A. Griffin Acting Director

MAG: RUD

c: P. Michaels

L. Spildener M. Groninger