



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

May 11, 2022

Request for Proposals# 2022-009

**Socioeconomic Analyses for  
Rule Development Projects**

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**SECTION I – SUMMARY**

The Bay Area Air Quality Management District (Air District) seeks proposals from qualified economic consultants that would, under contract to the Air District, conduct socioeconomic analyses and reports for Air District regulatory projects as specified by Air District staff and required by Health & Safety Code Section 40728.5.

This contract will include services for developing and preparing reports analyzing the socioeconomic impacts of a proposed rule or rule amendment. The reports will include evaluation of impacts on small businesses, estimation of cumulative regional economic impacts, identification of direct or regional economic impacts to affected industries from a proposed rule and project alternatives, identification of rule modifications that could reduce socioeconomic impacts, and discussions about incremental cost-effectiveness of potential control options. The Air District is seeking bids from consultants that can demonstrate extensive experience with socioeconomic analysis as related to air quality planning or the development of air quality regulations.

The Air District may select one or more contractors to provide the services sought in this Request for Proposals (RFP). Interested parties should submit one (1) proposal that address the services sought in this RFP. Proposals that do not address the RFP will not be considered.

To respond to this RFP, an interested company should submit its proposal electronically (in Adobe Acrobat PDF file format) to the Air District's Procurement Portal (Portal):

Michael Chao, Staff Specialist  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600; San Francisco, CA 94105  
Portal link: <https://baaqmd.bonfirehub.com>

**Proposals must be submitted and received by 4:00 p.m. on Friday, August 5, 2022 (deadline).  
Late proposals will not be considered.**

Proposals must address all information requested in this RFP. A proposal may add information not requested in this RFP, but the information should be in addition to, not instead of, the requested information and format. Minority business enterprises, women's business enterprises, veteran's business enterprises, and Certified Green Businesses are encouraged to submit proposals. **Any questions regarding this RFP should be submitted through the Portal.**

## **SECTION II – BACKGROUND**

### **A. Air District Overview**

The Air District was created by the California Legislature in 1955 as the first regional agency to deal with air pollution in California. The Air District jurisdiction includes Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, southwestern Solano, and southern Sonoma counties.

The State Legislature originally gave the Air District the authority to regulate stationary sources of air pollution, such as factories, oil refineries, chemical plants, gasoline stations, and agricultural burning. With more recent legislation, the Air District was granted authority to enact certain transportation and mobile source measures.

The Air District is governed by a twenty-four (24) member Board of Directors, consisting of elected officials, including county supervisors, mayors, and city council members.

### **B. Socioeconomic Analyses**

Health and Safety Code section 40728.5 provides that the Air District consider the socioeconomic impact of each rule brought before the Board of Directors for adoption. The Board of Directors is required to actively consider the socioeconomic impact of these regulations and to make a good faith effort to minimize the socioeconomic impacts. The Air District intends to select consultant(s) to perform analyses of the socioeconomic impacts of Air District newly adopted or amended rules and regulations. Socioeconomic impacts for this analysis mean the following:

1. The type of industries or business, including small business, affected by the rule or regulation.
2. The impact of the rule or regulation on employment and the economy of the

- region affected by the adoption of the rule or regulation.
3. The range of probable costs, including costs to industry or business, including small business, of the rule or regulation.
  4. The availability and cost-effectiveness of alternatives to the rule or regulation being proposed or amended.
  5. The emission reduction potential of the rule or regulation.
  6. The necessity of adopting, amending, or repealing the rule or regulation to attain state and federal ambient air standards

The contractor(s) hired under this RFP will need to work with the Air District to determine the socioeconomic impacts of rule development projects. Work for each rule development project is expected to take approximately one (1) month but can vary depending on the complexity of the project.

### **SECTION III – SCOPE OF WORK**

Selected contractor(s) will develop and prepare socioeconomic analyses and reports for regulatory projects as specified by Air District staff. Regulatory projects may include proposed new rules and rule amendments scheduled for adoption by the Air District Board of Directors.

Payment for socioeconomic analysis and documents will be based on an hourly rate. The Air District expects that payment will be based on time and materials required.

The Air District shall provide an initial list of affected industries, estimated costs of compliance, a discussion of the air quality need for the regulatory project and anticipated emissions reductions, and a description of potential control options for analysis.

The following tasks shall be conducted for each regulatory project assigned to the contractor by Air District staff.

#### **Task #1**

Contractor shall perform an assessment of the socioeconomic impacts of the proposed rule or rule amendment to the extent data are available and identify any adverse socioeconomic impacts as defined by Health & Safety Code Section 40728.5 that need to be minimized. An evaluation should be conducted to establish macroeconomic modeling of public health and non-market benefits and identifying criteria for econometric and social impacts analysis beyond minimums described in the California Health and Safety Code.

#### **Task #2**

Contractor shall investigate and report on whether small businesses, as defined by the Small Business Administration (with the exception that no stationary source which is a major source, as defined by the applicable provisions of the federal Clean Air Act [42 U.S.C. Sec 7661(2)] is a small business), in affected industries would bear a disproportionate share of costs, or whether the magnitude or type of cost would have a detrimental impact on small businesses vs. larger businesses within each industry. In addition, a determination should be made on who bears the costs of regulation and how the impacts are distributed across the Bay Area by analyzing price elasticity of supply and/or demand and how the proposed rule may impact consumer decisions.

**Task #3**

Contractor shall estimate and report on the cumulative regional economic impacts of the rule including indirect expenditures and employment impacts, which shall include a thorough discussion of the regional significance of affected industries and the location and structure of markets that are or may be affected by the rule. A discussion of alternative scenarios, establishing a rigorous and realistic baseline, and an exhaustive uncertainty analysis are key to successfully meeting this requirement.

**Task #4**

Contractor shall identify and report on whether the direct or regional economic impacts to affected industries, or particular types of businesses within the affected industries, would be considered significant in relation to normal business indicators. This shall include a thorough discussion of socioeconomic effects of project alternatives, to be supplied by the Air District, to the rule as proposed.

**Task #5**

Contractor shall assist the Air District staff in identifying rule modifications that could reduce socioeconomic impacts (as defined in the Health and Safety Code, Section 40728.5), if any, below significant levels. An estimate of total regulatory impact and how the proposed new regulation impacts businesses should be included. In addition, a cost-benefit analysis for the rule (including not only costs to industry, but also government and population), if and where appropriate, should be conducted. A separate government impact analysis, resulting from the proposed regulation, should be performed.

**Task #6**

Contractor shall estimate and report on the incremental cost-effectiveness of potential control options, if any, as identified by Air District staff, in accordance with California Health and Safety Code Section 40920.6. A rigorous distributional impacts analysis, from the industry impacts (to sub-industries and contractors) to health benefits as well as sensitivity analysis of public health benefits should be conducted in this task.

**Task #7**

Contractor shall prepare a report, using graphic materials to illustrate conclusions whenever appropriate, describing the socioeconomic effects of the proposed rule. The report shall include the following elements:

1. Description of the industries affected by the rule;
2. An analysis of the price elasticity of supply/demand for industries affected by the rule;
3. Identification of costs of compliance;
4. Description of alternative scenarios;
5. Description of a baseline vs expected impact from regulation;
6. Realistic uncertainty analysis;
7. Estimated employment impacts;
8. Discussion of the level of significance of socioeconomic impacts, including regional economic impacts and any special impacts to small businesses caused, directly or indirectly, by the rule, in particular,
  - a. Impact to an estimate of total cost of regulation;
  - b. Cost-benefit analysis for the rule; and
  - c. Impact to government services, if applicable;

9. Distributional impacts analysis from the industry impacts (sub-industry/contractors) to health benefits;
10. Sensitivity analysis of public health benefits;
11. Conduct macroeconomic modeling of public health and non-market benefits;
12. Identify criteria for econometric and social impacts analysis beyond minimums described in the California Health and Safety Code;
13. availability and incremental cost-effectiveness of alternative potential control options.

### **Timeline**

The contract may, at the discretion of the Air District and with the agreement of the contractor, be extended.

The Air District will work with the contractor to determine the project schedule(s). The Air District will review and, if necessary, revise the project schedule(s) to ensure work progresses in accordance with Air District priorities.

### **Reporting and Reimbursement**

1. Reporting – The contractor will provide the analyses and other deliverables as specified for each project. Where possible, the contractor will provide draft deliverables to the Air District two weeks prior to the date specified. This will allow one week for Air District review and one week for the contractor to incorporate any changes to the documents.
2. Reimbursement – The Air District will pay the contractor for services in accordance with the terms set forth in the contract between the Air District and the contractor.

### **Federal and State Requirements**

The successful contractor under this solicitation will comply with all applicable federal and State requirements. Additionally, no persons or entities that are currently listed on the federal excluded parties list system (EPLS) will be considered for award as part of this RFP.

### **Additional Requirements**

Compliance with the Air District's Conflict of Interest policy is required of any principals working for or associated with a contractor, as determined by the Air District.

## **SECTION IV – INSTRUCTIONS TO BIDDERS**

### **A. General**

1. Interested firms must create an account through the Portal described in this RFP to view RFP documents and addenda, and to submit questions and bid documents.
2. All proposals must be made in accordance with the conditions of this RFP. Failure to address any of the requirements is grounds for rejection of this

proposal.

3. All information should be complete, specific, and as concise as possible.
4. Proposals should include any additional information that the respondent deems pertinent to the understanding and evaluation of the bid.
5. The Air District may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the deadline. Please check our [Portal](#) for updates prior to the deadline.
6. Proposals shall constitute firm offers. Once submitted, proposals may be withdrawn, modified and resubmitted through the Portal up until the deadline.
7. The Air District reserves the right to reject any and all proposals.
8. Proposals for this project should be based on time and materials, and should include an estimate of total costs anticipated per rule development project.
9. The Air District may revise the Scope of Work for the project at any time.
10. The Air District may select multiple contractors to perform socioeconomic analyses of projects based on bidders' unique abilities. The Air District may also ask respondents to form collaborative teams (combine proposals) in order to leverage the greatest knowledge base and expertise to complete the required tasks.
11. All questions must be in written form and submitted through the Portal no later than **4:00 p.m. on Friday, July 1, 2022**. Firms will not be able to submit questions after this time. All questions will be answered in writing and posted on the [Portal](#) by **6:00 p.m. on Friday, July 15, 2022**.
12. The cost for developing the proposal is the responsibility of the bidder, and shall not be chargeable to the Air District.
13. A firm's selection and the execution of a contract with the Air District does not guarantee any particular amount of work.

## **B. Submittal of Proposals**

All proposals must be submitted according to the specifications set forth in Section V (A) – Contents of Proposal, and this section. Failure to adhere to these specifications may be cause for the rejection of the proposal.

1. **Deadline** – All proposals are due no later than **4:00 p.m. on Friday, August 5, 2022** and must be submitted via the Portal to:

Michael Chao, Staff Specialist  
Bay Area Air Quality Management District  
375 Beale Street, Suite 600; San Francisco, CA 94105  
Portal link: <https://baaqmd.bonfirehub.com>

2. Uploading large documents may take significant time, depending on the size of the file(s) and internet connection speed. Bidders should plan sufficient time before the deadline to finalize their submissions and to complete the uploading process. Bidders will not be able to submit documents after the deadline. Proposals received after deadline will not be considered.
3. Signature – All proposals should be signed by an authorized representative of the bidder. If a signature is not present, the proposal will be disqualified and rejected. Electronic signatures are permitted.
4. Submittal – Submit one (1) electronic copy (in Adobe Acrobat PDF file format). Electronic submissions submitted via the Portal will be acknowledged with a confirmation email receipt. Late proposals will not be accepted. Any correction or re-submission of proposals will not extend the submittal deadline.
5. Grounds for Rejection – A proposal may be immediately rejected at any time if it arrives after the deadline, or is not in the prescribed format, or is not signed by an individual authorized to represent the firm.
6. Disposition of the Submissions – All responses to this RFP become property of the Air District and will be kept confidential until a recommendation for award of a contract has been announced. Thereafter, submittals are subject to public inspection and disclosure under the California Public Records Act. If a respondent believes that any portion of its submittal is exempt from public disclosure, it may mark that portion “confidential.” The Air District will use reasonable means to ensure that such confidential information is safeguarded, but will not be held liable for inadvertent disclosure of the information. Proposals marked “confidential” in their entirety will not be honored, and the Air District will not deny public disclosure of any portion of submittals so marked.

By submitting a proposal with portions marked “confidential,” a respondent represents it has a good faith belief that such portions are exempt from disclosure under the California Public Records Act and agrees to reimburse the Air District for, and to indemnify, defend, and hold harmless the Air District, its officers, employees, and agents, from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation, attorneys’ fees, expenses, and court costs of any nature whatsoever, arising from or relating to the Air District’s non-disclosure of any such designated portions of a proposal.
7. Modification – Once submitted, proposals, including the composition of the contracting team, may be altered up until the deadline. Proposals may not be modified after the deadline. All proposals shall constitute firm offers valid for ninety (90) days from the deadline.

**C. Interviews**

1. The Air District, at its option, may interview bidders. The interviews will be for

the purpose of clarifying the proposals.

2. Submittal of new proposal material at an interview will not be permitted.
3. Interviews may involve a presentation and/or a question-and-answer session.
4. Interview teams should be representative of the project team.

## **SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL**

### **A. Contents of Proposal**

Submitted proposals must follow the format outlined below and include all requested information. Failure to submit proposals in the required format can result in the proposal being eliminated. Please number your responses exactly as the items are presented here, and limit to 10 one-sided pages, except work samples, which should be included in a separate appendix. Failure to submit proposals in the required format can result in the proposal being eliminated from evaluation and consideration.

1. Technical Proposal
  - a. Cover Letter (Section I) – Must include the name, address, and telephone number of the company or individual, and must be signed by the individual or, if an organization, by the person(s) authorized to represent the organization.
  - b. Contact Information – Provide the following information about the organization or individual:
    - Address and telephone number of office nearest to San Francisco, California and the address and phone number of the office that each of the proposed staff members are based out of if different.
    - Name of individual or, if an organization, the organization's representative designated as the contact and their email address.
    - Name of project manager, if different from the individual designated as the contact.
  - c. Table of Contents – Clearly identify material contained in the proposal by section
  - d. Summary (Section II) – State overall approach to a socioeconomic analysis for a rule development project, including the objectives and scope of work.
  - e. Estimated Timelines and Costs (Section III) – Provide an estimate of the time and costs required to conduct a socioeconomic analysis for a regulatory project. Provide a description of how you will manage timelines estimated (including allowing sufficient time for Air District review of draft



documents). Provide projected milestones or benchmarks for completing a project.

- f. Firm History (Section IV) – Provide a history of your company's experience in providing services similar to those sought through this RFP, including any services provided to governmental organizations. Provide references for any similar projects listed, including contact name, title, telephone number, and email address. Describe the technical capabilities of the firm in all areas relevant to the services sought through this RFP.
- g. Project Organization (Section V) – Describe the proposed management structure, program monitoring procedures, and organization of the team that will be providing input on analyses and document development/preparation. Provide a statement detailing your approach to a socioeconomic analysis, specifically addressing the firm's ability and willingness to commit and maintain staffing to successfully conclude the project on the expected schedules.
- h. Assigned Personnel (Section VI) – List all key personnel who would be assigned to the Air District project by name and role. Provide descriptions of education and training, along with a summary of experience in providing services similar to those sought through this RFP. Background descriptions can be a resume, CV, or summary sheet. Note that the standard Air District contract will not permit substitution of project manager or staff without prior written approval of the Air District's assigned program manager.
- i. Work Samples (Section VII) (Does not count against 10-page limit) – Samples of up to five (5) major projects that the firm has completed in the areas of socioeconomic analyses development/preparation. Include the client, the name of a contact person who is able to provide a reference, the reference contact person's telephone number and email address, a description of the nature of the work, and the size and complexity of the project.
- j. Retention of Working Papers (Section VIII) – All working papers are the property of the Air District. Include a statement acknowledging that if your firm is awarded the contract, you will retain project related papers and related reports for a minimum of five (5) years.
- k. Subcontractors (Section IX) – List any subcontractors that will be used, the work to be performed by them, and the total number of hours or percentage of time they will spend on the contract.
- l. Conflict of Interest (Section X) – Address possible conflicts of interest with other clients affected by contractors' actions performed by the firm on behalf of the Air District. The Air District recognizes that prospective bidders may have contracts to perform similar services for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. The Air District reserves the right to consider the

nature and extent of such work in evaluating the proposal.

- m. Additional Information (Section XI) – Provide any other essential data that may assist in the evaluation of the proposal (e.g. green business certification, etc).

2. Cost Proposal (Does not count against 10-page limit)

- a. Name and Address – The Cost Proposal must have the name and complete address of the bidder in the upper, left hand corner.
- b. Cost Proposal – The Cost Proposal must list the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. In addition, costs should be estimated for each of the components of the Scope of Work.

**SECTION VI – PROPOSAL EVALUATION**

A panel of Air District staff will evaluate all proposals. The panel will recommend the selection of one or more contractors to the Air District Executive Officer/Air Pollution Control Officer, who will, in turn, make a recommendation to the Air District Board of Directors. The Air District Board of Directors must approve the contract(s) to carry out the work described in this RFP. A link to a typical contract for professional services used by the Air District is included in Section VII.

Proposals will be evaluated on the following criteria:

Expertise	Technical expertise, size and structure of the firm and personnel assigned to RFP tasks; firm’s ability to perform and complete the work in a professional and timely manner.*	30%
Skill	Past experience of the firm and, in particular, experience of the team working on projects of similar scope for other governmental agencies.	35%
Approach	Responsiveness of the proposal, based upon a clear understanding of the work to be performed.	20%
Cost	Cost or cost effectiveness and resource allocation strategy.	10%
References	References of the firm.	5%
	<b>Total</b>	<b>100%</b>

\* “Size and structure of firm” refers to the ability of a firm’s size to meet the needs of the Air District. It does not give absolute preference to larger or smaller firms.

In the event that two or more proposals receive the same number of points, the more cost-effective proposal shall be given a higher rank.

## **SECTION VII – SAMPLE CONTRACT**

A sample contract to carry out the work described in this RFP is available on the District's website at <http://www.baaqmd.gov/about-the-air-district/request-for-proposals-rfp-rfq/samples-previous>.