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DATE: January 8, 2008  
TO: Economic Development Commission, Board of Estimates  
FROM: Randy Whitehead, Purchasing  
Matthew B. Mikolajewski, Office of Business Resources  
SUBJECT: NES Protest of Southeast Madison Marketing RFP Award

**Background:**

A substitute Resolution ID# 08316 to authorize award of consulting services to The Hiebing Group Inc./Vandewalle and Associates to develop and implement a marketing plan for Southeast Madison Business Centers and the Wisconsin BioAg Gateway is being introduced to the EDC on January 9<sup>th</sup>, to the BOE on January 14<sup>th</sup> and the Common Council on January 22<sup>nd</sup>.

In consideration of the official letter of protest submitted by New Economy Strategies (NES) dated January 7, 2008 (attached), the following information regarding the evaluation process of the referenced request for proposal is being provided for explanation.

**Evaluation of Request for Proposal:**

On November 15, 2007, the four firms with the highest scores on their written submittals to Request for Proposal 7873-0-2007/MM were invited to a 45 minute presentation/interview by the Evaluation Team. Upon conclusion of the final interviews, the general consensus of the Evaluation Team members was to award to NES. At that time, the initial computation of total scores supported this selection. Consequently, notice was given to NES of the intent to award and a resolution to contract with NES was then introduced to the Common Council on December 4, 2007.

Subsequently, Purchasing proceeded to compile the final summary report, which included transposing raw scores into final format. In the process, City staff discovered an error in the computation of scores. The Evaluation Team Lead was immediately contacted and a verification of scores was diligently pursued. It became clear that one of the reviewer's score of 99.75 noted for Hiebing/Vandewalle was incorrectly recorded on the initial tally sheet as 79.8. The final tally changed the ranking as well as the final scores with Hiebing/Vandewalle now exceeding the NES Team score (Vandewalle/Hiebing = 1720.95 and NES = 1719.) A couple of other minor addition errors, which alone would not have materially changed the final result, were discovered as well. These errors were also corrected accordingly.

The following conditions relating to the City's local purchasing preference ordinance are worth noting. The 5% local preference had been previously calculated in the reviewers' scores and was not a factor in the ensuing result, either by addition or transposition, contrary to NES' statement on page 2, #4 of the attached Protest and Request. The local preference has been a condition of the City's requests for proposals since September 2007.

Upon consultation with the Comptroller, the City Attorney and the Director of Planning and Development as to the manner of resolution, it was determined that the most appropriate course

of action would be to uphold the true scores of the Evaluation Team and proceed with the award to Hiebing/Vandewalle.

On December 13<sup>th</sup>, the Review Committee was notified of the error and preparations were made to introduce a substitute resolution to the EDC. Subsequently, NES and Hiebing/Vandewalle were notified.

In consideration of NES' request for a rehearing and re-convening of the Evaluation Team to review and rescore the first and second ranked finalists' proposals, it is the City's opinion that given the current situation, such a process would neither shed new light nor clarify the numbers in any way as to provide for an uncompromised open and fair process.

While the City strives to maintain integrity and transparency in all of its evaluation procedures, honest mistakes will inadvertently be made. The City regrets this unfortunate circumstance and recognizes that the most honorable decision at this time would be to uphold the true and final Evaluation Committee scores.