

Before starting, print this guidance and open the file named **RFQ CDBG-MIT Package**

Use the following **checklist** as you complete the **step-by step guidance** starting on **page 4**.

Pre-Procurement Activities

- Use the **GLO Procurement Checklist** to ensure compliance with Federal procurement standards
<https://recovery.texas.gov/files/resources/contract-procurement/procurement-checklist.pdf#search=procurement%20checklist>
- Review your community's current procurement policies and procedures to ensure they include the following components:
 - Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured
 - Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
 - If using a prequalified list of persons, firms, or products, the list must be current and include enough qualified sources to ensure open and free competition.
- Develop and/or review written standard of conduct addressing conflict of interest per 2 CFR 200.318(c)(1)
- When proposals are expected to be at or above \$50,000.00, there is no price competition, or price is not the only evaluation factor, the community must first make independent estimates for the costs of services. (Refer to HUD Quick Guide and Sample Cost & Price Analysis).

Step 1 – Selection Review Committee

- Task 1.1: Establish Selection Review Committee
- Task 1.2: Determine the Scope of Services
- Task 1.3: Determine the Written Selection Criteria to Evaluate Respondents
 - Engineering services

Step 2 – Independent Cost Estimate

- Independent cost estimate/cost analysis is required by 2 CFR 200.323. In developing the Independent Cost Estimate, grantees may use:
 - Price last paid for similar procurement
 - Catalog price or other advertised offers
 - Comparison of previous bid prices for similar services
 - Personal experience
 - Other historical information
 - Detailed analyses
 - Ask other communities for information regarding similar bid outcomes
 - May be developed in-house using outside parties (or both)

Step 3 – RFQ Notifications

- Task 3.1: Advertise the RFQ
 - Notice must be published in the newspaper **14 days or more before the proposal due date**. Example: Publish August 6; Proposal Due Date August 20.
 - Proposal due date must be a date/time government office is open (due date cannot be a holiday or a weekend).
 - Save a copy of the published newspaper ad for RFQ (digital full-page tear sheet, paper copy, or tear sheet and publisher's affidavit).
- Task 3.2: Email or Mail Engineering **RFQ Package**

- Cover letter and Information sheet:
 - Community's info has been inserted.
 - Proposal due date matches date in newspaper notice
- RFQ CDBG-MIT Package includes:
 - Cover letter
 - RFQ Info sheet
 - Sample Scope of Work with Sample Score Sheet
- Engineering RFQ email:
 - Successfully sent to a minimum of **8** recipients including **2** certified HUB, Minority and/or Woman Owned Business, and Labor Surplus Vendor (LSA) capable of completing the scope of work
 - RFQ CDBG-MIT Package attached to email
 - Body of email includes suggested text
 - Save and print a copy of successfully sent email(s)

Step 4 – Select Engineering Service Providers

- Task 4.1: Rate the Engineering RFQs using the Engineer/Architect/Surveyor Rating Sheet**
 - Use rating sheet selected by the Selection Review Committee
 - Selected Respondent with highest average points OR Respondent with most qualifications
 - Profit identified and negotiated
- Task 4.2 - Clear the Engineering firms prior to formal award at City Council/County Commissioner's Court**
 - Search for each Respondent and Respondent's principal(s) on SAM.gov
 - Save/print search results for file with a footer showing date of clearance
- Task 4.3 - Approve the selected Engineering firm and Authorize Contract Award**
 - Put items on City Council/Commissioner's Court agenda
 - Saved copy of hiring resolution(s) or meeting minutes for file

Step 5 – Environmental Exemption Determination

- Environmental Review for Activity/Project that is Exempt or Categorical Excluded Not Subject to Section 58.5 filed prior to contract execution

Step 6 – Prepare Cost and Price Analysis

- Cost or Price Analysis is required once responses are submitted when procuring goods or services with federal funds in excess of the Simplified Acquisition Threshold (\$50,000).
- Price Analysis – Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., total sum) without analyzing any of the separate cost elements.
- Cost Analysis – Cost analysis is the evaluation of the separate elements (e.g., labor, materials, etc.) that make up a contractor's total cost proposal or price to determine if they are allowable, directly related to the requirements and ultimately, reasonable.

Step 7 – Prepare/Review contracts for execution by all parties.

PRE-Procurement Activities

Part 1: Use the GLO Procurement Checklist to ensure compliance with Federal procurement standards <https://recovery.texas.gov/files/resources/contract-procurement/procurement-checklist.pdf#search=procurement%20checklist>

Part 2: Procurement Policies and Procedures

Review your community's current procurement policies and procedures to ensure they include the following components:

- Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured
- Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- If using a prequalified list of persons, firms, or products, the list must be current and include enough qualified sources to ensure open and free competition.
- Includes a written standard of conduct addressing conflict of interest.

If your community does not have written policies, you will need to develop one in accordance with 2 CFR 200.318 and 2 CFR 200.319. See example on www.ARCIT.org/grants.

Part 3: Perform Independent Cost Estimate

This is required by 2 CFR 200.323.

Procurement Activities

Step 1 – Selection Review Committee

Task 1.1: Establish Selection Review Committee

Before sending out the Request for Qualifications (RFQ), the City/County Manager/Mayor/Judge establishes a Selection Review Committee to determine the criteria to select and rate competing respondents.

- The committee **must** include at least two people, with no maximum number of members.
- The committee is advised to include at least one elected official, such as a member of the elected governing body.
- The committee may also include other elected officials; employees of the locality; employees or officers of third-party public utilities served through this project; or other relevant persons.

Committee members may not have any potential conflicts of interest with any of the individuals, firms, or agencies under review (e.g., family relationships, close friendships, business dealings) and no person who might potentially receive benefits from CDBG-assisted activities may participate in the selection, award, or administration of a contract supported by CDBG funding if he or she has a real or apparent conflict of interest.

Name	Title/Office/Position
1.	
2.	
3.	
4.	

Committee Chair (Signature)

Task 1.2: Determine the Scope of Services

Determine the scope of services needed to successfully apply for and engineer the CDBG-MIT contract. The scope of work should itemize the tasks needed, with timeframes and achievable goals. The providers shall furnish pre-funding and post-funding grant services to complete the mitigation projects, including, but not limited to the following:

Sample scopes of work:

Engineering Scope of Work

Pre-Funding Services

Engineering firm will develop project scope and complete CDBG-MIT application. The provider will work with the **City/County/District** and Administrator, if applicable, to provide the concise information needed for submission of complete mitigation funding application and related documents. The required information shall be submitted in a format to be described by the GLO.

Task 1.3: Determine the Written Selection Criteria to Evaluate Respondents

Engineering Services

Use the Sample Engineer/Architect/Surveyor Rating Sheet on the next page or develop your own written weighted criteria that will be used to select the Engineer based on the proposed CDBG project(s).

<u>Criteria</u>	<u>Maximum Points</u>
Experience	60
Work Performance	25
Capacity to Perform	15
Total	100

You may also develop your own written weighted criteria to select the Engineering Firm. If you develop your own criteria, cost must be included and the Selection Review Committee may determine the relative weight of this factor.

Engineer/Architect/Surveyor Rating Sheet

Grant Recipient _____
 Name of Respondent _____
 Evaluator's Name _____

CDBG-MIT
 Date of Rating _____

Experience -- Rate the respondent for experience in the following areas:

Comments

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Has previously designed _____ type of projects	20	_____
2. Has worked on federally funded construction projects	15	_____
3. Has worked on projects that were located in this general region.	10	_____
Note: Location for A/E (Architect/Engineer) may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract. 2 CFR 200.319(b)		
4. Extent of experience in project construction management	15	_____
Subtotal, Experience	60	_____

Work Performance

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Past projects completed on schedule	10	_____
2. Manages projects within budgetary constraints	5	_____
3. Work product is of high quality	10	_____
Subtotal, Performance	25	_____

NOTE: Information necessary to assess the respondent on these criteria should be gathered by contacting past/current clients.

Capacity to Perform

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
1. Staff Level / Experience of Staff	5	_____
2. Adequacy of Resources	5	_____
3. Professional liability insurance is in force	5	_____
Subtotal, Capacity to Perform	15	_____

TOTAL SCORE

<u>Factor</u>	<u>Max.Pts.</u>	<u>Score</u>
<input type="checkbox"/> Experience	60	_____
<input type="checkbox"/> Work Performance	25	_____
<input type="checkbox"/> Capacity to Perform	15	_____
Total Score	100	_____

Example: Engineering Firm Scoring Summary

Engineering Firm	Total Score
XYZ Engineering Firm	96
ABC Engineering Firm	87
123 Engineering Firm	82
1098 Engineering Firm	78

All responses to the RFQ should be summarized on a spreadsheet to allow a comparison of scores.

Step 2: Independent Cost Estimate

- Independent cost estimate/cost analysis is required by 2 CFR 200.323. In developing the Independent Cost Estimate, grantees may use:
 - Price last paid for similar procurement
 - Catalog price or other advertised offers
 - Comparison of previous bid prices for similar services
 - Personal experience
 - Other historical information
 - Detailed analyses
 - Ask other communities for information regarding similar bid outcomes
 - May be developed in-house using outside parties (or both)

Step 2: Independent Cost Estimate

Community Development Block Grant-Mitigation (CDBG-MIT)

Engineering Services Independent Cost Estimate

Independent Estimate of Cost (complete prior to receipt of proposals)

\$ _____ for an award of \$1,000,000 (_____ %)

\$ _____ for an award of \$10,000,000 (_____ %)

\$ _____ for an award of \$25,000,000 (_____ %)

\$ _____ for an award of \$50,000,000 (_____ %)

\$ _____ for an award of \$100,000,000 (_____ %)

Basis for Independent Estimate of Cost

Comparison estimation considers recent projects of a similar nature that required similar services. Calculate the fee as a percentage of the total project value to aid in comparison between projects of different scales.

Grant or Project	Total Amount of Project (\$)	Engineering Fee (\$/%)

Consider fee levels established by funding agencies for similar programs which indicate the agencies' own estimate of reasonable cost:

Program Fee Caps	Fee Level (Maximum % of Project Award)	Typical Project Amount (\$)
TDA CDBG Community Development	25% - of construction costs	\$350,000
GLO CDBG-MIT	15% - of construction costs	All projects
GLO CDBG-DR (Harvey)	15% - of construction costs	All projects
GLO CDBG-DR (2015 & 2016 Floods)	12% - of construction costs	All projects
FEMA	Up to 16% based on \$1,000,000 of construction cost	All projects

Other considerations: _____

Step 3: RFQ Notifications

There are two parts to the notification process –

- Task 3.1 - Advertise the notice in a locally distributed newspaper; and
- Task 3.2 - Email or mail via Certified Mail the RFQ package to a minimum of **8** firms for each package.

Task 3.1: Advertise the RFQ

- 1) Edit the Public Notice- CDBG-MIT RFQ document. Be sure to complete the following:
 - Include your community's name and contact information and include the date and time proposals/qualifications are due. Due dates for proposals must be at least 14 days after the newspaper publication date and must be on a day that the government office is open (not a holiday or a weeked). Include the minimum number of proposals you would like to receive, if you require more than one copy.
- 2) Once the highlighted information is edited, submit the Public Notice: **RFQ Public Notice CDBG-MIT** document to your community's newspaper of record. When submitting the ad, request that the newspaper send you a written confirmation for the date it is scheduled to run.
 - If the notice must run on a different day than the one you originally selected, check that the proposal deadline is still at least 14 days after the new publication date. If it is not, change the proposal deadline in the newspaper notice so that it is at least 14 days after the new publication date.
- 3) Save a copy of the published newspaper ad for RFQ (digital full-page tear sheet, paper copy, or tear sheet and publisher's affidavit).

Task 3.2: Email or Mail RFQ Package

- 1) Develop an RFQ package to send to potential respondents. The RFQ package must be sent at least 14 days prior to the proposal due date and contain the following three parts:
 - Cover Letter,
 - RFQ Information Sheet, and
 - Sample Scope of Services and scoring.
- 2) Search for active HUB, certified Minority/Women Owned Businesses and Labor Surplus Vendors (LSA) capable of completing the scope of work to include in the solicitation by visiting the Texas Comptroller of Public Accounts' HUB vendor search (<https://mycpa.cpa.state.tx.us/tpasscmbsearch/>). You may also reference the list posted on the ARCIT website <https://arcit.org/grants/> (Refer to Certified HUB Engineer List and LSA Engineer List).

The following steps are for emailing the RFQ packages. First are directions for sending the engineering services RFQ.

Task 3.2.a - Engineering Services Email

- 1) Open the file on ARCIT's website titled "**RFQ CDBG-MIT Package**" and save it to your computer as "**RFQ CDBG-MIT Package**".
- 2) Edit the highlighted text on the RFQ cover letter and RFQ Information Sheet (pages 1-4). Remember to complete the following:
 - Include your community's name and contact information and include the date and time proposals/qualifications are due.
 - Confirm that the due date matches the date used in the newspaper notice.
 - If you developed your own scoring criteria, you will need to replace the criteria chart on Page 6 of the Packet as well as the scoring sheet at the end of the document.

- 3) Now, open your email account and start a new email with the subject line: **CDBG-MIT Engineering RFQ**.
- 4) Select a **minimum of 8** engineering firms/individuals you want to send the RFQ to, including at least **2** certified HUB, Minority and/or Woman Owned Business and Labor Surplus Vendor (LSA).

A list of TxCDBG grant engineers is provided on the ARCIT website (open link titled "[Engineering-HUB-List](#)"), Regional Engineers (open link titled "[Regional \(COG\) Engineers List](#)") and LSA Engineer List (open link titled "[LSA Engineers](#)"). Note these lists are not comprehensive. You may add other engineering firms to the RFQ at your discretion. When using the CMBL and Certified HUB lists, be sure to review the Business Description and confirm they offer similar services to those included in the RFQ solicitation.

- 5) Enter each email address into the email recipient line (i.e. next to "To:"). You can send one email with all recipients at the same time.
- 6) Attach the document "**RFQ CDBG-MIT Package**" to your email—be sure that the document is fully completed with your specific RFQ information.
- 7) In the body of your email, include the following text:

Attached please find the Cover Letter, RFQ Information Sheet, and Sample Scope of Services for the (Insert City/County Name)'s Community Development Block Grant-Mitigation (CDBG-MIT) RFQ for application and project implementation. Please respond to this email to confirm receipt.

- 8) Include the minimum number of proposals you would like to receive, if you require more than one copy.
- 9) Review your email recipients to ensure you have **at minimum of 8** different engineering firms as email recipients, including two HUB, MWBE firms and Labor Surplus Vendor.
- 10) **REQUEST A 'READ' RECEIPT.** Send the email.
- 11) Make sure all emails were sent successfully (i.e. no emails bounced back as undeliverable). Check for errors, and send out additional emails, if necessary. **The RFQ package must be successfully received by a minimum of 8 different firms.**
- 12) To serve as verification for GLO monitors, you must print and save a copy of the sent email(s) and reply email(s) for your records. All emails and records will be needed for compliance purposes.

This completes the RFQ notifications for engineering.

Step 4 - Selecting an Engineering Firm

Task 4.1: Rate the Engineering Statements of Qualifications using the Engineer/Architect/Surveyor Rating Sheet

- 1) After the proposal deadline, evaluate the Respondent's experience, work performance, and capacity to perform by:
 - using prior experience with Respondent(s); and/or
 - contacting all references for the Respondent.
- 2) Use the Engineer/Architect/Surveyor Rating Sheet (see example) to score each Respondent.
- 3) Total all rating sheets for each committee member and select the firm with the highest average points.
- 4) Negotiate price with the most qualified firm. If pricing cannot be mutually agreed upon, negotiate price with the next most qualified firm until an agreement is reached. Profit must be identified and negotiated as a separate element of the price of the contract. To comply, the Respondent must disclose and certify in its proposal the percentage of profit being used.
- 5) Compare negotiated contract price with Independent Cost Estimate prepared prior to solicitation to assist in determining cost reasonableness.
- 6) To serve as verification for GLO monitors, you must retain copies of all completed score sheets.

Task 4.2 - Clear the Engineering Firms

Verify that the proposing or selected service providers and their principal(s) are not on the System for Award Management (SAM.gov) debarred list:

- Visit www.SAM.gov
- Go to the "Search Records" tab
- Type in the name of each service provider and principal(s) under "Quick Search"
- If no records are listed, print or save PDF for your records ensuring that the record date appears at the bottom of the page.

Task 4.3 - Approve the selected Engineering Firm and Award Contract

- 1) Place the following items on the next available City Council/Commissioner's Court agenda:
 - *Discuss, consider, and select an engineering firm to complete application and project implementation for CDBG-Mitigation (MIT) funding through the General Land Office.*
- 2) Present selection to the City Council/Commissioner's Court.
- 3) City Council/County Commissioner's Court approves selection of Engineering firm/individual. If different Engineering firms are selected to provide services for different programs or projects, modify the resolution to allow for multiple selections.
- 4) Save a copy of the resolution(s) and/or meeting minutes for your files. A sample is provided on herein.

[Note: The local governing body has the final authority to award contracts but may select another Respondent if the minutes of the local governing body meeting include justification for the selection.]

Step 5: Environmental Exemption Determination

Prior to executing the administration or engineering contract, contact your selected administration service provider regarding the Categorical Exclusion Not Subject to 58.5 and Exempt under 58.34

- **Note:** This form must be completed prior to executing service contracts for Administration or Engineering services.

Step 6: Prepare Price/Cost Analysis

Price/Cost Analysis

Engineering/Architecture: Complete after selection and at time of price negotiation.

All procurements where the expected contract price will exceed \$50,000 must conduct a cost analysis. Complete this form for **each service** that you intend to award as a separate contract.

Prepare Cost and Price Analysis

- Cost or Price Analysis is required once responses are submitted when procuring goods or services with federal funds in excess of the Simplified Acquisition Threshold (\$50,000).
- Price Analysis – Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., total sum) without analyzing any of the separate cost elements.
- Cost Analysis – Cost analysis is the evaluation of the separate elements (e.g., labor, materials, etc.) that make up a contractor's total cost proposal or price to determine if they are allowable, directly related to the requirements and ultimately, reasonable.

Do proposed costs align with independent cost estimate and/or with previous costs submitted by vendor(s) or for similar services received in the past?

Grant or Project	Estimated Project Amount	Estimated Cost of Service/Percentage

Profit must be identified and negotiated as a separate element of the price of the contract. To comply, the Respondent must disclose and certify in its proposal the percentage of profit being used.

Notes:

Cost Analysis – provide Yes or No answers

Firm:	
Are proposed costs allowable?	
Costs are necessary and reasonable	
Costs meet the requirements of the Federal award	
Costs are consistent with Policies & Procedures and applied uniformly to purchases made from Federal and non-Federal funding.	
Costs are in accordance with Generally Accepted Accounting Principles (GAAP), except for state and local governments and Indian tribes where exceptions have been made in 2 CFR Part 200	
Costs are not included as a cost, cost sharing or matching of any other federally funded project	
Costs are adequately documented	
Are proposed costs reasonable?	
Costs are ordinary and necessary for completion of the activity	
Costs align with current market prices for the good or service in the area	
Are there any restraints or requirements that impact pricing, such as sound business practices, governmental requirements, arm's length bargaining or the terms of the federal award?	
Has the staff exercised sound judgement in making the purchase?	
Are the same procedures followed for Federally funded and non-Federally funded procurement?	
Are proposed costs allocable?	
Is the cost incurred specifically for the CDBG-MIT project?	
Does the cost incurred benefit both the CDBG-MIT project and other projects and can the cost be allocated pro-rata across the relevant funding sources?	
Has an indirect cost plan been approved to allocate indirect costs?	
Are all items in the proposal scope of work necessary?	
Does the proposer have a track record of cost overruns?	
Does the cost proposed compare to the costs of similar work (see Price Analysis)?	
Is there any indication that the vendor's costs are likely to increase or decrease over the life of the contract?	
Do the costs reflect the technical approach proposed and the work required?	
Cost complies with the appropriate set of cost principles	

*Allowable: All prices proposed are for elements of GLO's scope of work.

Allocable: All costs are expected to be necessary to complete the scope of work of the anticipated contract.

Reasonable: Costs are prudent and competitive based on the Cost Analysis.

Step 7: Prepare contract for execution by all parties.

Following receipt of award notification(s)

Note the following for monitoring purposes:

The City/County must maintain and make available all documentation utilized during the RFQ process, including but not limited to:

- Policies and procedures for procurement
- GLO Procurement Checklist
- Written standard of conduct addressing conflict of interest
- Proof of advertisement (tear sheet/full-page advertisement/photo copy with publisher's identification and date/publisher's affidavit)
- Proof that a minimum of **8** or more Firms/Individuals were contacted for proposals, including at least one certified HUB or MWBE
- Any 'Read' Receipt emails received
- A complete RFQ packet: Cover letter, request for RFQ, rating sheet (if utilized), required RFQ forms, and required contract provisions
- Proof that all proposals were received by the City/County, with note or stamped date/time received
- Environmental Exemption form
- Verification that the Firm and Principals of Firm are not on the SAM.gov debarred list (printout of SAM.gov page with record date)
- Executed Minutes of Award/Commissioners Court minutes or Hiring Resolution
- An Executed Contract including all required contract provisions

RESOLUTION

A RESOLUTION OF (Insert City/County/District Name), TEXAS, AUTHORIZING THE SELECTION OF A PROFESSIONAL SERVICE PROVIDER FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT - MITIGATION (CDBG-MIT) PROGRAM FUNDED THROUGH THE TEXAS GENERAL LAND OFFICE (GLO).

WHEREAS, the CDBG-MIT program requires implementation by professionals experienced in federally-funded projects;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Qualifications (RFQ) process for engineering services has been completed in accordance with GLO requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for each professional service giving consideration to ability to perform successfully under the terms and conditions of the proposed procurement, integrity, compliance with public policy, record of past performance, and financial and technical resources

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That _____ be selected to provide application and project-related **professional engineering services** for the CDBG-MIT program.

Section 2. That any and all project-related services contracts or commitments made with the above-named service provider are dependent on the award of CDBG-MIT funds and successful negotiation of a contract with the service provider.

PASSED AND APPROVED ON _____, 2020.

APPROVED:

County Judge/City Mayor/Board Chair

ATTEST:

County Clerk/City Secretary/Board Secretary