



Texas General Land Office

Community Development and Revitalization

“The GLO stands ready to help our state maximize the use of this disaster recovery funding to build back stronger and more resilient communities.”

~ Commissioner George P. Bush

Procurement Session (6/29/2020)



Agenda

- Questions from Survey
- Request for Proposal (RFP) for Grant Administration

Presenter

Robby Bizot



Question 1



We would like to apply for funding but don't know what project we have that would qualify and need an administrator to help us determine that so, we can't do a scope of work if we don't have a project in mind to create a scope of work for. What should we do?

The best course for understanding which projects would be best to qualify would be to look at local plans, or hazard mitigation plans. The mitigation program allow points to projects that are referenced in a local plan.

Once identified, the Subrecipient could work with local works departments to estimate the costs or procure an engineer through the RFQ process to assist in the design aspects of the projects.

If more assistance is needed, the Subrecipient could procure a grant administrator to assist in the creation of an application and the necessary functions to have the award approved.

Question 2



What should be in a really good procurement file?

The GLO's Procurement Checklist is a valuable tool to use to ensure all steps are covered. It is recommended that the checklist be used a function to understand the required documentation at each step such as:

- Procurement Policies
- Independent Cost Estimates
- Documentation of Advertising
- Physical Procurements
- Responses to the Procurement
- Scoring Sheets to Select the Vendor
- Cost or Price Analysis
- Documentation of Justifications or Negations
- Awarded Contracts
- Insurance Certificates

Question 3



If I have already completed AG procurement but we have not chosen one yet so can I now do the cost analysis or do I have to start all over again?

The cost analysis is a function that occurs when all bids are received. The Subrecipient should not award a contract unless a cost analysis is developed to be able to accurately account for all costs in which a respondent is submitting.

The independent cost estimate should be utilized to confirm that the highest scoring respondent is cost reasonable in relation to the proposed costs envisioned prior to publishing the RFP.

See the QA Session held on June 15,2020 for more concerning Independent Cost Estimates

Procuring Grant Management Services



To acquire Grant Management Services, the subrecipient will need to procure the services in accordance with 2 CFR 200.318-200.326.

The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids 2 Part 200.320(d).

The subrecipient will need to use the competitive proposal method (2 CFR 200.320 (d)(1-4)) commonly referred to as a Request for Proposals (RFP).

RFP for Grant Management Services



To ensure that the RFP can be easily compared proposal to proposal and easy to establish contract terms and performance measures once the winning contractor is awarded, the subrecipient is asking for “unit quantity pricing” as opposed to a time and materials approach.

The RFP will ask proposers to provide pricing based on the following units of work.

- Cost to develop the implementation plan and have the project Kick-Off meeting
- Cost to perform environmental review and receive release of funds
- Cost to perform acquisition of project site
- Cost to work the engineer to develop Invitation to Bid for construction services needed to implement the project
- Cost to process request for payment's for contractor payments
- Monitor project in regard to cross cutting federal requirements (Section 3, Davis Bacon, etc.)
- Cost to close out project

RFP for Grant Management Services



After the creation of the RFP, the Subrecipient should advertise the solicitation.

- Via local and regional newspapers
- Made available at the local level (city hall, website, etc.)
- Submitted to various vendors in the field of services
- Casting a wide net for the solicitation is a fundamental and vital step to show fair competition
- Ensure performing all 6 outreach steps to Small, Minority, and Women-Owned and Labor-Surplus Enterprises where feasible.

Do Not

- Allow a vendor to create the RFP as they would then be precluded to compete for the award (Conflict of Interest).
- Award a contract if the solicitation only received one proposal. If this happens the GLO should be immediately informed.
- Geographic preference is not an allowed function of competitive procurement.
- Break up a procurement to circumvent the simplified acquisition threshold (serial purchasing.)

Scoring the RFP



The RFP will include scoring criteria and scores to be applied to all requirements within the RFP.

Examples of Scoring Criteria

- | | |
|--|---------------|
| • Contractor Qualifications and Capacity | 20 pts |
| • Contractor Past Performance | 20 pts |
| • Contractor Technical Approach | 30 pts |
| • Price | <u>30 pts</u> |
| | 100 pts |

The RFP must include other requirements such as liability and workers compensation insurance, liquidated damages, date time and place to submit proposals, etc.

Scoring is an essential factor in comparing one bid from the next to ensure you have the best price and most qualified vendor

Scoring RFP



- All responses to the RFP should be summarized in a spreadsheet allowing a side-by-side comparison of the pricing by unit and scoring.
- Once the pricing is determined, the lowest price should receive the highest score for this section (e.g., 30 pts, next lowest is 25 pts., next lowest is 20 pts, etc.).
- All scores for all sections must be totaled and the highest score should be the winning proposer; however, if two or more contractors are close in score, you can invite them to provide an oral presentation to further assess their fit for your project.
- If the highest scoring proposer is not chosen, the subrecipient will need to create a written justification and put into the procurement file to explain why the chosen proposer was not the highest score but was the best fit for your project.
- Perform a debarment check on the contractor and subcontractors

Conduct Price Analysis



The Price Analysis is a simple comparison of the prices quoted by suppliers, contractors, etc., to each other.

Compare to the Independent Cost Estimate performed prior to issuing the RFP.

Objective of Price Analysis is to show price is reasonable.

Contract Award



- Develop the contract to include complete scope of work, unit pricing, start date, completion date, liquidated damages, MBE/WBE and Section 3 requirements, insurance, insert 2 CFR 200 and HUD clauses. See [GLO Procurement Website](#) for required attachments.
- Include the RFP and proposal as part of the contract
- Verify there is no conflict of interest chosen vendor
- Follow local procedure for official action to award
- Notify proposers of the winning proposal
- Issue Notice to Proceed to vendor
- Submit the [Financial Interest Report](#) to GLO-CDR within 30 days of executing a prime contract. For subcontractors, the Financial Interest Report is due before the final draw.

Important Resources



2 CFR 200:

https://www.ecfr.gov/cgi-bin/text-idx?SID=82dd400d7d13a82e45088e7fcced3099&mc=true&node=sg2.1.200_1316.sg3&rgn=div7

GLO Website (Procurement Section):

<https://recovery.texas.gov/local-government/resources/procurement-contracting/index.html>

GLO Procurement Checklist:

<https://recovery.texas.gov/files/resources/contract-procurement/procurement-checklist.pdf#search=procurement%20checklist>

Sealed Bid Procurements



The full regulations concerning sealed bids has three subparts:

§200.320(c). Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

§200.320(c)(1). In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

§200.320(c)(2). If sealed bids are used, the following requirements apply:

- (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
- (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- (iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- (v) Any or all bids may be rejected if there is a sound documented reason.