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Purchasing-
Professional Services

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✓ HANDBOOK FOR THE PROCUREMENT
OF
PROFESSIONAL CONTRACT SERVICES ✓

INTRODUCTION

This system for the procurement of professional contract services has been developed to ensure an equitable selection process which at all times promotes free and open competition among qualified contract service firms. Use of this system will allow identification and selection of that firm most qualified to perform the required service at a compensation level which the client, together with the firm, determines to be fair, competitive, and reasonable.

PROCUREMENT SYSTEM FOR PROFESSIONAL CONTRACT SERVICES

The procurement system outlined below should be utilized in selecting and contracting for all professional contract services

Procurement System

1. Request for Qualifications

The client can either request qualifications from those firms which, to date, have expressed an interest in providing contract services; or the client can advertise in regional/national publications for firms. In either case, the request should identify the criteria to be employed in the initial screening. A typical RFQ letter is included in Exhibit A.

2. Initial Screening

Upon receipt of the firms' statements of qualifications, the client should evaluate all firms on the basis of pre-established "short-listing" criteria, the purpose of which is to determine those firms best qualified to provide the particular service sought.

This short listing may be accomplished by designated staff members or a Selection Committee may be set up. Most clients establish a Selection Committee made up of elected and appointed officials, with professional staff members as advisors. The objective of the short listing step is twofold: to shorten the list to 4 or 5 firms; and to rank those firms remaining in order of preference. An evaluation form detailing the factors suggested for consideration by the Selection Committee is presented as Exhibit B.

3. Notification of Short Listing Results

All interested firms should be notified of the results of the short listing. The client should keep one copy of the evaluation forms on file for documentation purposes. Any firm desiring to review the above information--regarding its submittal only--may do so upon written request.

4. Notice of Selection

The client should notify the top-ranked firm of its intent, and request the firm to prepare a cost proposal. The letter should contain a schedule of events leading up to contract execution. The contractor should be allowed two weeks for proposal preparation,

inclusive of the week-long assessment which is routinely necessary to prepare a proposal with a fee.

5. Analysis of Cost Proposal

The Selection Committee should evaluate the cost proposal and meet with the firm to discuss the proposal in detail. Agreement should be reached on both the content of the proposal and the fee.

6. Contract Negotiation

Normally a staff member or the client's legal counsel is assigned the task of reviewing the contract instrument prior to action by the governing board. Sometimes the Selection Committee may be involved as an interim reviewing body. This step should only take one week.

7. Failure to Reach Contract Agreement

If agreement cannot be reached with the top-ranked firm, the negotiation with that firm should be terminated, and the negotiation process should start over again with the second-ranked firm. This should be repeated with the number three firm if agreement cannot be reached with the number two firm, and so on.

Normally this step is not needed, as negotiations will

most probably be successfully concluded with the
top-ranked firm.

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APPENDIX A
EXAMPLE RFQ LETTER

Mr. _____

Dear Mr. _____:

Re: Request for Qualifications

The City of _____ presently operates a 5.5 mgd wastewater facility located at the corner of Oak Lane and Willow Road in the Northeast portion of the corporate limits. The Bear Creek facility was built in 1975 with Federal funds, and is designed as an activated sludge facility with final dried solids disposal to the county landfill 6 miles away. For several reasons, the City Council would like to turn responsibility for the operation of the Bear Creek facility over to a private contractor for the next 3 years.

Therefore, the City of _____ hereby requests formal statements of qualifications from all firms interested in serving as a facilities operation contractor. Since so many firms have expressed an interest in providing this service to the City, we have elected to review the various statements of qualifications submitted and select the firm deemed most qualified to assist us. The most qualified firm will be invited to enter into negotiations for a full operation and maintenance service contract to last 3 years.

Contractors must have documented experience in the following operational areas: organizational structuring; maintenance management; budgeting; effluent and operations quality control; administration; communications; process optimization; computerization; and training. In order to establish a basis for evaluation of responses, the City requests that each firm submit a written expression of interest which addresses the following factors:

1. A summary of the firm's approach to those operational areas given above. This summary should reflect your understanding of the inter-relationship of each area one to another, and to the whole.
2. A summary of pertinent qualifications and work experience. Include an explanation of the location of work experience, the agency for which the work was completed or is ongoing, and the name and

Mr. _____
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address of a reference who can substantiate the work experience.

3. A summary of the current staff. Denote those staff members who would be assigned key responsibilities at the Bear Creek facility.
4. A statement concerning the financial capability of the firm. Can the firm provide a bond equivalent to one year's fee?

All responses must be received in the office of the Public Works Director no later than 5 p.m. on _____.
All material received after that date will be returned.
Your response should be directed to:

Mr. _____
Public Works Director
Box _____
City of _____.

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APPENDIX B
CONTRACTOR SELECTION CRITERIA

CONTRACTOR SELECTION CRITERIA

The following consultant criteria and point values should be utilized to evaluate the qualifications of each firm expressing interest in providing operations and maintenance services. The evaluations for each of the criteria will be independent of one another.

<u>Criteria</u>	<u>Weighted Point Value</u>
A. Current Operation of 10 or more wastewater treatment plants in the United States	125
B. Current staff capability in:	
B-1. Budgeting	50
B-2. Process Optimization	75
B-3. Training	75
B-4. Computerization	50
B-5. Maintenance Management	75
C. Firm knowledge of:	
C-1. Administration and Management	75
C-2. Organizational Structuring	25
C-3. Communications (Internal and External)	25
D. Overall Approach to Operations and Maintenance Services	125

The client will have each member of the Selection Committee assign a number from 0 to 10 to each criteria for each contractor under consideration. If the scorer believes a contractor is weak in one area, he will assign a score of from 0 to 3. Scores of 4 to 7 are adequate, and scores from 8 to 10 are assigned if the contractor is strong in an area. Staff members should collect the score sheets and compute the total adjusted score. If for instance a scorer (on the Selection Committee) assigns a 6 to a firm's ability in computers, the staff member will multiply 6 times 50 to arrive at an adjusted (weighted score of 30) in this particular area.

The firm with the highest adjusted score is ranked first, while the second-ranked firm is the one with the next highest score, and so on down to the fifth-ranked firm. It is seldom necessary to rank beyond five, since negotiations will probably be successfully concluded with either the first- or the second-ranked firm.

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