

**UTPA Rio South Texas Regional PTAC Presents:**

# Proposal Prep 101

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**Part of the StartUP In Spring! Series**

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UTPA THE UNIVERSITY OF TEXAS-PAN AMERICAN

## EFFECTIVE PROPOSAL PREPARATION

Selected Information from May 15, 2013: Proposal Prep 101



### BEST VALUE PROCUREMENT METHOD

- ✦ Governmental agencies seek to make purchases that offer the best value to the agency
  - + Emphasizes value over price
  - + Best value might not be the lowest cost
  - + Generally achieved through the Request for Proposal (RFP) or Competitive Sealed Proposal methods

### RFP PROCUREMENT METHOD

- ✦ The RFP process brings structure to the procurement decision and allows the risks and benefits to be identified clearly upfront.
- ✦ An RFP process supports the need to evaluate the relative strengths and weaknesses of the companies proposing and allow substantial leverage to choose the company that offers the "best value" to the organization, considering both price and technical qualifications.

### RFP FACTORS

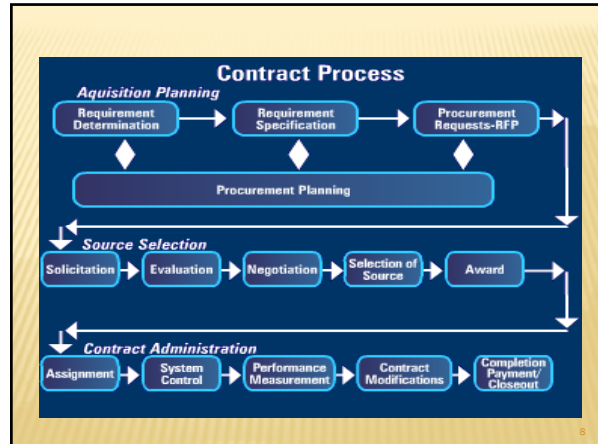
- ✦ Factors typically include not only responsibility (such as financial, human, and physical capacity to perform), but also technical factors (such as the degree to which the proposer is expected to perform in order to achieve the performance objectives).
- ✦ RFP method goes beyond listing the factors in order of importance, it also describes the evaluation process in detail, listing weights for each factor, illustrating the scoring method, and specifying the procedure for weighing price into the selection.

### EVALUATION CRITERIA FOR GOODS & SERVICES

- ✦ Purchase price
- ✦ Vendor's Reputation
- ✦ Quality of goods or services
- ✦ Extent to which the goods or services meet the agency's needs
- ✦ Vendor's past relationship with the agency
- ✦ Compliance with rules on purchases from Historically Underutilized Businesses or persons with disabilities
- ✦ Long-term costs
- ✦ Innovative Ideas
- ✦ Any other relevant factor

### EVALUATION CRITERIA FOR CONSTRUCTION

- ✘ Price
- ✘ Offeror's experience and reputation
- ✘ Quality of services
- ✘ Compliance with rules on purchases from Historically Underutilized Businesses
- ✘ Offeror's safety record
- ✘ Proposed personnel
- ✘ Whether the offeror's financial capability is appropriate to the size and scope of the project
- ✘ Any other relevant factor



### EVALUATION COMMITTEE

- ✘ **General Instructions**
- During evaluation review, reviewer will:
  - read the Scope of Work within the RFP,
  - examine the evaluation package and become familiar with all the factors involved in the evaluation and scoring process, and
  - make initial determination of responsiveness, subject to further evaluation.
  - Conduct a fair, independent, and objective evaluation

### TECHNICAL PROPOSAL PUBLISHED CRITERIA & RELATIVE WEIGHTS

- ✘ The Request for Proposals will state all of the evaluation factors, including price, and their relative weights or importance.
- ✘ The evaluation shall be based on the evaluation factors set forth in the Request for Proposals.
- ✘ **Factors not specified in the Request for Proposals shall not be considered.**
- ✘ For the purpose of conducting discussions (Proposal Discussions with Individual Offerors), proposals initially shall be classified as:
  - ✘ (a) acceptable;
  - ✘ (b) potentially acceptable (that is, reasonably susceptible of being made acceptable); or
  - ✘ (c) unacceptable.
- ✘ Offerors whose proposals are unacceptable are promptly notified.
- ✘ Highest ranked both technical and price wins the contract.

### CONDUCTING DISCUSSIONS

- ✘ Proposal Discussions with Individual Offerors:
- ✘ Discussion are held with offerors who's proposal has been found acceptable or potentially acceptable.
- ✘ Discussions are held with offerors in order to:
  - (a) promote understanding of the requirements and the offerors' proposals; and
  - (b) facilitate arriving at a contract that will be most advantageous to the entity taking into consideration price and the other evaluation factors set forth in the Request for Proposals.
  - (c) identify the competitive range
  - (d) pinpoint strengths and weaknesses on proposals
- ✘ Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussions and revisions of proposals.
- ✘ Entity reserves the right to terminate negotiation and initiate negotiations with the second-ranked organization, and so on and so forth, until fair and reasonable fees and terms and conditions have been established with one of the short-listed firms.

### DISTINCTION OF AN RFP METHOD

The competitive proposal procurement method differs from the sealed bidding process in that:

- ✘ A complete, adequate and realistic specification or purchase description may not be available.
- ✘ Discussions or negotiations may be needed to address technical requirements. Discussions may be conducted with one or more offeror(s) who have submitted proposals.
- ✘ An opportunity may be given to revise proposals and to submit a Best and Final Proposal at the completion of the discussion phase.

## DON'T LOSE POINTS

- ✘ Failure to adequately respond to items in the solicitation that address the published criteria will result in loss of points.
  - + Answer all questions that are asked of you
  - + Submit all information that is being requested
  - + Follow all instructions
  - + Ask questions

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## DON'T LOSE POINTS – ANSWER ALL QUESTIONS

- ✘ Solicitations may contain a questionnaire - answer all questions properly and completely
  - ✘ Example: If the question asks for a list of your past projects of **similar scope and size**...provide a list of projects of **“similar scope and size.”**
  - ✘ Example: If the question asks for **past experience** with the agency, **list the projects**. If it's not in the submittal, we can't consider it.

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## DON'T LOSE POINTS – SUBMIT ALL INFO

- ✘ Submit all information and documents being requested
  - ✘ Example: If the solicitation asks for Financial Statements, submit them. You may seal them in a separate envelope and mark them “Confidential” if you are concerned about proprietary information.

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## DON'T LOSE POINTS – FOLLOW INSTRUCTIONS

- ✘ Follow all instructions on the solicitation
  - + Example: If they ask you to use the agency's forms to respond, use the agency's forms. Don't submit something you used for another client expecting the agency to “hunt” for the answer.
- ✘ If it's being requested, the agency is expecting to see it in the submittal.

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## ASK QUESTIONS

- ✘ If you don't understand something...ask questions, it reduces your risk exposure and allows you to be more competitive on your price.

Source: Pettjohn, Carole, and Ken S. Babich. *Sourcing in the Public Sector*. Herndon, VA: National Institute of Governmental Purchasing, 2008.

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## PRE-PROPOSAL CONFERENCES

- ✘ Although pre-proposal conferences are not mandatory, it's a good idea to attend

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## RESEARCH OF PAST PROPOSAL TABULATIONS

- ✘ Most agencies post proposal tabulations on the web
- ✘ You may also request open records of submittals on past similar RFP projects
- ✘ Conduct extensive due diligence
- ✘ A company that has taken the time and expense to submit a proposal deserves feedback on why they were not selected

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## ADDENDA AND ADDITIONAL INFO

- ✘ Addenda may be issued to
  - + Answer questions from bidders
  - + Provide additional information
  - + Provide changes in specs
  - + Provide new forms to be utilized
- ✘ **Before submitting your proposal**, always check to make sure you have read and acknowledged all addendums.

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## BONDS

- ✘ You may be asked to submit a Surety Bond or Surety Letter with your proposal – failure to submit will result in disqualification of proposal.
  - + Surety Bond is forfeited if proposal is withdrawn after the RFP/CSP opening, or Contract Documents are not executed.
  - + Surety Letter is a bondable guarantee from the Surety Company.
- ✘ Before submitting a bid, make sure you have the bonding capacity to meet the requirements if awarded
  - + Agency determines the bonding percentage required for the project. The standard is 100% of the project value.

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## PROOF OF INSURANCE

- ✘ You may be asked to provide proof of insurance on some of the following coverage's:
  - + Workers Compensation (*required by law for public works projects*)
  - + General Liability
  - + Commercial Auto
  - + Builders Risk
  - + Owners Protective Liability
  - + Professional Liability

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## INSURANCE

- + If awarded the contract, you may be asked to submit a certificate of insurance containing special endorsements to include:
  - ✘ The agency as an additional insured (except for Workers' Compensation).
  - ✘ Waiver of subrogation in favor of the agency under the Workers' Compensation and Employers' Liability policies.
  - ✘ A statement that a notice shall be given to agency thirty (30) days prior to cancellation or upon any materials change in coverage.
  - ✘ Maintain required coverage at all times
- + Be aware that there is a cost to your business to provide this, so propose accordingly.

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## EXAMPLE: PROPOSAL WEIGHTS & CRITERIA

- ✘ Introduction (*Not Counted*)
- ✘ Executive Summary (*Not Counted*)

### Evaluation Criteria

- ✘ Capability to Perform 200
- ✘ Technical Competence 100
- ✘ Past Performance 70
- ✘ Key Personnel 80
- ✘ D/M/W Business Enterprise Program 50
- ✘ Financial Stability 100
- ✘ Price 400

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### CAPABILITY TO PERFORM (200 POINTS)

Provide information regarding the team's ability to provide or obtain equipment, materials and labor necessary to perform the contract work within the confines of the anticipated schedule and contract requirements.

- ✘ Describe the preliminary milestones associated with the scope of work that your team would anticipate including in your Baseline Schedule.
- ✘ At a minimum, address anticipated sequencing and durations of the construction activities. Describe your approach to preparing and utilizing a project schedule.
- ✘ Historical Performance (Schedule): Explain the schedule performance history of all joint venture companies and major subcontractors on similar and comparable projects over the past 6 years.
- ✘ Provide a sample safety plan for this project.
- ✘ Past Performance (Safety): Explain the Construction Safety and Security performance of all joint venture companies and major subcontractors on similar and comparable projects over the past 6 years. Address concerns that were expressed by the owners, if the concerns were addressed, and how resolution was reached.
- ✘ Identify the location where the Construction Management/General Contractor (CM/GC) firm proposes to be located and explain how coordination will take place within the CM/GC team. Entity prefers to have the Design & CM/GC teams located primarily at the project office, with support located in the South Texas area.

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### TECHNICAL COMPETENCE (100 POINTS)

Explain your approach to working as a team. Provide a functional organizational chart and summary management plan for the project.

- ✘ Past Performance (**Project**): Explain the **project performance** of all joint venture companies and major subcontractors on previous similar and comparable projects over the past 6 years. Address concerns that were expressed by the owners, if the concerns were address and how resolution was reached.
- ✘ List the **challenges** and specifically how those challenges will be addressed.
- ✘ Past Performance (**Quality**): Explain the Quality Control / Quality Assurance performance of all joint venture companies and major subcontractors and on similar and comparable projects. Address concerns that were expressed by the owners, if the concerns were address and how resolution was reached.
- ✘ Provide a sample quality plan for this project or one used on a similar project. The sample plan will not be counted within the page count.
- ✘ Provide a narrative describing how the team envisions structuring an alliance and incentive program into the Project. Any of these programs could have been used exclusively, or in conjunction with one another.

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### PAST PERFORMANCE (70 POINTS)

Provide information regarding project performance of all joint venture companies and major subcontractors on similar and comparable projects over the past 6 years. Address concerns that were expressed by the owners, if the concerns were addressed and how resolution was reached. Include a matrix which shows the following information:

- Project name and location
- Construction value of the project
- Owner of the project
- Project Scope of Work
- Owner's representative name, title, and telephone number or email address.
- D/M/WBE goal and actual D/M/WBE participation achieved for each project
- Indicate delivery method (Design Build, CM/GC, Design - Bid - Build, CM At - Risk, Public Private Partnership, etc.)
- Describe overall project performance as it pertains to budget, schedules, changes, quality and safety.

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### KEY PERSONNEL (80 POINTS)

Provide resumes for the following positions and identify your titles for positions with these responsibilities for this project. We will expect all of these key personnel positions to work full time at the project site location.

- ✘ Officer In Charge: Responsible for the overall performance of the job and liaison with the Owner.
- ✘ Project Manager/Director: Responsible for all day-to-day activities of the CM/GC team, and liaison with the Owner's representative.
- ✘ Contractors Quality Control Representative: Reporting to the Officer-in-Charge, responsible for ensuring compliance with the quality requirements of the contract and responsible for Quality Control Program.
- ✘ Environmental Compliance Manager: Responsible for complying with all regulatory environmental requirements.
- ✘ Safety Supervisor/ Manager: Reporting to the Officer In Charge, responsible for the overall Safety and Security Program for the Project.
- ✘ D/M/WBE Coordinator or Compliance Officer: Reporting to the Officer-in-Charge, responsible for the overall implementation of the D/M/WBE Program and for ensuring goals are met.

**The entity expects that Key Personnel Identified will be available for work on the Project. Any substitution of key personnel requires specific written approval from the entity. Should an Offeror substitute any key personnel during the RFP evaluation process, it may be grounds for disqualification of the Offeror.**

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### DISADVANTAGED, MINORITY, WOMEN BUSINESS ENTERPRISE PROGRAM (50 POINTS)

- ✘ Describe your approach for having significant and meaningful D/M/WBE participation for this project, even in the absence of not stating a goal during the RFP stage.
- ✘ Provide specific information regarding your utilization of D/M/WBE firms on your four (4) most recently completed projects, including the following information:

- Project Name
- Owner
- Owner's D/M/WBE Compliance Officer
- D/M/WBE Goals Established
- Actual D/M/WBE participation achieved
- Year work was completed
- Any D/M/WBE firms with whom you had formal partnering or mentoring relationships
- A description of any innovative measures undertaken to involve D/M/WBE firms
- Scope of work performed (construction and type of work)

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### FINANCIAL STABILITY (100 POINTS)

- ✘ Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items:
  - ✘ Current assets, notes receivable, accrued income, deposits, materials inventory, and prepaid expenses). Noncurrent assets (Current liabilities
  - ✘ Noncurrent liabilities . Capital accounts and retained earnings, etc.
  - ✘ Name and address of firm preparing attached financial statement and date thereof.
- ✘ Is the attached financial statement for the identical organization named under item 1 above? If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g., parent-subsidiary).
- ✘ Will the organization whose financial statement is attached act as guarantor of the contract for construction?
- ✘ Provide name, address and phone number of your financial institution.
- ✘ Name of bonding company and name and address of agent. Performance and Payment Bonds for 100% of the project.

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## PRICE EVALUATION (400 POINTS)

- Proposals may be initially evaluated based on the points shown for each section including price.

Example:

- Following this evaluation and ranking, the entity shall select those firms technically qualified to perform the work for which their pricing has been deemed fair and reasonable based off a 400 point maximum. The sum total points scored on both the technical (600 point maximum) and price (400 point maximum) will be considered in award of contract.
- Each price proposal shall be evaluated and scored on the basis of a 400 point maximum.

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## CAUTION!!!

**Proposers are cautioned that a falsification, misrepresentation or willful omission of facts shall be sufficient cause for disqualification or loss of points.**

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## VENDOR REGISTRATION

Vendor Application Form has to be completed.



Vendor application is available online or can be picked up at the Purchasing Department.

Email notifications regarding RFB's, RFP's and RFQ's are released based on vendor registration and state vendor database.

If you have any questions concerning the registration process, please contact our staff .

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## CONTACT INFO

- If you need help understanding more of the proposal process, or getting certified, please feel free to contact our office and set up your **free and confidential** appointment.

- UTPA Rio South Texas Regional PTAC  
956-665-8931  
ptac@utpa.edu

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## QUESTIONS?

Thank you for attending!!!!

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