

15 Procurement

The purpose of this section is to outline FP&C's processes and activities to procure A&E professional services contracts, construction contracts, and commodities and other services. Contracts and procurement activities are provided in accordance with UAA's Procurement Manual, Alaska Statutes 36.30, and the BOR Policy and Regulation 05.06.

15.1 Procurement Planning

Procurement planning is a collaborative effort between FP&C and Procurement Services that extends through the life of all projects. During the Planning process described in Section 7, the PM assembles the project team, which initiates involvement of a Construction Contracting Officer. The level of involvement by FP&C and the Procurement Services (as applicable), as well as scheduling and timeline considerations will vary depending on the required procurement process (i.e., small procurement, invitation for bid, request for proposal, etc.), it is important to involve Procurement Services in the Planning process as early as possible.

The Construction Contracting Officer may fully execute procurement activities (solicitations and contracts) with values within his/her delegated signature authority. For any procurement values greater than the Construction Contracting Officer's delegated signature authority, upon approval of the Construction Contracting Officer, the procurement activity is then routed to the Procurement Director for approval.

15.1.1 Delivery Strategy

After the project scope and budget have been approved and at the start of the procurement process, FP&C is responsible for identifying the most appropriate project delivery strategy.

The appropriate delivery strategy should take into consideration project characteristics such as scope, size, schedule, and complexity, as well as FP&C's objectives and organizational structure, including availability of resources, level of involvement and expertise, and appetite for shared risks. There are numerous project delivery and contract payment methods available for delivering FP&C projects, each with its own characteristics as well as corresponding strengths and weaknesses.

15.1.2 Contract Payment Methods

The compensation methods that FP&C currently recognizes are described below:

- **Lump Sum/Fixed Price** – A lump sum/fixed price contract is between the Owner and Contractor where the Owner agrees to pay the Contractor a specified sum of money for completing a scope of work. Since the fixed price does not have a direct correlation to the Contractor's actual cost, fixed price is best used when the scope of work is clearly defined and quantifiable. Fixed price is the only compensation method allowed when competitive sealed bidding is used. Fixed price allows for simple payment application processing and generally lower risk exposure to the Owner. However, unclear scope or limited competition may lead to numerous change orders. Additional guidance is provided in Procurement Manual.

- **Time and Material (T&M)** – T&M contracts provide for acquiring supplies or services on the basis of: (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and (2) materials or expenses at cost. Note, T&M contracts are to be used with discretion when the scope and schedule requirements are highly uncertain. For example, the site characteristics or the design may not be defined well enough, or overall time constraints may prevent a competitive bidding process, or other factors may apply. T&M contracts allow for quick project kick-off, and can handle a stable scope and schedule. However, changes can be costly for long or poorly defined projects. T&M contracts are required to state a ceiling or an estimate that may not be exceeded without Owner approval. Additional guidance is provided in Procurement Manual.
- **Negotiated Rates** – A negotiated rate structure applies to A&E professional contracts only, whereby the Owner agrees to pay the A&E contractor for units completed at a pre-negotiated rate per unit. A negotiated rate structure can be easy to administer and low cost if historical unit costs are known. However, negotiated rates usually cannot be audited and negotiations may take additional time upfront.
- **Guaranteed Maximum Price (GMP)** – GMP contracts provide for the Contractor to be reimbursed for Cost of Work plus a fee that together shall not exceed the pre-established contract ceiling (the GMP). A GMP contract is a hybrid between a fixed price and T&M contract that provides for most of the advantages of both with very few disadvantages. The Owner has the assurance that the cost will not exceed the upper limit, yet can benefit from any savings the contractor achieves. The Contractor is typically required to substantiate all invoiced costs and these costs are also auditable. However, it can take time to negotiate a GMP and the biggest risk to the Owner is an inflated GMP. Additional guidance is provided in Procurement Manual.

15.1.3 Project Delivery Method

FP&C currently recognizes the following project delivery methods for A&E professional services contracts, construction contracts, and commodities and other services:

A&E Professional Contracts	
Project Delivery Method	Compensation
<u>A&E Professional Contracts</u> – An agreement between the Owner and an A&E contractor to provide A&E professional services on typically one large project.	— Negotiated Rates
<u>Term Consultant Contracts</u> – Term Consultant contracts are utilized for on-call consultants to provide A&E services under \$175,000 on an as needed basis.	— Lump Sum/Fixed Price (primarily)

Construction contracts	
Project delivery method	Compensation
<u>Design-Build</u> – A design-build contract is where the Owner signs a written contract with a single entity to provide design and construction services. Accountability for the project lies with the Contractor, and typically requires very limited resources or expertise on behalf of the Owner. Design-build is best utilized when the project scope or objectives are clearly defined, and when meeting budget and schedule requirements are critical. However, initial project start-up usually takes longer due to contract details and scope definition, and changes can be costly. Note,	— Lump Sum/Fixed Price

Construction contracts	
design-build is considered an innovation procurement, and has not historically been used for FP&C projects; this delivery method requires additional approval from the Director.	
<u>Design-Bid-Build</u> – The design-bid-build concept is utilized on most FP&C projects. A design-bid-build contract typically involves three sequential phases: (1) Owner hires A&E to prepare construction documents; (2) Documents are used to bid the construction contract; and (3) Contractor is selected. Accountability initially rests with the Owner and is then turned over to the Contractor after contract award. Somewhat limited resources or expertise on behalf of the Owner are required. Design-bid-build is best utilized when the project scope or objectives are clearly defined, and meeting budget and requirements are important. Design-bid-build allows for tight control by the Owner and is usually easier obtain competitive contractor numbers.	— Lump Sum/ Fixed Price
<u>Construction Manager at Risk (CMAR)</u> – A CMAR contract is where a Construction Manager assumes contractual liability for project construction in addition to overseeing any or all phases of the project, including schedule, cost, constructability, project management, etc. A CMAR is typically utilized when the scope or objectives are not well defined at the outset of the project, and when meeting budget and schedule requirements are important. A CMAR contract adds a level of fiduciary control and management, as well as allows for tight financial control. However, an extra layer of management usually comes at extra cost. Note, FP&C has historically used CMAR contracts on larger capital construction projects. CMAR contracts are considered innovative procurement projects; this delivery method requires additional approval from the Director.	— GMP

Commodities & Other Services	
Project Delivery Method	Compensation
Contact the Procurement Officer for details.	

The PM provides the Director his/her recommendation for the best project delivery method for approval.

15.2 Procurement Process

There are four primary procurement types utilized by FP&C:

- Small procurements
 - Small dollar (discretionary) purchases
 - Small procurements (includes Request for Proposal)
- Competitive sealed bidding/Invitation for Bid (IFB)
- Request for Proposals (RFP)
- Other procurements
 - Term Consultant procurements

- Term Contractor procurements
- Emergency procurements
- Innovative procurements

The table below summarizes the procurement type by contract and dollar thresholds.

Construction contracts ¹						
\$ Threshold	\$250,000	Up to \$50,000	\$50,001-\$100,000	\$100,001-\$200,000	\$200,001 or more	Emergency Procurement
Procurement Type	Term Contractor	Small Procurement (No competitive proposal required)	Small Procurement (Competition Process required ²)	Small Procurement RFQ ²	IFB/RFP	Small Procurement or RFQ
A&E professional services						
\$ Threshold	\$175,000	Up to \$100,000			\$100,000 or more	Emergency Procurement
Procurement Type	Term Consultant	Small Procurement (No competitive proposal required)			RFP	Small Procurement
commodities & other services						
\$ Threshold	Up to \$10,000	\$10,001 – \$100,000			\$100,000 or more	Emergency Procurement
Procurement Type	Small dollar purchases	RFQ ²			Procurement Dept. RFP/ITB	Small Procurement

¹Refer to Section 15.2.5 for the Innovative Procurement process.

² For contracts \$60,001 to \$200,000 all solicitations and quotes must be written and become part of project file. For contracts \$50,001 to \$60,000 verbal quotes must be documented and become part of the project file.

15.2.1 Small Procurements

- 1. Small Dollar (Discretionary) Purchases** – Small Dollar Purchases are subject to simplified and expedited procurement procedures. The Construction Contracting Officer can approve the purchase of commodities, supplies, and services up to \$10,000. Purchases must be made utilizing approved methods (i.e., ProCard up to \$5,000, requisition/purchase orders, blanket purchase orders, etc.). FP&C shall maintain adequate records of small dollar purchase transactions for audit purposes. Additional guidance is provided in the Procurement Manual.
- 2. Small Procurement** – With the exception of small dollar purchases described above, Small Procurement is utilized for the following limits:
 - Construction contracts up to \$200,000 (competitive proposal required for contracts over \$50,000)
 - Verbal quotes for contracts \$50,001 to \$60,000 will be documented with a quote abstract by the PM to become part of the project file
 - Written quotes (RFQ) are required for contracts \$60,001 to \$200,000

- A&E professional contracts up to \$100,000 (no competitive proposal required)
- FP&C may solicit a quote from a contractor without a competitive process for A&E professional services up to \$100,000. Contract approval is required by the Fiscal Officer, FP&C Director, and Procurement Officer.
- Commodities/supplies and other services between \$10,001 and \$100,000 (competitive proposal required)
- The PM submits a supplies/service request and supporting documentation to the Construction Contracting Officer. The Construction Contracting Officer enters the requisition into the Banner system. The Construction Contracting Officer verifies that there is adequate funding. The PM and the Procurement Officer will coordinate, as necessary, to process the request.

15.2.2 Request for Quotation (RFQ) for Construction Services

Where a competitive proposal is required, the PM will execute an informal Request for Quotation (RFQ) process.

1. **Request for Quotation:** The PM works with the Administrative Assistant to develop, coordinate, and assemble the RFQ package. The following personnel then review and approve the RFQ package: Fiscal Manager, FP&C Director, and Construction Contracting Officer.
 - For Contracts \$60,001 to \$100,000 FP&C utilizes the Short Form Contract document to solicit quotes.
 - For Contracts \$100,001 to \$200,000 FP&C utilizes a RFQ Package Template (Appendix 15.2.2a) that includes, but is not limited to:
 - Quote Documents
 - *Notice of Request for Quote and Instructions:* Details the quote submission requirements, specified due dates; details related to the pre-bid conference, alternate brand requests, and quotes; evaluation criteria; and other pertinent information.
 - *Quote Form:* A place or form for the insertion of the quote, bidder signature, and listing of required bid submittals.
 - Contract Documents
 - All applicable contract terms and conditions; specifications, delivery or performance schedule; and warranty, bonding, or other security requirements, if any.
 - General Requirements
 - Technical Specifications (if applicable)
 - UAA Project Forms
 - Drawings
2. **Solicitation** – The RFQ is sent to potential vendors electronically. In order to ensure adequate competition, a sufficient number of vendors must be provided the opportunity to respond to the RFQ. For construction contracts between \$100,000 and \$200,000, this is typically three (3) quotes, but no less than two (2). Generally, the level of competition should increase as the dollar value of the RFQ increases. If only a single response is received, the Construction Contracting Officer must complete a Request for Alternative Procurement (RAP) form explaining why additional competition was not available, and must provide a determination that the price is fair and reasonable.

3. **Addendum for RFQ** – Questions from interested vendors are submitted in writing to the email address indicated on the *Notice of Request for Quote*. The PM will coordinate with the appropriate subject matter expert, as required, and prepare a formal response. The Construction Contracting Officer will input the response into the Addendum for RFQ Template (Appendix 15.2.2b). The Construction Contracting Officer and FP&C Director are required to approve the Addendum. Once approved, the PM will email the Addendum to interested vendors.
4. **Submission of Quote** – Quotes must be received at the email address or the office designated on the *Notice of Request for Quote* by the specified due date and time. Depending on the size and scope of work, interested vendors are typically provided 7 to 14 days to submit a response. All solicitations and quotes must be written and become part of the project file. The quote file shall include specifications, response requirements, dates, list of vendors, and a tabulation of all responses. Additional guidance is provided in the Procurement Manual.
5. **Comparison and Evaluation** – The PM reviews and compares all quotes, and the lowest responsive and responsible vendor will be determined. The Construction Contracting Officer in coordination with PM may request supplemental information such as documentation demonstrating satisfactory record of timely performance, experience in performing comparable work, business and technical organization, financial resources, plant availability, Work methodology, and whether the contractor has been terminated on construction work. Failure of the vendor to promptly provide information may be grounds for determination of non-responsibility.
6. **Memorandum of Selection** – The Construction Contracting Officer will prepare an executive summary, or Memorandum of Selection (MOS), for each solicitation file. The MOS concisely describes how the solicitation was conducted and how a decision was made. Refer to the Procurement Manual for additional content requirements.
7. **Notice of Intent to Award (NOITA)** – Within five (5) working days of the Owner’s written identification of the apparent low bidder in a MOS, the Construction Contracting Officer will request that the selected bidder furnish a list of subcontractors it proposes to use, and copies of its valid Alaska Business License and Contractor’s Registration by the fifth working day following receipt of written notice. Failure to supply the information required within the specified time shall be grounds for declaring the low apparent bid non - responsive. Reference the Instructions in the RFQ Package Example Template (Appendix 15.2.2a) for additional detail regarding submittal requirements.
8. **Award of Contract** – The lowest responsive and responsible vendor will be issued a Notice of Award, if at all, within 30 calendar days after the quotes are due, or within such extended period of time as agreed in writing between the Owner, the vendor concerned, and its surety.
9. **Execution of Contract** – The contract must be signed by the vendor whose quote is identified as the apparent lowest quote, and returned within five (5) calendar days of the vendor's receipt of written Notice-of-Intent-to-Award-a-Contract, together with a payment bond and performance bond (if required), on forms provided by the Owner and certificates of insurance showing the different types, coverage, and limits, as required.

15.2.3 Competitive Sealed Bidding/Invitation for Bid (IFB)

Competitive sealed bidding in the form of an Invitation for Bid (IFB) is utilized for the following limits:

- Construction contracts \$200,001 or more
- Commodities/supplies and other services \$100,001 or more – Contract Procurement Services

IFB is the preferred method for procurement of services and supplies when there is not a substantial need for comparative evaluation, discussions, or negotiations. The IFB Bid Package Signature Page Template (Appendix 15.2.3a) is utilized by the PM to track key approvals and steps in the IFB process. Refer to the

Procurement Manual, BOR Policy 05.06, and AS 36.30 for additional requirement details. A summary of these requirements have been outlined below.

- 1. Invitation for Bid** – The PM works with the Construction Contracting Officer and Administrative Staff to develop, coordinate, and assemble the IFB package. The following personnel review and approve the IFB package before public notice: PM, Fiscal Manager, FP&C Director, and Construction Contracting Officer.

FP&C utilizes the IFB Bid Package Template (Appendix 15.2.3b) that includes, but is not limited to:

- Bid Documents
 - *Notice of Invitation for Bids and Instructions to Bidders*: Details the bid submission requirements, the bid opening date and time, the address of the office bids should be delivered or mailed to, the minimum time for bid acceptance by UAA, pre-bid conference date and time (if applicable), evaluation criteria, protest requirements, the basis for the award, and other pertinent information.
 - *Bid Form*: A place or form for the insertion of the bid price, bidder signature, and listing of required bid submittals.
 - Contract Documents
 - All applicable contract terms and conditions; specifications, delivery or performance schedule; and warranty, bonding, or other security requirements, if any.
 - General Requirements (Division 1)
 - Technical Specifications
 - Drawings
- 2. Public Notice** – The Administrative Staff prepares a public notice of solicitation. The notice must be issued or posted at least 21 calendars days from the date of issuance until the deadline for submittal. Formal solicitations must be publicized in the Alaska Online Public Notice System (as required by AS 36.30.130) and by one or more of the following methods:
 - *AEPlans* website, or current construction document distributor
 - FP&C website
 - 3. Pre-bid Conference** – Based on the size, scope, and complexity of the project, the PM will determine whether a pre-bid conference will be held. Pre-bid conference details, including the time and place, will be described in the *Notice of Invitation for Bid*. During the pre-bid conference, the PM or designee will explain the requirements of the solicitation to interested bidders. The pre-bid conference is typically attended by the Owner, principal consultants, the Architect, and interested bidders. Interested bidders are invited to comment on the bid documents and raise questions. If deemed necessary by the Owner, an addendum to the bid documents will be issued reflecting conclusions resulting from the conference. Additional guidance is provided in the Procurement Manual.
 - 4. Addendum for IFB** – Questions from interested bidders are submitted in writing to the email address as indicated on the *Notice of Invitation for Bids*. The Construction Contracting Officer forwards the questions to the PM, subject matter expert, Architect, etc., for formal response. The PM prepares the response and forwards it to the Construction Contracting Officer to input in the Addendum for IFB Template (Appendix 15.2.3c). The Construction Contracting Officer and FP&C Director are required to approve the addendum. Once approved, the Construction Contracting Officer will post the addendum to the *AEPlans* website. Bidders must acknowledge receipt of all addenda on the *Bid Form*.

- 5. Bid Opening** – The Administrative Assistant accepts the bids until the bid due date and time specified on the IFB package. As received, each bid must be time-stamped, initialed by the receiver upon receipt, and stored unopened in a secure place. Bids will be opened in public, read aloud, and recorded at the time set for opening in the Bid Tabulation Template (Appendix 15.2.3d). Bids may be inspected by bidders and others having legitimate interest, as determined by the Owner, only after Notice of Intent to Award (NOITA) has been issued. Late bids will not be considered. Additional guidance is provided in the Procurement Manual and AS 36.30.140.
- 6. Modifications or Withdrawal of Bids** – Bids may be modified or withdrawn by written notice in the office designated in the IFB prior to the time and date set for bid opening. The signature of the same person who signed the sealed bid form is required on the modification or withdrawal. Refer to Procurement Manual and AS 36.30.160 for additional details regarding late bids, modifications, corrections, and withdrawals.
- 7. Bid Acceptance and Evaluation** – The contract is awarded to the lowest responsive and responsible bidder. The requirements and criteria that will be used to determine the lowest responsive bidder are set forth in the IFB package.
In the event that only a single responsive, responsible bid is received, the Construction Contracting Officer may proceed with the award if he/she determines that:
- The bid price is fair and reasonable
 - Sufficient advertising or other public notice was provided
 - Award is considered in the best interest of UAA
- However, if the single responsive bid is not considered fair and reasonable, there is not an immediate need, and it is likely that a new solicitation would increase the number of bids, then the IFB should either be cancelled or a new solicitation process should be conducted. Refer to the Procurement Manual for additional details.
- 8. Memorandum of Selection** – The Construction Contracting Officer will prepare an executive summary, or Memorandum of Selection (MOS), for each solicitation file. The MOS concisely describes how the solicitation was conducted and how a decision was made. Refer to the Procurement Manual for additional content requirements.
- 9. Notice of Intent to Award (NOITA)** – Within five (5) working days of the Owner’s written identification of the apparent low bidder in a MOS, the Construction Contracting Officer will request that the selected bidder furnish a list of subcontractors it proposes to use, and copies of its valid Alaska Business License and Contractor’s Registration by the fifth working day following receipt of written notice. Failure to supply the information required within the specified time shall be grounds for declaring the low apparent bid non - responsive. Reference the Instructions to Bidders in the IFB Bid Package Example Template (Appendix 15.2.3b) for additional detail regarding submittal requirements.
- The NOITA may be issued simultaneously with identification of the low apparent bidder for purposes of requesting the subcontractors list described above. However, the NOITA does not constitute a formal award nor a notice to proceed of any work. Refer to the Procurement Manual for additional details, including circumstances in which an NOITA may be waived.
- 10. Award of Contract** – The lowest responsive and responsible bidder will be issued a Notice - of - Award, if at all, within 30 calendar days after the opening of bids, or within such extended period of time as agreed in writing between the Owner, the bidder concerned, and its surety.
- 11. Execution of Contract** –The contract must be signed by the selected bidder within 10 calendar days of the contractor’s receipt of written NOITA, together with a payment bond and performance bond, on

forms provided by the Owner and certificates of insurance showing the different types, coverage, and limits, as required.

15.2.4 Request for Proposal (RFP)

The Request for Proposal process is utilized for the following limits:

- Innovative Procurement construction services contracts \$200,001 or more
- A&E professional services contracts \$100,001 or more
- Commodities/supplies and other services \$100,001 or more – Contact Procurement Services

Unlike the RFQ and IFB processes, the RFP process permits discussions with interested proposers and may allow changes in the proposer's price after proposals are opened. This allows for the award of contract to be based on comparative and qualitative evaluations, negotiations, and Best and Final offers. Therefore, RFP is the preferred method when the primary consideration in determining award is not price alone. Rather evaluation factors are qualitative and involve consideration of quality, technical, and professional abilities as well as the experience or expertise of the proposers.

The RFP Package Signature Page Template (Appendix 15.2.4a) utilized by the PM to track key approvals and steps in the RFP process. Refer to the Procurement Manual, BOR Policy 05.06, and AS 36.30 for additional requirement details. A summary of these requirements have been outlined below.

1. **Request for Proposal** – The PM works with the Construction Contracting Officer and Administrative Staff to develop, coordinate, and assemble the RFP package. The following personnel review and approve the RFP package before public notice: PM, Fiscal Manager, FP&C Director, and Construction Contracting Officer.

FP&C utilizes a RFP Package Template (Appendix 15.2.4b) that includes, but is not limited to:

- RFP Documents: Details the proposal submission requirements (including format and content), proposal due date and time, the address of the office proposals should be delivered or mailed to, how questions are to be submitted, evaluation criteria (preliminary evaluation and interviews), project background and scope of work, and other pertinent information.
 - Contract Documents: All applicable contract terms and conditions; specifications, delivery or performance schedule; insurance requirements; billing form template; and schedule of reimbursable expenses and fees templates.
2. **Public Notice** – Public notice requirements for RFPs are the same as for IFBs. See Section 15.2.3.
 3. **Addendum for RFP** – Questions from interested proposers are submitted in writing to the FP&C email address indicated on the *RFP*. The Administrative Assistant forwards the questions to the PM, subject matter expert, Architect, etc., for formal response. The PM will coordinate with the appropriate subject matter expert, as required, and prepare a formal response. The Construction Contracting Officer will input the response into the Addendum for RFP Template (Appendix 15.2.4c). The Construction Contracting Officer and FP&C Director are required to approve the addendum. Once approved, the Construction Contracting Officer will post the addendum to the *AEPlans* website. Proposers must acknowledge receipt of all addenda on the designated form in their proposal.
 4. **Receipt, Opening and Recording of Proposal** – The Administrative Staff accepts the proposals until the proposal closing date and time specified on the RFP package. Receipt, opening, and recording of proposals is conducted in the same manner as for competitive bid openings (See Section 15.2.3.), except that:
 - Unsealing of proposals shall not be conducted in public.
 - An abstract shall not be provided until the NOITA is issued.

- The names of those who did or did not submit offers, and even the number of offers submitted shall not be disclosed until the NOITA is issued.

Refer to the Procurement Manual and AS 36.30.320 for additional details.

- 5. Modifications or Withdrawal of Proposals** – Modifications or withdrawal requirements for RFPs are the same as for IFBs. See Section 15.2.3.
- 6. Preliminary Evaluation** – For RFP procurements, a Selection Committee is formed when the RFP package is being developed. The Selection Committee typically consists of three (3) to five (5) members including project managers and the user group. The Construction Contracting Officer, or designee, is responsible for: ensuring that the solicitation process and award are fair and in compliance with all applicable laws and regulations; overseeing the deliberation process; ensuring that evaluators are properly instructed; and ensuring that scoring is accurate and in accordance with solicitation requirements.

The Selection Committee will conduct an Evaluation of all proposals based on the criteria set forth in the RFP package (i.e., RFP Consultant Selection Rating Guide & Score Sheet). All proposals will be ranked in order by score results. If one proposal is clearly superior to all others, the PM and Construction Contracting Officer may make the determination to terminate the selection process at this point. If the Preliminary Evaluation indicates additional information is required in order to establish a final order of ranking, then interviews will be held.

- 7. Interviews** – Only top ranked proposers may be invited to interview; three (3) firms at the most, whenever possible. In the event of close preliminary ratings, more proposers may be invited to interview. Interview evaluation will be based on the criteria set forth in the RFP package (i.e., RFP Consultant Selection Rating Guide & Score Sheet). The interview format typically consists of 20 minutes for the proposer's presentation and 10 minutes for questions from the Selection Committee. Evaluators may adjust their Preliminary Evaluation score based interview presentations. The adjusted score will be used in the selection process.
- 8. Memorandum of Selection** – The Construction Contracting Officer will prepare an executive summary, or Memorandum of Selection (MOS), for each solicitation file. The MOS shall include a brief narrative of the evaluation criteria, the process of evaluation including the methodology and chronology, and a listing of the resulting evaluation scores, including a brief statement of the salient facts that led to the final selection, particularly when the successful proposer is not the highest technically ranked or the lowest cost offer.
- 9. Notice of Intent to Award (NOITA)** – The NOITA requirements for RFPs are the same as for IFBs. See Section 15.2.3.

An interested party may request a debriefing by the Construction Contracting Officer at any time after the NOITA has been issued, in order to discuss the proposer's score. At this point, the RFP files are public documents and are open for inspection and review, subject to any confidential information requirements.

- 10. Award of Contract** – The selected proposer will be issued a Notice-of-Award, if at all, within 30 calendar days after the opening of proposals, or within such extended period of time as agreed in writing between the Owner and the proposer.
- 11. Execution of Contract** – The contract must be signed by the selected proposer within 10 calendar days of the Contractor's receipt of written NOITA, together with forms provided by the Owner and certificates of insurance showing the different types, coverage, and limits, as required.

Refer to Appendix 15W - Procurement Flowchart for Construction Solicitation >\$200,000 or A/E Solicitation >\$100,000.

15.2.5 Other Procurements

Other procurement processes may be utilized under specific circumstances as described below:

1. **Term Consultants** – Term Consultant contracts are utilized for on-call consultants to provide A&E professional services under \$175,000 on an as needed basis. FP&C maintains a list of prequalified Term Consultants that have been selected through the RFP process with contracts up to 36 months, for the purpose of providing on-call services on small projects. Work will be distributed among the members of the pool in an equitable manner. However, circumstances may require the selection of a firm with specific expertise.

For solicitation of a Term Consultant, the PM prepares the solicitation documentation and requests that, at a minimum, interested firms submit the following:

- Location of business
- Copy of valid Alaska business license
- Copy of professional registration for firm
- State which discipline they are interested in
- Evidence of ability to obtain necessary insurance for contracts (Appendix 15.2.5a)
- Federal Forms #254 (Appendix 15.2.5b) and #255 (Appendix 15.2.5c)

Once the Construction Contracting Officer receives all submissions, the FP&C Evaluation Committee evaluates the responses utilizing a Score Sheet (Appendix 15.2.5d) and based on the criteria identified in the basis of award and evaluation defined in the solicitation documentation.

2. **Term Contractor** – A Term Contractor is utilized to provide general construction services under \$250,000 on an as needed basis. A Term Contractor is selected through a competitive solicitation process and has a contract duration of generally three (3) to five (5) years. Term Contractor task orders require the approval of the Fiscal Officer, PM, FP&C Director, and Construction Contracting Officer.
3. **Emergency Procurements** – The emergency procurement process may be utilized if immediate action is necessary to protect the public health, welfare, safety, or public or private property. Emergency procurement shall be made with competition that is practical under the circumstances. If practical, approval by a Construction Contracting Officer must be obtained before an emergency procurement of \$25,000 or more for good and services and \$50,001 or more for construction services is made. Refer to the Procurement Manual for additional details.
4. **Innovative Procurements** – There may be occasions where the standard procurement procedures are not sufficient to allow the acquisition of goods or services of an unusual nature to meet the University's needs. The innovative procurement method, which requires the approval of the Chief Procurement Officer, expands on the standard procurement methods to allow such innovation as is necessary to meet the University's need within the bounds of law, and good business, and procurement practices. Additional guidance is provided in the Procurement Manual.

FP&C will request an innovative procurement for CMAR or design-build contracts, in which case proposals for a contractor are intended to be solicited prior to requesting Schematic Design Approval. The following provides clarification for innovative procurements under the current BOR Policy:

- Preliminary Project Approval: See Section 7.5.
- Chief Procurement Officer Approval: Seek approval from the Chief Procurement Officer for using the innovative procurement method.
- Formal Project Approval: Inform the BOR of the intent to use an innovative procurement method for a CMAR or other contract. Approval of the Formal Project Approval represents the Board's concurrence with the use of an innovative procurement method. A Project Agreement must be executed and submitted.
- RFP and Evaluation Committee:
 - The RFP will be developed by the PM and the Construction Contracting Officer, and submitted with a copy of the Formal Project Approval (or Schematic Design Approval) to the Chief Procurement Officer for approval.
 - The Evaluation Committee will consist of a minimum of five (5) voting members:
 - PM
 - One (1) or two (2) user group representatives (as appropriate)
 - A procurement professional not associated with UAA
 - One (1) or more open seats, which may not be filled by UAA Facilities staff (a minimum of one (1) open seat must be filled by a professional outside the university system). This category may include facilities planning, design, and construction staff working for other state or local agencies.
 - The PM will be responsible for instructing the Evaluation Committee and preparing a Record of Evaluation / Selection. The Record of Evaluation / Selection will document final selection decision-making by the Evaluation Committee.
 - The Record of Evaluation / Selection, including score sheets, will be approved by the Construction Contracting Officer and FP&C Director, then submitted to the Chief Procurement Officer for concurrence prior to award of the contract.
 - If approved, inform the Facilities and Land Management Committee of contractor selection in the next monthly construction-in-progress report.
- Schematic Design Approval:
 - Inform the BOR regarding intent to continue use of CMAR contractor, and request permission to enter negotiation for GMP portion of CMAR contract, if appropriate. Any variance from the Project Agreement must be noted in an amendment executed by the original parties to the Project Agreement and submitted with the Schematic Design Approval request.
 - Changes to the project scope, budget, or schedule during design and construction document development must be reported to the Chief Financial Officer (CFO). If required by BOR policy, the CFO will submit the report to the appropriate BOR structure.
- Pre-bid Report: Inform the CFO after GMP negotiations and prior to award of construction contract, regardless of whether or not there is any material change. Pre-bid report shall describe salient points and outcomes of negotiations, noting any changes or impacts on project scope, quality of construction, schedule, budget, estimated annual operating costs, or modifications to building systems.
- Award Report: Same as current policy.
- On-going Project Management: The PM will submit to the Chief Procurement Officer the scope and cost details of any anticipated change orders exceeding 5% of the Owner's

contingency prior to award of change order. No agreements for additions to or deductions from the contract may be made outside the change order process.

- Construction-in-Progress Reports: The PM will submit a report in accordance with the approved format each month during the construction phase of the contract.
- Final Report: No changes from the current board policy.

15.3 Contract Approval Process

To execute a contract, the following signature process must be followed:

1. The PM reviews the contract for completion and approves the contract.
2. The Contractor/Consultant then reviews and approves the contract.
3. The Fiscal Officer reviews and approves the contract and prepares a Purchase Order in Banner.
4. The Construction Contracting Officer may fully execute contracts with values within his/her delegated signature authority.
5. For any contracts with values greater than the Construction Contracting Officer's delegated signature authority, upon approval of the Construction Contracting Officer, the contract is then routed to the Procurement Director and the FP&C Director for approval.

15.4 Contract Administration

The PM is responsible for ensuring that the designer's and contractor's contracts are adhered to. In addition, the PM is responsible for maintaining and retaining all contract record documents including any contract modifications, amendments, or change orders on the PMIS.

The Fiscal Officer is responsible for maintaining the accounting records and coordinating with Accounts Payable.