



## **GUIDE TO THE SRF REQUEST FOR PROPOSALS (RFP)**

The method of construction contracting shall be the method most advantageous and will result in the most timely, economical and successful completion of the project. The Request for Proposals (RFP) process, upon DHEC concurrence, may be used if:

- (1) Alternative methods of construction delivery, such as Construction Management at Risk (CMAR), would be advantageous;
- (2) The Architect/Engineer services and construction services are to be awarded in the same contract, such as in a Design/Build contract;
- (3) There must be selection criteria in addition to price.

### **Prior to Advertising**

The Project Sponsor shall:

- (1) Submit a written request to use the Request for Proposals (RFP) process. The request must clearly state the facts and considerations which led to the selection of the RFP process instead of the competitive sealed bidding process to procure a contractor. The Project Sponsor must obtain DHEC approval prior to proceeding with the RFP method and advertising the project.
- (2) Designate a selection team to develop a RFP Selection Plan which will be used to request and evaluate the proposals received from prospective offerors. Essentially, the RFP Selection Plan is an “in-house” document and must not be part of the RFP issued to prospective offerors. The RFP Selection Plan must be approved by DHEC prior to advertising the project. At a minimum, the RFP Selection Plan should include:
  - (a) A list of the members of the RFP Selection Team along with each member’s qualification for being selected and an explanation of their role in this process.
  - (b) A proposed list of evaluation factors along with a detailed explanation/description of each evaluation factor. Also, include the “weighting” or relative importance of each factor. If applicable, one of the evaluation factors must address the potential contractor’s past and/or present level of effort in complying with mandated Disadvantaged Business Enterprise (DBE) requirements.

(c) A list of the evaluation standards defining the minimum acceptable requirements for each factor. The evaluation standards serve as a measurement guide for the RFP Selection Team to determine whether or not an offeror meets the minimum requirements.

(d) A schedule of significant milestones.

**NOTE:** The mandatory SRF Contract Documents (cross-cutting provisions) must be included in the RFP documents.

(3) Develop a RFP file to document the entire RFP process. This file must be available for review by DHEC and/or external auditors. The RFP file must be retained for a minimum of three (3) years after the project is complete. (See this document's item number 3 under *Tentative Award* for a complete list of the information that must be included in the RFP file.)

### **Advertising**

The Project Sponsor shall:

- (1) Advertise the project, for a minimum of thirty (30) days in advance the deadline to submit proposals, using at least one of the following methods: (a) local newspapers of general circulation, (b) publications targeting minority or women owned businesses, (c) statewide or regional newspapers of general circulation, or (d) the South Carolina Business Opportunities (SCBO). The ad should include the following information:
  - (a) A complete statement of the work to be performed.
  - (b) A statement explaining that contract award will be based on a "Request for Proposals" (RFP) process and that award will be made to the offeror whose proposal is determined in writing to be the most advantageous, using the evaluation factors set forth in the RFP.
  - (c) A statement explaining how and where to obtain the RFP documents.
  - (d) Ad should clearly state the deadline and place to submit proposals.
  - (e) A statement that the project is being funded by a loan from the State Revolving Fund and that offerors must comply with all applicable state and federal requirements identified in the RFP.

- (f) If applicable, a statement that prospective offerors must implement procedures that ensure that DBE firms are given opportunities for meaningful participation if subcontracts are awarded.
  - (g) If applicable, a statement informing the prospective offerors of the project's DBE goals.
- (2) RFPs shall be solicited from at least three (3) qualified sources, when such sources are available.
  - (3) Proposals shall be opened publicly and only the names of the offerors disclosed at the proposal opening. Contents of competing proposals shall not be disclosed. A tabulation of proposals shall be prepared and shall be open for public inspection after contract award.
  - (4) If local or other funding sources have stricter bidding requirements than outlined herein, use the stricter requirements.

**NOTE:** If the Project Sponsor previously implemented a Request for Prequalification process, then skip to *The RFP* section.

### **The RFP**

At a minimum, the RFP document should :

- (1) Include the mandatory SRF Contract Documents (cross-cutting provisions).
- (2) Advise prospective offerors on how to arrange and organize their proposals.
- (3) List all evaluation criteria along with a detailed explanation/description of each evaluation factor. If applicable, one of the evaluation factors must address the potential contractor's past and/or present level of effort in complying with mandated DBE requirements.
- (4) List the relative importance of each of the evaluation factors. Numerical weightings for each factor are not required to be included in the RFP.
- (5) State that a one hundred percent (100%) payment bond and performance bond are required. Offerors must provide a letter from their bonding company verifying their bonding limit and certifying they can obtain the required bonds once the final cost is established. It is the responsibility of the Project Sponsor's attorney to review the payment and performance bonds for accuracy and completeness.

- (6) Require the contractor to provide fire, extended coverage, vandalism and malicious mischief insurance equal to the actual value of the insured property during construction. It is the responsibility of the Project Sponsor's attorney to review the insurance documents for accuracy and completeness.
- (7) If applicable, the RFP documents should require the contractor to comply with the DBE provisions outlined in the *Utilization of Disadvantaged Business Enterprise (DBE) in Procurement* section of *Appendix A – Mandatory SRF Contract Documents*.
- (8) Allow a minimum of thirty (30) days for prospective offerors to prepare and submit their proposals.

**NOTE:** Do **not** include the RFP Selection Plan in the actual RFP document.

### **Evaluation and Selection**

The RFP Selection Team shall assure the following:

- (1) The proposals will be evaluated using only the evaluation standards outlined in the RFP. No other factors or criteria may be used in the evaluation and there must be strict adherence to any weighting specified for each factor.
- (2) There must be no disclosure of any information derived from the proposals submitted by competing offerors. Proprietary or confidential information marked as such in each of the proposals shall not be disclosed without written permission of the offeror.
- (3) All responsive offerors must be ranked in writing from most advantageous to least advantageous.
- (4) Once the proposals have been evaluated and ranked, the Project Sponsor shall notify unsuccessful offerors in writing that they are no longer being considered for award. If possible, the notification should include the reasons why their proposals will not be considered further. Notice should be given by first class mail to the name and address on the proposal.
- (5) The RFP Selection Team's written evaluation and selection documentation (including each individual member's and RFP Selection Team's rating and narrative sheets) must be retained in the RFP file.

## **Tentative Award**

- (1) Award must be made to the offeror whose proposal is determined in writing to be most advantageous, using the evaluation factors set forth in the RFP. The RFP Selection Team shall prepare a written statement explaining the basis of contract award along with the name of the proposed contractor and contract amount.
- (2) The Project Sponsor must issue a Notice of Intent to Award listing the name of the proposed contractor and contract amount.
- (3) The Project Sponsor is required to retain the RFP file created during the RFP process for a minimum of three (3) years after the project is complete. This file must be available for review by DHEC and/or external auditors. At a minimum, the RFP file should contain:
  - (a) Written justification for selection of the RFP procurement method to include DHEC's written approval letter for using the RFP method
  - (b) A list of the members of the RFP Selection Team along with each member's qualification for being selected and an explanation of their role in the RFP process
  - (c) The list of evaluation factors along with the "weightings", detailed explanation/description of each factor and evaluation standard for each evaluation factor
  - (d) Schedule of significant milestones
  - (e) Summary of proceedings of presolicitation and preproposal conferences along with attendance sheets
  - (f) A copy of the RFP and any associated documents and addenda
  - (g) Copy of all proposals received including any modifications
  - (h) Any and all documents related to the evaluation, negotiation and selection processes to include individual member's and RFP Selection Team's rating and narrative sheets
  - (i) Basis for contract award
  - (j) Written justification for rejecting proposals
  - (k) Notice of Intent to Award a Contract
  - (l) Any other documentation related to this RFP process

## **Prior to Contract Execution**

DHEC must concur in the Project Sponsor's construction contract award. *It is recommended that the Project Sponsor receive written DHEC approval prior to executing a construction contract to prevent any confusion about SRF eligibility.* The Project Sponsor shall provide DHEC with a package consisting of the following items:

- (1) "Project Construction Summary" (DHEC Form 3589), signed by the Project Sponsor's representative.

- (2) A certified copy of the advertisement with date of publication.
- (3) A copy of the detailed RFP tabulation certified by the Project Sponsor's engineer.
- (4) Proposal of the successful offeror.
- (5) The RFP Selection Team's basis of contractor award along with the proposed contract amount.
- (6) Certified copy of the Project Sponsor's Notice of Intent to Award a Contract listing the proposed contractor and contract amount.
- (7) If applicable, the "Prime Contractor's Subagreement Certification" (DHEC Form 3591). (See the *Disadvantaged Business Enterprise Compliance* section in the *Federal Requirements for the SRF Program* guide.)
- (8) If applicable, evidence that the offeror complied with the DBE requirements listed in the RFP documents. DBE approval must precede DHEC RFP concurrence. (See the *Disadvantaged Business Enterprise Compliance* section of the *Federal Requirements for the SRF Program* guide.)
- (9) If applicable, the prime contractor's Equal Employment Opportunity (EEO) documentation (including DHEC Form 3592) required by Executive Order 11246 from the RFP documents. (See the *Equal Employment Opportunity Compliance* section of the *Federal Requirements for the SRF Program* guide.)
- (10) If applicable, the subcontractor's EEO documentation (including DHEC Form 3592) required by Execution Order 11246 from the RFP documents if their contract amount is expected to be in excess of \$10,000. (See the *Equal Employment Opportunity Compliance* section in the *Federal Requirements for the SRF Program* guide.)
- (11) If applicable, the prime contractor's certification (DHEC Form 3590) that they are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participating in a contract using federal funds. (See the *Parties Excluded from Federal Procurement and Nonprocurement Programs* section in the *Federal Requirements for the SRF Program* guide.)
- (12) If applicable, the subcontractor's certification (DHEC Form 3590) that they are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participating in a contract using federal funds if their contract amount is expected to equal or exceed \$25,000. (See

*the Parties Excluded from Federal Procurement and Nonprocurement Programs* section in the *Federal Requirements for the SRF Program* guide.)

- (13) Documentation outlining how the Project Sponsor will provide continuous inspection during construction such as:
- (a) An executed engineering services agreement; or
  - (b) A contract with an independent construction inspector along with a copy of the proposed inspector's qualifications and a plan for back-up assistance if needed; or
  - (c) A statement from the Project Sponsor that construction inspection will be performed by the Project Sponsor's staff. This statement should include the names and qualifications of the proposed inspectors. Please note that force account work (i.e., any work performed by the Project Sponsor's own employees) is ineligible for SRF funding.