

PS-00132, Independent Cost Estimating RFQ

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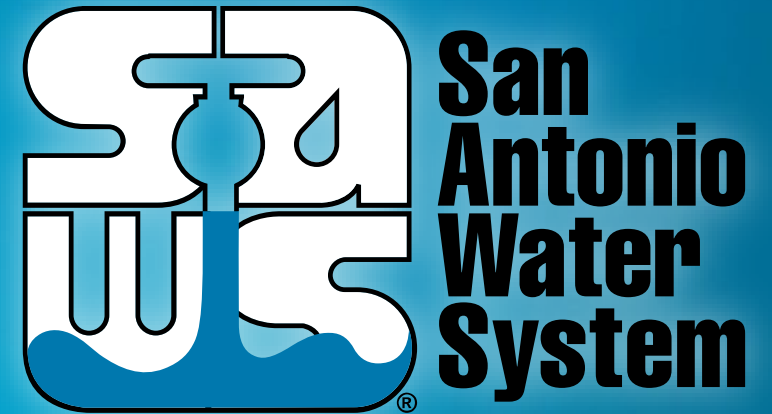
Manager – Plants and Major Projects

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Contract Administrator



Non-Mandatory Pre-Submittal Meeting

June 02, 2022

MAKING SAN ANTONIO
WATERFUL 

Oral Statements

Oral statements or discussion during this Pre-Submittal Meeting will not be binding, nor will they change or affect the RFQ or the terms or conditions of the contract. Changes, if any will be addressed in writing only via an Addendum.

Agenda

- Objective
- Selection Process
- Evaluation Criteria
- SMWVB
- SAWWS Board Archives
- Submission Reminders
- Key Dates
- Submittal Deadline
- Communication Reminders
- Background
- Project Implementation
- Scope of Services
- Expectations
- Process for Independent Estimates
- Questions

Objective

- SAWWS is requesting statements of qualifications from interested firms, which will require the scope of services to be performed by qualified cost estimating professionals for the Independent Cost Estimating Services Project
- Selected firm(s) will provide independent cost estimating services for water, wastewater, and recycled water facility, pipelines, and other related infrastructure projects
- Independent construction cost estimates shall be prepared in accordance with AACE guidelines and best practices including I7R-97 and 56R-08
- Projects with a construction value \geq \$3 million, as well as complex and high-visibility projects

Selection Process

- Qualification statements reviewed for responsiveness
- Technical Evaluation Committee scores qualification statements based on evaluation criteria published in the RFQ
- Interviews held, if necessary
- Good Faith Effort Plan evaluated and scored
- Selection Committee reviews scores and recommends firm(s)
- Negotiation with selected consultant(s)
- Board Award

Selection Process

- If there is a change to key team members (prime or sub-consultant) identified on Respondent's organizational chart, notify SAWWS in writing as soon as possible
 - SAWWS may allow Respondent to replace the key team member with an alternate member who possesses equal or better qualifications and experience
- Also, per SAWWS' Ethics Policy, a former SAWWS employee may not serve in a lead role as a key team member and/or participate in the negotiation of a contract for two (2) years after separating from SAWWS
 - This may result in the Respondent's proposal being found non-responsive or a reduction in points during the evaluation

Evaluation Criteria

Criteria	Max Points
Team Experience and Qualifications	30
Similar Projects and Past Performance	30
Project Understanding and Approach	25
Small, Minority, Woman, and Veteran-owned (SMWVVB) Business Participation	15
Total	100

Evaluation Criteria – Team Experience and Qualifications

30 points – Refer to Attachment I

- Organizational Chart – 1-page
 - Identify all proposed Key Personnel and Key Sub-consultants
 - Examples of Key Personnel include but are not limited to:
 - Task Lead / Project Manager, Lead Estimator, QA/QC Lead, Discipline Estimators (e.g., Process Mechanical, Electrical, Civil, I&C, etc.), Constructability Reviewer, and Construction Scheduler

Evaluation Criteria – Team Experience and Qualifications

30 points – Refer to Attachment I

- I-page Resumes for Key Personnel Only / No more than five (5) pages
 - Name, title, education, description of qualifications, associations, number of years with firm, and brief overview of professional experience and expertise
 - Brief overview of estimating tools, specialized estimating software and cost databases utilized and level of proficiency with those tools
 - Five (5) construction cost estimates for similar or relevant projects in the last five (5) years
 - Detailed description of capabilities and project experience
 - Role in project relevant to Scope of Services in this RFQ (Respondent provided 3rd party estimate in comparison to design)
 - Clearly identify if work performed with current firm or part of individual's professional experience
 - All Active projects assigned in 2022 and percentage of time allocated to those projects

Evaluation Criteria – Team Experience and Qualifications

30 points – Refer to Attachment I (cont.)

- Describe the composition of the team – 1 page
 - Prime, Key Sub-consultants, and other Sub-consultants' roles and responsibilities, as well as teaming history
- Fillable Forms
 - Team Roles Table, If proposed staff is not part of the proposed Key Personnel, please identify lead person from each firm and briefly describe their role.
 - Availability and percentage of time committed to contract of Key Personnel and Geographic location

Evaluation Criteria – Similar Projects and Past Performance

30 points – Refer to Attachment I (Section I)

- Five (5) completed independent construction cost estimates for similar and relevant projects in the past five (5) years similar to scope of services in this RFQ
- Use Fillable Forms, one (1) per project reference
- Proposed Project Manager, Lead Estimator, and Lead QA/QC must be employees of the Prime
- Key Personnel must have participated in at least three (3) of the five (5) projects

Evaluation Criteria – Similar Projects and Past Performance

30 points – Refer to Attachment I (Section I)

- Information for each Project Reference shall include:
 - Name of utility owner and geographic location
 - Reference contact information (name, title, phone numbers and email)
 - Year, duration of assignment, NTP, and completion date
 - Detailed description of project
 - Explanation why project is similar to SAWWS scope
 - Respondent's role and Key Personnel responsibilities including subconsultant
 - Independent estimate, not as part of design team

Evaluation Criteria – Similar Projects and Past Performance

30 points – Refer to Attachment I (Section II)

- Provide cost information for total of eight (8) projects including the five (5) submitted as part of Section I
- Shall relate to the accuracy of the independent estimates, comparing the estimate developed by the Respondent to the design engineer's estimates and approved construction awards (third party estimate)
- Use fillable form
- Provide all project data being requested
- **N/A** is not an acceptable response

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section I)

- Detailed approach describing how Respondent will technically execute and complete services sought in this RFQ on time and within budget
- Innovative approaches, ideas, and recommendations
- Steps and methods, techniques, and tools to prepare independent estimates with the expected accuracy
 - Independent estimate at 90% or 100% design phase shall be Class I in accordance with AACE Recommended Practices 17R-97 and 56R-08
 - Limit Two (2) pages

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section II)

- Provide sample schedule for developing an independent estimate for a wastewater treatment facility rehab project with construction value \geq \$15 million
- One page, use 11" x 17" paper, landscape orientation, is allowed

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section III)

- Provide answers to the following:
 - Familiarity with SAWS facilities and infrastructure (water and wastewater facilities, treatment facilities, pump stations, etc.)
 - Factors influencing contractor bids and price proposals and how those factors affect SAWS' ability to fund projects
 - Understanding of Respondent's role, SAWS role and design engineer
 - Approach for high quality and accurate ICE (\geq \$3 million projects)
 - Familiarity with San Antonio construction market and local construction practices
 - Understanding of availability of local, regional and national contractors
 - Understanding of recent pricing and bidding trends for the San Antonio market as they relate to water utility infrastructure projects

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section III)

- Provide answers to the following (continued):
 - Understanding of pricing trends for equipment, materials and labor as it relates to its influence on pricing for SAWVS infrastructure projects
 - Approach to coordinating with design engineer to maximize benefit from developing an independent estimate
 - Team approach to preparing independent estimates to meet deadlines associated with fast-track SAWVS' requests without compromising Quality or project schedule
 - Limit Two (2) pages

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section IV)

- Describe Respondents approach to improve the accuracy and validity of independent estimates for SAWS projects.
- Provide specific suggestions to maximize value from this process (obtaining independent estimates for projects), maintain the integrity of the process, and support award of construction contracts for projects part of SAWS annual Capital Improvement Program.
- Limit One (1) page

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section V)

- Provide a project example where the Respondent's third-party construction cost estimate and the Design Engineer's cost estimate were over 20% apart.
- Briefly describe the items responsible for most of the difference.
- Limit One (1) page

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section VI)

- Project specific and unique quality control and quality assurance (QA/QC) and risk management strategies that Respondent engages in for similar projects
 - Plan for how issues will be identified, tracked, and resolved
 - How the independent QA/QC Lead will review project deliverables to ensure work products are in conformance with AACE practices
 - Approach for validating prices for equipment, materials, and specialized labor for projects
 - Identify risks associated with preparing independent estimates at 90% design for projects with construction value \geq \$3 million
 - Limit One (1) page

Small, Minority, and Woman-owned Business Participation

a. M/WBE Scoring Method: **Up to 15 Points (By percentage) 40.00% M/WBE Participation**

- M/WBE Participation Percentage between 1% and 7.99%: 2 Points
- M/WBE Participation Percentage between 8% and 14.99%: 4 Points
- M/WBE Participation Percentage between 15% and 21.99%: 6 Points
- M/WBE Participation Percentage between 22% and 28.99%: 8 Points
- M/WBE Participation Percentage between 29% and 34.99%: 10 Points
- M/WBE Participation Percentage between 35% and 39.99%: 12 Points
- M/WBE Participation Percentage meeting or exceeding 40.00%: 15 Points

• b. SBE (Non-M/WBE) Scoring Method: **Up to 5 Points (By percentage) 5.00% SBE Participation**

- SBE Participation Percentage between 1% and 1.99%: 1 Point
- SBE Participation Percentage between 2% and 2.99%: 2 Points
- SBE Participation Percentage between 3% and 3.99%: 3 Points
- SBE Participation Percentage between 4% and 4.99%: 4 Points
- SBE Participation Percentage meeting or exceeding 5.00%: 5 Points

Small, Minority, and Woman-owned Business (SMWB) Participation

- Must have a local-area office
- Must be certified through the SCTRCA or Texas HUB
- Must have Small Business Enterprise (SBE) certification
- All firms listed in the organizational chart must also be listed in the Good Faith Effort Plan
- Post-Award: Payments made to subconsultants (SMWBs and Non-SMWBs) will be reported using SAWS' Subcontractor Payment and Utilization Reporting (S.P.U.R.) System

- Questions related to SMWVB participation, completion of the Good Faith Effort Plan (GFEP), or SMWVB scoring may be directed to the SMWVB Program Manager until the RFQ is due. Her contact information is:

Marisol V. Robles

SMWVB Program Manager

Contracting Department

Email: Marisol.Robles@saws.org

Submission Reminders

- Thoroughly read the RFQ to become familiar with scope
 - Scope for this RFQ is for Independent Cost Estimating, not for engineering design services
 - Submittals should clearly demonstrate those qualifications
- Be specific and avoid “boiler plate” responses where narrative is requested
- Address ALL items as requested for each evaluation criteria
- Contact the SMWVB Program Manager for assistance, if necessary
- Ensure projects are similar to the scope in this RFQ
- Project references provided shall have been verified by Respondent and are readily accessible

Submission Reminders

- SAWS is accepting electronic copies only
- File size limited to **10 MB** and **16 pages***
 - Reference RFQ regarding required items that do not count towards the page limit
- Utilize the Submittal Response Checklist
- Must submit using Evaluation Criteria Forms, where indicated
- 8½” x 11” portrait format, 11” x 17” allowed for schedule
- Perform QA/QC on proposal prior to submitting
- Solicitation Submittal Tips found at the following link:

https://apps.saws.org/business_center/ContractSol/SNO_Drill.cfm?id=1980&View=Yes

Key Dates

Date	Action
RFQ Released	May 23, 2022
Written Questions Due	June 8, 2022 by 2:30 p.m.
Q & A Posted to Website	June 10, 2022 by 5:00 p.m.
Proposals Due	June 17, 2022 by 2:00 p.m.
Proposals Evaluated	June 2022
Interviews, if necessary	July 2022
Negotiations	July 2022
SAWS Board Consideration and Award	August 2, 2022
Start Work	August 2022

**The dates listed above are subject to change without notice*

Submittal Deadline

- SAWS will accept electronic submittals only
- Allow sufficient time to upload submittal ahead of the deadline to allow for any technical difficulties
- Solicitation number, solicitation name, date and time of the deadline should be clearly identified on the electronic file and email
- Late responses will not be accepted and will not be opened

Communication Reminders

- There should not be any communication regarding this solicitation with the following:
 - SAWS Project Manager
 - Any other SAWS staff, managers, directors, or VPs
 - City Council member or staff
 - SAWS Board of Trustees
- This includes phone calls, emails, letters, or any direct or indirect discussion of the RFQ
- This is in place from release of the RFQ to Board Award

SAWS Board Video Archives

- Respondents are encouraged to view past SAWS Board Meeting Videos to better understand the importance of independent cost estimates to the organization.
- Link to past Board meetings:
https://apps.saws.org/who_we_are/board/archive.cfm

Background

Background – Scope

- Milestones
 - 30% Design
 - 60% Design
 - 90% Design
 - 100% Design and Bid Phase
- Prepare Engineer's OPCC at each milestone
 - *Prepare 30% Engineer's Opinion of Probable Construction Cost (OPCC). Cost estimate shall be a Class 3 Estimate as described in the Association of the Advancement of Cost Engineering (AACE) Recommended Practice No. 17R-97 and 56R-08*

Cost Estimates – Design Phase

Design Phase	Estimate Class	Expected Accuracy Range
30% Design	Class 3	-15% to +20%
60% Design	Class 2	-10% to +15%
90% Design	Class 1	-5% to +10%
Bid Documents	Class 1	-5% to +10%

Background – Scope

- Perform internal quality management including control and assurance prior to submitting design deliverables to SAWS in accordance with the Quality Management Plan (QMP)
- Maintain these documents as part of the project records

Background – Scope

- Disciplined implementation of processes and procedures
- Understanding of scope and design intent
- Understanding of project importance - OPCC
- Coordination with subs, as needed
- Use of adequate tools and resources
- Access to updated and reliable cost data
- OPCCs are a deliverable (plans, specs, GDR, etc.)

Background – Budget

- Right resources allocated
- LOE associated with estimates, including QA/QC
- Budget allocated at each design milestone – design consultant prepares four estimates
- Alignment between budget and importance of task
- Budget allocated for independent estimates

Background – Schedule

- Right amount of time allocated
- Plan ahead
- Coordinate with SAWWS Team
- Coordinate with design consultant, as needed
- QA/QC
- Alignment between schedule and importance of task

- People remember numbers!

SAWS Project Implementation Process

Independent Cost Estimating RFQ



What is our Process?

- Each project has a budget – CIP
- Award professional services contract
- Design required improvements (0% - 100%)
- Update project cost as design advances (30%, 60%, 90% & 100%)
- Obtain independent estimate – 90% or 100%
- Compare estimates
- Advertise construction solicitation
- Q&A and Addenda

What is our Process?

- Open Bids
- Review bids
- Meet with contractor and consultant
- Make a decision / recommendation
- Award construction contract

Objective of Estimates

What is the Objective of the Cost Estimates

- Understand project cost compared to CIP budget
- Ensure we have sufficient funds to award construction contract
- Compare bid prices and evaluate their “fairness”
- Two possible outcomes:
 - Bids / Prices lower than estimate/budget
 - Bids / Prices higher than estimate/budget

Communicating Results

- It is a lot more difficult than it seems
- Only the project team has a complete picture
- Design consultant prepares Contract Documents but Contractors price proposed improvements – price risk
- Executives and Board Members only see limited information – draw conclusions
- SAWWS staff present to the Board – answer all questions

Procurement Method

- Invitation for Bids (IFB)
- Request for Competitive Sealed Proposals (RFCSP)

Current Estimating Practices

Independent Cost Estimating RFQ



Cost Estimating for our Projects

- Mixed bag of approaches
- Consultants
 - Prepare their own estimates (local vs professional estimators)
 - Hire specialized subs that prepare estimates
 - Hire specialized subs that prepare estimates and develop their own estimate
- Need to comply with language and expectations as outlined in the professional services contract

Challenges and Opportunities

Current Challenges

- What a difference a couple of years makes!
- Before:

Bidder	Bid	SMWVB
Contractor A*	\$4,056,000.00	Local / SMWVB
Contractor B	\$4,195,081.00	Local / SMWVB
Contractor C	\$4,301,988.50	Local / SMWVB
Contractor D	\$4,475,357.00	Local / SMWVB
<i>Engineer's Estimate</i>	<i>\$4,846,000.00</i>	

Current Challenges

- What a difference a couple of years makes!
- Now:

Bidder	Bid	SMWVB
<i>Engineer's Estimate</i>	<i>\$3,875,000.00</i>	
Contractor A*	\$4,375,000.00	Local / SMWVB
Contractor B	\$5,167,250.00	Local / SMWVB
Contractor C	\$5,885,000.00	Local / SMWVB

Current Challenges

- COVID-19
- Market conditions
- Contractor pool
- Risk
- Gap between bids, board award, and POs
- Procurement method
- Consistency and structure of Contract Documents
- Timing

Focusing on the Basics

Independent Cost Estimating RFQ



Worrying about what we can control...

- Sound and disciplined Project Management
- Communicate effectively
- Plan for success
- Emphasis on Quality, Completeness, and Clarity of Contract Documents
- Construction schedule
- QMP adherence
- QA/QC of sub-consultants' work

Worrying about what we can control...

- Design review workshops at every milestone
- Site visits and walk-throughs
- Manage schedule to our advantage
- Control timing of construction solicitation
- Take advantage of independent estimates
- Team effort
- Adhere to the process
- *OPCCs are very important – they are not going anywhere!*

RFQ - Scope of Services

Independent Cost Estimating RFQ



Scope of Services

- Cost estimating services to develop independent construction cost estimates for water, wastewater, and recycle water facility, pipelines, and other related SAWS projects
- Independent construction cost estimates (Class I) shall be prepared in accordance with AACE guidelines and best practices including I7R-97 and 56R-08
- Independent estimates developed at 90% or 100% design phase
- Cost estimates to be provided in a manner that allows for comparison with Engineer's Opinion of Probable Construction Costs
- Independent estimates to be developed for projects with a construction value \geq \$3 million, as well as complex and high-visibility projects

Scope of Services

- Independent estimates will help identify project risks, missing line items for payment, adequacy of construction duration, unclear design intent, and incomplete Contract Documents
- Independent estimates will also help explain differences between the Engineer's Final Opinion of Probable Construction Costs and the contractor's bid or price proposal
- Independent estimates are to be prepared in a manner that details labor, equipment, material costs, and prices
- Independent estimates should be reflective of current market conditions in the San Antonio market

Expectations

Expectations

- Familiarity with SAWWS facilities and infrastructure
- Familiarity with the San Antonio market (contractor and subcontractor pool)
- Familiarity with SAWWS bidding history and trends
- Understanding of availability of contractors and specialized subcontractors
- Access to updated pricing for key equipment and materials
- Monitor pricing trends, market volatility, and market uncertainty (materials, equipment, and labor)
- Supply chain issues (e.g., delivery times, availability of products)
- Understanding of our process and the role of independent estimates
- Attention to detail
- Emphasis on QA/QC

Process for Independent Estimates

Process for Developing Independent Estimates

- Meet with SAWS staff to talk about project assignment (high level)
- Review project deliverables (plans & specs) to understand LOE
- Submit proposal (scope, budget, schedule) for estimate
- Negotiate and finalize work order
- Meet with SAWS and design engineer to talk about project
- Prepare draft estimate
- Meet with SAWS team to present draft estimate
- Meet with SAWS and design engineer to discuss draft estimate
- Finalize estimate
- Monitor status of procurement and results
- Analyze differences between OPCC, independent estimate and bid prices

Questions

Must be submitted in writing by June 8, 2022 by 2:00 P.M. via e-mail to:

Lindsay Esquivel

Contract Administration Department

San Antonio Water System

Lindsay.Esquivel@saws.org

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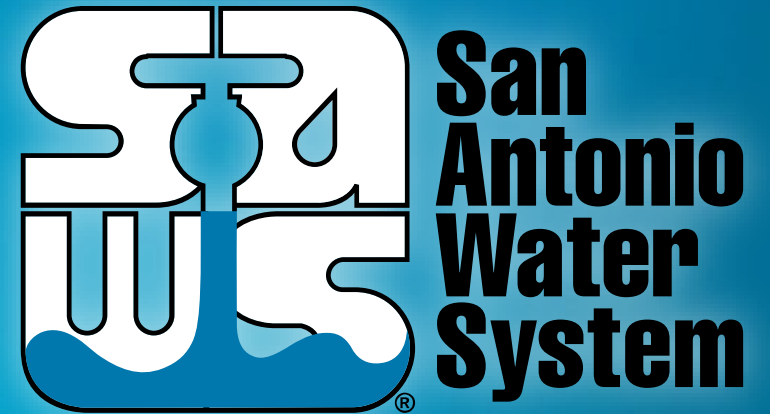
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