

Independent Cost Estimating RFQ

PS - 00126

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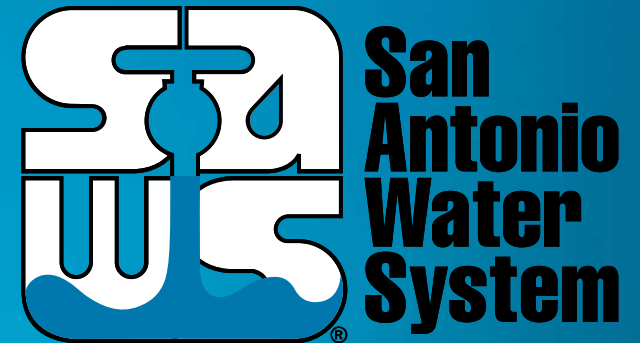
Manager – Plants and Major Projects

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Manager – Contract Administration



Non-Mandatory Pre-Submittal Meeting

March 17, 2022

MAKING SAN ANTONIO
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The graphic for the 'Waterful' logo, showing a cross-section of the ground with several blue pipes running horizontally. A small blue water drop is positioned above the word 'WATERFUL'.

WebEx Housekeeping

- Please keep devices muted during the presentation.
- Sign-in using the Chatbox feature and elect everyone from the drop-down menu.
- Ask questions at any time during the presentation utilizing the chat. Questions will be addressed at the end of the presentation. Select everyone from the drop down.
 - All formal responses to questions will be provided via an Addendum.
- Audio only attendees may follow along on the presentation that has been posted to the SAWS solicitation website.

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
- SMWB Requirements
- Selection Process
- Evaluation Criteria
- Submission Reminders
- Key Dates
- Submittal Deadline
- Communication Reminders
- Background
- Project Implementation Process
- Objective of Estimates
- Current Estimating Practices
- Challenges and Opportunities
- Focusing on the Basics
- Scope of Services
- Expectations
- Process for Independent Estimates
- Questions

Objective

- SAWS 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

Objective

- Contract Estimate: \$500,000.00
- Contract(s) may be awarded to one (1) or more firms

Aspirational SMWB Goal

Industry	Aspirational SMWB Goal	Description
Engineering and Other Professional Services	40% *	Points assessed on tiered scale

* 40% of the value of the contract.

SMWB Requirements

- SMWB Certification accepted from the following entities:
 - South Central Texas Regional Certification Agency (SBE, MBE, WBE)
 - Texas H.U.B.
- RFQ Scoring:
 - Local Office
 - Small Business Enterprise (SBE) certification required for all SMWB firms, including Minority and Woman-owned businesses.

Post Award: Subcontractor Payment & Utilization Reporting (S.P.U.R.) System

WWW.SAWS.SMWBE.COM



- Track actual payments to all subconsultants
- Request changes to team
- Contractual Requirement

Independent Cost Estimating RFQ



SMWVB Questions

Questions related to the SMWVB Program, the Good Faith Effort Plan (GFEP), or finding certified subconsultants may be directed to the SMWVB Program Manager until the RFQ is due.

Marisol V. Robles

SMWVB Program Manager

Email: Marisol.Robles@saws.org

Telephone: (210) 233-3420

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 SAWS in writing as soon as possible
 - SAWS may allow Respondent to replace the key team member with an alternate member who possesses equal or better qualifications and experience
- Also, per SAWS' Ethics Policy, a former SAWS 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 SAWS
 - 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 (SMWVB) 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
 - Key Personnel to include:
 - Task Lead / Project Manager
 - Lead Estimator
 - QA/QC Lead
 - Discipline Estimators (e.g., Process Mechanical, Electrical, Civil, I&C, etc.)
 - Constructability Reviewer

Evaluation Criteria – Team Experience and Qualifications

30 points – Refer to Attachment I (Section I)

- Resumes for Key Personnel Only – 1-page each / No more than five (5)
 - Name, title, education, description of qualifications, associations, number of years with firm, and brief overview of professional experience and expertise
 - Five (5) similar projects completed in the last five (5) years
 - Detailed description of capabilities and project experience
 - Role in project relevant to Scope of Services in this RFQ
 - Clearly identify if work performed with current firm or part of individual's professional experience
 - All active projects currently assigned and percentage of time allocated to those projects for the duration of this Project.
 - Proposed Project Manager, Lead Estimator, and Lead QA/QC must be employees of the Prime

Evaluation Criteria – Team Experience and Qualifications

30 points – Refer to Attachment I (Section I)

- Describe the composition of the team – 1 page limit and fillable form, Team Roles Table.
 - Prime, Key Sub-consultants, and other Sub-consultants' roles and responsibilities, as well as teaming history
 - If proposed staff is not Key Personnel, identify lead person of each firm and briefly describe their role
- Table Matrix - fillable form, Team Availability Table
 - 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 II)

- Five (5) current and/or completed projects in the past five (5) years in which Respondent has performed services similar to those sought in this RFQ
 - Use fillable forms, Project Tables, one per project reference
 - Project Manager shall have participated in at least two (2) of the five (5) projects
 - The following shall have participated in at least three (3) of the five (5) projects, not necessarily together:
 - Lead Estimator
 - Discipline Estimators
 - QA/QC Lead

Evaluation Criteria – Similar Projects and Past Performance

30 points – Refer to Attachment I (Section II)

- Information for each Project Reference shall include:
 - Name of client/owner and location (city/state)
 - 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 Project in RFQ
 - Respondent's role and Key Personnel responsibilities including subconsultant

Evaluation Criteria – Similar Projects and Past Performance

30 points – Refer to Attachment I (Section II)

- Provide cost information for total of ten (10) 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, Cost Estimates Table
- 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 III)

- 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
- Two (2) page limit

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section III)

- Provide sample schedule for developing an independent estimate for a wastewater treatment facility rehab project with construction value \geq \$10 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
 - Familiarity with the San Antonio construction market and local construction practices
 - Familiarity with contractors and subcontractors doing business in San Antonio and its surrounding counties
 - Understanding of availability of local, regional and national contractors
 - Understanding of pricing trends for equipment and materials commonly utilized in SAWS construction projects

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section III)

- Provide answers to the following (continued):
 - Understanding of supply-chain issues and its impact on construction costs
 - Understanding of labor availability and cost trends in the San Antonio market
 - Team approach to preparing deliverables to meet deadlines associated with fast-track SAWWS requests without compromising the quality of deliverables and Project schedule
- Two (2) page limit

Evaluation Criteria – Project Understanding and Approach

25 points – Refer to Attachment I (Section III)

- 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
 - One (1) page limit

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	March 9, 2022
Written Questions Due	March 28, 2022 by 2:00 p.m.
Q & A Posted to Website	March 31, 2022 by 5:00 p.m.
Proposals Due	April 11, 2022 at 10:00 a.m.
Proposals Evaluated	April 2022
Interviews, if necessary	April 2022
Negotiations	May 2022
SAWS Board Consideration and Award	June 7, 2022
Start Work	June 2022

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

Submittal Deadline

- SAWWS 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

Background

Independent Cost Estimating RFQ



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
- Understanding of importance
- Coordination with subs
- OPCCs are a deliverable (plans, specs, GDR, etc.)

Background – Budget

- Right resources allocated
- LOE associated with estimates
- Budget allocated at each design milestone
- Alignment between budget and importance of task
- Budget allocated for independent estimates

Background – Schedule

- Right amount of time allocated
- Plan ahead
- QA/QC
- Alignment between schedule and importance of task

People remember numbers!

SAWS Project Implementation Process

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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
- 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

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Objective of Estimates

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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
- 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)

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Current Estimating Practices

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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

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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

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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
- Timing
- 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

Independent Cost Estimating RFQ



Expectations

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

Process for Independent Estimates

Independent Cost Estimating RFQ



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

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

Questions

Must be submitted in writing by March 28, 2022 by 2:00 P.M. via e-mail to:

Janie Powell

Contract Administration Department

San Antonio Water System

Janie.Powell@saws.org

Independent Cost Estimating RFQ

PS - 00126

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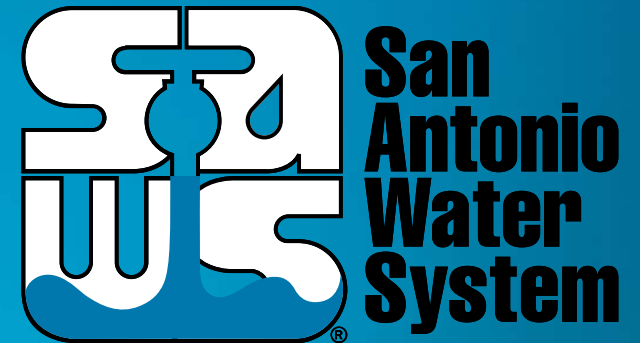
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