

# Best Value Procurement Procedures

**Purpose:**

To establish procedures to prequalify and evaluate bidders using Best Value Construction Contracting and to select a bidder on the basis of best value for capital construction projects.

**Authorization:**

Public Contract Code (PCC) sections 20155-20155.9

**Procedure:**

This document summarizes procedures, required criteria and scoring by which responses to the Request for Prequalifications and Sealed Bids will be evaluated. This information will be incorporated into the Prequalification, Specifications, and Contract Documents in a two-step process. In the first step, the evaluation committee will first determine a prequalification score of the contractor by their demonstrated experience and competency to manage and complete projects, provide financial information needed to perform the contract, demonstrate their ability to comply with all relevant policies and the requirements of the Department of Industrial Relations (DIR), and disclose their safety records. In the second step, the contractors deemed prequalified will receive a Prequalification Notice Letter and a date upon which their sealed bids will be opened by the Clerk of the Board. The Best Value Contractor is selected based on a combined prequalification score and the bid amount and not based on cost alone.

**Selection Committee (Evaluation Team):**

The County will establish a Selection Committee of key County stakeholders and expert consultants with project and industry knowledge to properly, fairly and impartially evaluate the received proposals. This committee will contain a minimum of 3 and no more than 10 members. These members will have no contact with any potential General or trade specific Contractors from the time of issuance of the Prequalification/Bid to the final recommendation to the Board of Supervisors for the Project award(s), in accordance with the Code of Conduct & Ethics attached hereto.

Pursuant to PCC section 20155.5(b), there must be a minimum of three (3) responsive bids received in order to award a contract on the basis of Best Value. Therefore, if less than three (3) responsive bids are received, no evaluations of the bids will be performed.

**Criteria and Scoring Summary:**

Following is a summary of the General and Trade Contractor Qualification information required and corresponding scoring structure. More detailed information on which the scoring will be based will be incorporated into the Prequalification, Specifications, and Contract Documents. A General or Trade Contractor's final score for use in the "Best Value" determination will be a cumulative of both the Prequalification and Bid scores.

No more than the top eight (8) General Contractors and top five (5) ranked Trade Contractors in each category, based on the final scores, will be listed in the Form 11 to the Board of Supervisors when recommending the best value contractors for award.

## Prequalification Evaluation Criteria

<b>PART III ESSENTIAL REQUIREMENTS</b>	
<b>Attachment 1</b>	<b>DIR Registration Copy</b>
<b>Attachment 2</b>	<b>General Liability Insurance Coverage</b>
<b>Attachment 3</b>	<b>Worker's Compensation Insurance Coverage</b>
<b>Attachment 4</b>	<b>Statement of Financial Condition</b>
<b>Attachment 5</b>	<b>Notarized Surety Statement</b>
<b>Attachment 6</b>	<b>Bank/Financial Institution Letter</b>
<b>Attachment 7</b>	<b>Resumes of Key Personnel</b>
<b>Attachment 8</b>	<b>Organizational Chart</b>
<b>Attachment 9</b>	<b>Project Commitments Table</b>
<b>Attachment 10</b>	<b>QA/QC Plan</b>
<b>PASS / FAIL (do not continue)</b>	

<b>POINTS SUMMARY (Scored Questions)</b>	<b>MAX</b>
<b>PERFORMANCE HISTORY</b>	
Disputes and Lawsuits	85
Safety and Apprenticeship	45
Performance History Subtotal	<b>130</b>
<b>NUMBER OF PROJECTS COMPLETED</b>	

Number of Projects Completed	50
Number of Projects Completed Subtotal	<b>50</b>
<b>PROJECT EXPERIENCE COMPETENCY</b>	
5 Project Examples and Descriptions	140
Project Experience Competency Subtotal	<b>140</b>
<b>TOTAL MAXIMUM SCORE</b>	<b>320</b>

## Price Evaluation Criteria

After the County determines the total quality point scores of the Part One Qualifications, the County will multiply Factor 1 by .80 and Factor 2 by .20. These two numbers will be rounded to the nearest 4 decimal places, then added together to produce a composite factor. The bidder's composite factor will then be multiplied by the total contract value. This new amount will be considered the Bidder's Price Bid. The Bidder's Price Bid will then be divided by the Bidder's total quality points score for Best Value evaluation to determine that Bidder's resulting price per quality point. The bid with the lowest resulting price per quality point will be deemed to represent the highest ranked, best value bid.

## **SAMPLE OF CALCULATION OF BEST VALUE BID\*:**

Adjustment Factors:		Multiplied by	Weighting	
1.	Normal Working Hours General Facilities	1.2034	X	.80 = .9627
2.	Other than Normal Working Hours General Facilities	1.2650	X	.20 = .2530
Added together equals the Composite Factor =				1.2157

Composite Factor is multiplied by total contract value:  $1.2157 \times \$4,500,000 = \$5,470,650$  Bidder's Price

$$\frac{\text{Bidder's Final Score} \text{ (price per quality point)}}{\text{Bidder's Prequalification Score} \text{ (total quality points)}} = \text{Bidder's Price}$$

Bidder's resulting price is **\$21,454** = **\$5,470,650**

255 (sample total quality points score) =

The bid with the lowest resulting price per quality point will be deemed to represent the highest ranked, best value bid.

\*All figures, scores, and Adjustment Factors in this sample calculation are for illustrative purposes only and do not represent actual or expected Adjustment Factors.

**Best Value Contract Award:**

After the Selection Committee has evaluated the best value bids from prequalified bidders, the FM Department shall prepare a second Form 11, requesting the Board to approve the award to the recommended responsive and responsible best value bidders. The County must publicly announce its award along with a written decision supporting its contract award.

The notice of award shall be made public and include the final score of the selected best value contractors in relation to all other responsive bidders and their respective prices. The contract file shall include documentation sufficient to support the decision to award.

Information submitted by bidders in response to the bidding document that is exempt from disclosure under the California Public Records Act shall not be open to public inspection.

**Appeals and Protest Procedures:**

A Bidder who is disqualified through the prequalification process may appeal such a decision by delivering notice to the County's Clerk of the Board at the following address: 4080 Lemon St., 1<sup>st</sup> Floor, Riverside, CA 92501. The appeal of the decision with respect to its RFQ rating must be received no later than ten (10) business days following the date of written notification from the County that the Contractor does not meet the ranking established by the County. Without a timely appeal, the Contractor waives any and all rights to challenge the decision of Riverside County, whether by administrative process, judicial process, or any other legal process or proceeding.

If the Contractor gives the required notice of appeal and requests a hearing, the hearing shall be conducted so that it is concluded no later than ten (10) business days after Riverside County's receipt of the notice of appeal. The hearing shall be an informal process conducted by an Appeals Panel appointed by the County. At, or prior to the hearing, the Contractor will be advised of the basis for Riverside County's determination. The Contractor will be given the opportunity to present information and present reasons in opposition to the rating. Within one day after the conclusion of the hearing, the Appeals Panel will render its decision which shall be final and not subject to further appeal.

# CODE OF CONDUCT & ETHICS

## BEST VALUE PROPOSAL EVALUATION POLICY

1. Evaluators and Facilitators are strongly encouraged to be receptive to counsel from their colleagues and to cooperate by promoting a spirit of teamwork and unity. All involved in the evaluation process must be fair, reasonable and open-minded, with no favoritism. Individual proposals need to be completed and returned by the Evaluators to the Facilitator at the required date. The evaluation process shall be comprehensive and expeditious.
2. The Riverside University Health System – Facilities Design & Development (RUHS-FDD) Department is required to approve the selection of evaluators. No substitute evaluators, unless approved by the RUHS-FDD Department, prior to the evaluation meeting deadline.
3. Evaluators are required to take the evaluation process seriously, to be prepared and have their evaluation completed, prior to the designated evaluation meeting.
4. Evaluators and all parties involved will not communicate with the bidders (i.e., prospective contractors) during the bidding period, evaluation and selection process. County staff may communicate with bidders provided the communication is not related to this project.
5. If more information or data is required before completing an evaluation, the County may make arrangements to gather and sort the information, depending on the situation.
6. Evaluators are required to be present at evaluation meetings, otherwise the Evaluator's evaluation "may" not be included.
7. **Gifts:** The County's officers, employees, and agents, including County contractors and their agents, shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or prospective contractors, and shall avoid any appearance of doing so at any time.
8. **Conflict of Interest:** No employee, officer, or agent of the County shall participate in the selection, award, or administration of a contract when any of the following has a financial, or other interest, in that contract:
  - 8.1 The employee, officer, or agent.
  - 8.2 Any member of his or her immediate family.
  - 8.3 His or her business partners.
  - 8.4 An organization in which any of the above is, or has been, during the previous twelve (12) months, an officer, director, board member, employee, or consultant.
  - 8.5 A person or organization which whom any of the above individuals is negotiating employment or has any arrangement concerning prospective employment.
9. **Audio recordings may be used during evaluation meetings:** With bids that are high dollar and/or have complicated specifications and/or involve multiple departments or non-County staff, the County may choose to use audio recordings during its evaluation meetings. In the rare occasion that audio recordings are used, such recordings will be kept on file for five (5) years after the award of the contract.

By signing below, the Evaluator/Facilitator is acknowledging they have reviewed and understand the Code of Conduct & Ethics Best Value Proposal Evaluation Policy.

PRINT NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

AGENCY: \_\_\_\_\_

DATE: \_\_\_\_\_ RFP/Q # \_\_\_\_\_