## Chapter 3

**Section A: Procurement**

## Introduction

This section contains instructions and forms used for procurement procedures that will aid grantees (cities, counties or sub-grantees such as special districts, and nonprofits) in the solicitation and contracting of professional services (i.e., grant administrators, engineers, architects, and construction managers) and construction services for Rural Community Investment Fund (RCIF) funded projects.

The chapter is broken into two sections:

 Section A – Grant Administrator and Design Professional Procurement Process

 Section B – Construction and Supply & Delivery Procurement Process

**Applicable Laws and Regulations**

Idaho Code Title 67, Chapter 28 – purchasing by political subdivisions

Idaho Code Title 54, Chapters 1218, 1902, & 1926 – public works contracting

Idaho Code Title 67, Chapter 2320 – design professional qualification based selection

Grantees are responsible for the settlement and satisfaction of all contractual and administrative issues of procurement entered into in connection with RCIF programs. These responsibilities include ensuring all contracts funded in whole or in part with RCIF funds are awarded in accordance with state law. Procurement procedures for the RCIF program are to be conducted in accordance with Idaho Code.

**Three Methods of Procurement**

A. Micro Procedure

B. Small Purchase Procedures

C. Competitive Sealed Bids - formal advertising

**SPECIAL PROCUREMENT NOTES**

**Construction and Procurement Document Forms**

Commerce is flexible with the Grantee using the Engineers Joint Contract Document Committee (EJCDC) forms or American Institute of Architects (AIA) forms or the Grantee’s own construction document forms. However it is highly recommend that the chosen forms utilized in the bidding document are reviewed by the Grantee’s legal counsel. The EJCDC and AIA provisions can be amended. The RCIF Agreement Attachment between Owner and Design Professional must be part of all design professional contracts.

The Grantee may choose to use their own supply and delivery document forms. If the Grantee does not have forms available, the EJCDC has forms developed for supply and delivery procurement contracts which could be utilized. Forms include instruction to bidders, agreement form, performance bond, general conditions, and supplemental conditions.

**Prior Procurement**

If the procurement of a grant administrator, design professional, or contractor occurred prior to award of RCIF funding and the grantee plans to use RCIF funds to pay for any of these services, the procurement process must have met RCIF procurement requirements, occurred within the last five years, and be documented before RCIF funds can be used to pay for those services. There is the possibility that if a pre-qualified list (such as a Request for Qualifications) was established and the process of developing this list met RCIF standards, the grant funds could be expended on services. If this is the case, contact your Commerce Specialist before application submission.

Cities/counties/tribes may accept proposals or bids from companies, non-profits or persons that have provided guidance and technical assistance in establishing the procurement process as long as the process is open and competitive, procurement standards are not unreasonably restrictive, and no conflict of interest exists (as defined by RCIF Administrative rules).

**Force Account Labor**

If the grantee chooses to use force account labor (their own staff) to administer, design, engineer, inspect, or construct a RCIF project, the grantee must maintain detailed timesheets of hours worked on the project, rate of pay, and signed time sheets. Any force account labor used will need to meet required certification or licensing. The procurement of materials will need to comply with 67-2806.

**Pre-Fabricated or Modular Buildings**

If a pre-fab or modular building is part of the project, the Grantee will need to ensure the building meets all required building codes including electrical, plumbing, structural, and modular. Contact your local building department about code requirements.

**Construction Manager** / Representative **(Idaho Statute 54-4511)**

Grantees may wish to contract with a Construction Manager (individual or firm) to provide the coordination of a construction project. Coordination activities include scheduling, estimating

and approval, coordinate, manage or direct phases of a project for the construction, demolition, alteration, repair or reconstruction of any public work. Process must follow Idaho statue 54-45. Before implementing the construction manager contracting form, contact your Commerce Specialist.

**Construction Manager** / General Contractor **(Idaho Statute 54-1902)**

Grantees may wish to contract with a Construction Manager General Contractor (individual or firm) to act as both the construction manager and general contractor provided the CMGC has a valid public works license. Before contracting with the Construction Manager General Contractor, contact your Commerce Specialist

**Design Build (Idaho Statute 67-2379)**

Grantee is allowed to contract utilizing the design-build method of construction. A design-build contract is a contract between a public entity and a non-governmental party in which the nongovernmental party contracting with the public entity agrees to both design and build public infrastructure or works.

 **Grant Administrator and**

**Design Professional Procurement Process**

RCIF funds can be used to pay for the services of a grant administrator and licensed design professional. The Grantee may choose to contract out for professional services or perform these services with their own staff (force account or in-kind).

If the Grantee determines to contract out for grant administration and design professional services in order for these services to be eligible for RCIF funding, a Grantee must follow state procurement laws. This process is known as Qualification Based Selection (QBS). QBS is the selection of professional services based on qualifications as established and valued in the RFP.

Forms in this appendix include:

* Detailed Request for Proposals for Administrative Services
* Request for Proposals for Administrative Services, published ad
* Evaluation rating form for recording scoring of proposals
* Sample of Professional Services Contract
* Detailed Request for Proposals for Design Professional Services
* Request for Proposals for Design Professional Services – published ad
* Interview Questions
* RCIF Agreement Attachment between Owner and Design Professional

These forms are designed to allow grantees to fill in the blanks and are very helpful when utilized during the process of procurement of professional services.

**Grant Administration/Consultant Procurement**

Due to the complexities of the state rules and regulations that accompany a RCIF project, Commerce recommends that a grant administrator/consultant provide administrative services to implement the grant. An overview of grant administration services may include but is not limited to:

* Determine project eligibility
* Efficiently integrate RCIF with other funding sources (if applicable)
* Prepare RCIF application
* Assist in presentations
* Ensure performance, procurement, bidding, financial management and citizen participation activities, comply with applicable state regulations during course of the project
* Resolve compliance issues
* Maintain files
* Submit reports
* Prepare Request for Funds

**Micro Purchase Procedure (estimated cost less than or equal to $25,000)**

The Grantee may procure grant administration services from a grant administrator/consultant believed to provide the best value. The Grantee’s procurement procedures should be determined by their governing board.

At a minimum the following requirements will need to be met:

* Documentation from the Grantee of the procedures used to hire the grant administrator.
* If utilizing a grant administrator provide an execute Grant Administration Contract (Exhibit F).

**Small Purchase Procedure (estimated cost between $25,001 and $100,000)**

The following process should be used:

A. Prepare an RFP (Exhibit A)

1. The RFP shall indicate that proposals will be evaluated based on the following (QBS) criteria format and the points associated with each criteria. Each criterion has a point range from 10 to 30. It is up to the Grantee to determine the value of each criterion (between 10 to 30 points) for a total 100 points. The following criteria shall be used for evaluating the written proposals**:**

Capability to Perform Project 10-30 pts.

Relevant Project Experience 10-30 pts.

Qualifications of Project Team 10-30 pts.

Project Approach and Schedule 10-30 pts.

Total Proposal Points Possible =100 pts.

Selection Committee Interview

(Optional) 10-30 pts.

Total Points Possible =110 - 130 pts.

**Note: If a Grantee expects to receive a high number of proposals, the Grantee has the option of interviewing only the top scoring proposals based on the written proposals. However, the intent of potentially implementing of this option must be identified in the RFP.**

B. Solicitation of an RFP

1. Write, fax or email your RFP to three (3) or more grant administrators and/or publicly advertise the RFP (Exhibit B). At least seven days shall be allowed to submit proposals. Proposals must be in writing.

2. Identify all proposals received and/or reasons proposals were not received. This information must be documented in the project file.

3. There are different RFP solicitation scenarios that can be used on RCIF projects. Grantees can seek administrative services for either specified RCIF funded projects, services for a period of time (limited to three (3) years), or establish a list of grant administrators/consultants.

C. Rank the Proposals

1. At least three (3) people must be on the selection committee. Individual Evaluation Rating sheets (Exhibit E) must be completed and signed by each selection committee member. No member of the selection committee can have an affiliation with a bidder submitting a proposal.

2. Complete the Summary Evaluation Rating sheet (Exhibit E) to determine the highest scoring firm, which is a combination of written proposal and interview points (if applicable), as averaged by the committee.

D. Negotiate and Execute Contract

1. Contact highest ranked firm and negotiate an agreement, a detailed scope of work, fee, and schedule. Negotiation does not need to be tense and unpleasant; it can be positive if approached with an attitude of strength, cooperation and informed compromise. If an agreement cannot be reached with the top-ranked firm, the Grantee can move on to negotiate with the second-ranked firm, and so on.

2. Before execution of the contract the Grantee must provide documentation of the solicitation, copies of the evaluation forms, and a draft of the contract to the Commerce for review and approval.

3. Execute Grant Administration Contract (Exhibit F) with the Grant Administrator. Send signed contract to Commerce. No payment will be made for grant administrative services until signed grant administration contract is received.

**Grant Administration – Competitive Negotiation/Proposals (estimated more than $100,001)**

The competitive negotiation method of procurement must be utilized if the amount of grant administration work exceeds $100,000. In order for these services to be RCIF eligible, the Grantee must follow the design professional’s procurement format for competitive selection.

Design Professional Procurement

Almost all RCIF projects will need the services of at least one design professional. Design professionals are required to be licensed by the state of Idaho. A sample of design professional services, but not limited to, are listed below:

* Understand the Grantee’s needs
* Prepare a facility study
* Feasibility analysis
* Environmental Review assistance
* Plan, design, and engineering of construction project
* Prepare bidding documents
* Design project within budgetary constraints and applicable regulatory codes
* Cost estimation
* Bidding activities
* On-site observation of construction work
* Consult with owner regarding construction progress and quality
* Conduct inspection of work
* Prepare punch list
* Provide warranty inspection
* Review and certify contractor pay applications
* Compose an operation and maintenance manual

**Small Purchase Procedure (estimated cost less than or equal to $50,000)**

The Grantee can procure design professional services from any licensed designed professional believed to provide the best service. The Grantee’s procurement procedures should be determined by their governing board, but at minimum the procedures should include selection based on demonstrated competence and qualifications to perform the type of service required.

At a minimum the following requirements will need to be met:

* Documentation from the Grantee of the procedures used to hire the Design Professional.
* Execute contract with the RCIF Agreement Attachment between Owner and Design Professional (Exhibit H) only if RCIF is paying for design professional services, as part of the contract, and
* Submit signed contract to Commerce. No payment will be made for design professional services until signed design professional contract is received.

**Competitive Negotiation/Proposals (estimated cost more than $50,001)**

The following steps need to be followed:

1. Prepare a RFP an RFP (Exhibit C) is a formal announcement that the community wants to hire a design professional. It identifies the community’s intent to hire a Design Professional for the project. The RFP should:
2. Indicate that proposals will be evaluated based on the QBS criteria format and the points associated with each criteria. Each criterion has a point range from 10 to 30. It is up to the Grantee to determine the value of each criterion (between 10 to 30 points), for a total 100 points The following criteria shall be used for evaluating the written proposals**:**

Capability to Perform Project 10-30 pts.

Relevant Project Experience 10-30 pts.

Qualifications of Project Team 10-30 pts.

Project Approach and Schedule 10-30 pts.

Total Proposal Points Possible =100 pts.

Selection Committee Interview

(Optional) 10-30 pts.

(See Exhibit G – Interview Questions)

Total Points Possible =110 - 130 pts.

**Note: If a Grantee expects to receive a high number of proposals, the Grantee has the option of interviewing the top scoring firms based on the written proposals. However, the intent of potentially implementing this option must be identified in the RFP.**

B. Advertise an RFP (Exhibit D)

Cities and Counties – The first publication of the RFP shall be at least two (2) weeks before the proposal submission due date. The RFP shall be published at least twice, not less than one (1) week apart, in a local newspaper of general circulation

**Note: All sub-recipients will need to follow the same publishing and solicitation time frames as established with their sponsoring city or county.**

1. Forward to Commerce a copy of the Solicitation Notice (Exhibit D) before first date of newspaper advertisement.

C. Ranking of Proposals

1. Upon receiving the proposals, rank the design professionals’ proposals based on criteria established in the RFP. This does include the written proposal and oral interview given to the selection committee (Exhibit G).

2. At least three (3) people must be on the selection committee. Individual rating sheets (Exhibit E) must be completed and signed by each selection committee member. No member of the selection committee can have an affiliation with a bidder submitting a proposal.

3. Complete a Summary Rating Sheet (Exhibit E) to determine the highest ranked firm. Do not forget to check references of each firm. Point totals should be an average of all rating sheets.

1. Complete Summary Rating Sheet to determine the highest scoring firm, which is a combination of a written proposal and interview points as averaged by the committee.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| EXAMPLE:  | Selection Committee |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Design Professionals | Joe | Carol |  Jordan | Total |  |  |
| S Cooper Engineers | 120 | 116 | 110 |  | 346/3 | = | 115.3 |
| Pritchett Associates | 115 | 107 | 113 |  | 335/3 | = | 111.6 |
| JT Engineering | 110 | 106 | 105 |  | 321/3 | = | 107.0 |
| C. Norris Planners | 101 | 95 | 91 |  | 287/3 | = | 95.6 |

 Highest Ranking Firm = S Cooper Engineers

D. Negotiate and Execute Contract

1. Contact highest ranked firm and negotiate an agreement, a detailed scope of work, fee, and schedule. Negotiation does not need to be tense and unpleasant, it can be fruitful and positive if approached with an attitude of strength, cooperation and informed compromise. If agreement cannot be reached with the first-ranked firm, the Grantee can move on to negotiate with the second-ranked firm and so on.

2. Before execution of the contract the Grantee must provide documentation of the solicitation, copies of the evaluation forms, and a draft of the contract to the Commerce. Note: These maybe submitted with grantee application.

3. Execute agreement with the RCIF Agreement Attachment between Owner and Design Professional (Exhibit H) only if RCIF funds are paying for design professional services. Send signed contract to Commerce. No payment will be made for design professional services until an executed design professional services contract is received.

**Exhibits**

**Grant Administrator and**

**Design Professional Procurement Process**

 **Exhibit Name Page No.**

A Request for Proposals for Administrative Services (Sample Format) 11

B Request for Proposals for Administrative Services (Published Ad) 13

C Request for Proposals for Professional Services (Sample Format) 15

D Request for Proposals for Professional Services (Published Ad) 17

E Evaluation Rating Sheet 19

F Grant Administrative Services Contract 21

G Interview Questions 27

H RCIF Agreement Attachment 29

 between Owner and Design Professional

**Exhibit A**

**This form is provided for assistance only.  It does not constitute legal advice and is not a substitute for the Grantee’s independent legal obligation to make sure Grantee fully complies with state and local legal requirements.  If Grantee has any question about its legal responsibilities, it should seek the advice of a licensed attorney.**

REQUEST FOR PROPOSALS FOR ADMINISTRATIVE SERVICES

(Sample Format)

The City/County/Tribe of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is seeking assistance in planning, developing, grant writing, and administering a project for (description of project including purpose, location, time frame, and present status).

The City Council/County Commission of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is soliciting proposals for services to assist the city/county/tribe in planning, developing, obtaining and managing federal funds for the completion of this project. The agreement will be on a lump sum, fixed price or cost reimbursement “not to exceed” basis, with payment terms to be negotiated with the selected bidder. Reimbursement for grant administration activities will be contingent on the city/county/tribe receiving Rural Community Investment Fund (RCIF) funds.

Services to be provided include:

1. Grant Writing to include: (services not eligible for RCIF funding)

1. Project planning and development
2. Preparing RCIF application

2. Grant administration to include: (services eligible for RCIF funding)

1. Establishing and maintaining project files and preparing all documentation and reports required for administration of the grant.
2. Assisting the city/county/tribe with the selection of a project’s design professional, in conformance with applicable RCIF procurement requirements, including the preparation and advertisement of a request for proposals (RFP).
3. Assist the city/county/tribe and design professional in preparing and conducting project bidding documents, bid advertisement, pre-bid meeting, bid opening, and tabulation. Help city/county/tribe determine if bids are responsive and if low bidder is responsible.
4. Reviewing all proposed project expenditures to ensure their propriety and proper allocation to the project budget.
5. Participating in the public hearings, preconstruction conference and construction progress meetings.
6. Attending city/county/tribal meetings to provide project status reports and represent the project at any other public meetings deemed necessary.
7. Preparing all required performance reports and closeout documents and assisting the city/county/tribe with determination of applicable audit requirements.
8. Assist and verify jobs created and retained and assist in preparing job documentation reports.
9. Assist city/county/tribe with property or easement procurement.

The services will not include the disbursement or accounting of funds distributed by the City/County/Tribe’s financial officer, legal advice, fiscal audits or assistance with activities not related to the project.

Responses should include, and will be evaluated according to, the following criteria:

1. Capability to Perform Project (i.e. firm’s history, areas of expertise, address of office that will manage project, length of time in business, firm’s legal structure, firm’s commitment to provide necessary resources to perform and complete project). (10-30 pts.)
2. Relevant Project Experience (i.e. description of other projects executed by the firm that demonstrate relevant experience. List of all public sector clients for whom you have performed similar work in the past five years, which should include name, address, and phone number of a person who can be contacted regarding the firm’s performance on the project). (10-30 pts.)
3. Qualifications of Project Team (i.e. resumé for the key people assigned to the project including sub consultants. Key personnel roles and responsibilities on this project. Identify project manager who will be responsible for the day-to-day management of project tasks and will be primary point of contact). (10-30 pts.)
4. Project Approach and Schedule (i.e. the tasks that must be accomplished to complete the project. How the firm proposes to execute the tasks. Unique aspects of the project and alternative approaches the owner might wish to consider). (10-30 pts.)
5. Selection Committee Interview. (Optional) Firms should be asked to make brief presentations covering their relevant experience, their understanding of the project’s requirements and their own approach to designing and supervising the job. (10-30 pts.)

 Total Points Possible = 100

Selection of finalists to be interviewed will be based on an evaluation of the written (and interview) responses. Award will be made to the most qualified bidder whom is deemed most advantageous to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City/County/Tribe, all evaluation criteria considered. Unsuccessful bidder will be notified as soon as possible.

Questions and responses should be directed to:

 Mayor/Commissioner \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 P.O. Box \_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Idaho \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (zip code).

All responses must be postmarked no later than \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date).

Please state "Project Name and Administrative Services Proposal" on the outside of the response package.

The City Council/County Commission/Tribe of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ reserves the right to negotiate an agreement based on fair and reasonable compensation for the scope of work and services proposed, as well as the right to reject any and all responses deemed unqualified, unsatisfactory or inappropriate.

**Exhibit B**

REQUEST FOR PROPOSALS FOR ADMINISTRATIVE SERVICES

(Published Advertisement)

The City/County/Tribe of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is requesting proposals from qualified consultants for the planning, development, grant writing, and administration of a (project description).

The City/County/Tribe of                                           anticipates applying for federal grant assistance to fund the project.

Proposals will be evaluated and ranked on the following criteria. The maximum point value of each criterion is shown in the parentheses:

 1) Capability to Perform Project ( )

 2) Relevant Project Experience ( )

 3) Qualifications of Project Team ( )

 4) Project Approach and Schedule ( )

 5) Selection Committee Interview (Optional) ( )

The relative importance of each area is shown in parentheses.

Proposals must be post marked by or submitted to the office of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City/County Clerk by 5:00 p.m. (MST), \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), 20 .

Office of the City/County Clerk

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City Hall/County Courthouse

Address

City, State, Zip Code

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Chief Elected Official

(Mayor/Commissioner Name)

Published:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date of first publishing)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date of second publishing)

**Exhibit C**

**This form is provided for assistance only.  It does not constitute legal advice and is not a substitute for the Grantee’s independent legal obligation to make sure Grantee fully complies with state and local legal requirements.  If Grantee has any question about its legal responsibilities, it should seek the advice of a licensed attorney.**

**Request for Proposals for Engineering or Architectural Services**

The City/County/Tribe of is seeking assistance in engineering services for (description of project including purpose, scope, location, projected completion date, and present status).

The City Council/County/Tribe of is soliciting proposals for engineering services to assist the city/county/tribe with preliminary engineering, design engineering, and supervising construction of this project in compliance with requirements under applicable federal programs. The agreement will be on a firm fixed price or cost reimbursement “not to exceed” basis, with payment terms to be negotiated with the selected bidder.

The services to be provided will include:

1. Assisting the owner with planning of the project. This may include partial or all information compiled in a facilities study or preliminary architectural feasibility report.

2. Consulting with owner on project components that would best fit their current and future needs and ability to operate and maintain.

3. Designing and engineering of construction project. Project design to include all structural, mechanical, electrical, and related systems.

4. Surveying of project site.

5. Preparing of drawings, specifications, schedule, and cost estimates. Updating schedule and cost estimates as necessary.

6. Preparing bidding documents in conformance with applicable federal and state requirements and applicable building codes. Supervising the bid advertising, conducting pre-bid meeting, issuing of addendum, preparation of bid tabulation, assisting in bid opening, and advising on bids.

7. Advising on issuing of Notice to Proceed. Conducting the pre-construction conference and progress meetings.

8. Consulting with Owner regarding construction progress and quality.

9. On-site observation of construction work, submittal review, and preparing inspection reports.

10. Reviewing and approving all contractor requests for payment and submitting approved requests to the governing body.

11. Participating with Owner and contractors on construction progress meetings.

12. Reviewing and approving substantial completion certification. Preparing punch list Conduct final inspection and testing.

13. Preparing an operation and maintenance manual. Submitting certified “as built” drawings to the Owner and required regulatory agencies.

14. Assisting in conducting a warranty walk-thru.

15. Participating in public meetings and presentations regarding project.

**Respondents will be evaluated according to these criteria:**

1. Capability to Perform Project (i.e. firm’s history, areas of expertise, address of office that will manage project, length of time in business, firm’s legal structure, firm’s commitment to provide necessary resources to perform and complete project). (10-30 pts.)
2. Relevant Project Experience (i.e. description of other projects executed by the firm that demonstrate relevant experience. List of all public sector clients for whom you have performed similar work in the past five years, which should include name, address, and phone number of a person who can be contacted regarding the firm’s performance on the project). (10-30 pts.)
3. Qualifications of Project Team (i.e. resumé for the key people assigned to the project including sub consultants. Key personnel roles and responsibilities on this project. Identify project manager who will be responsible for the day-to-day management of project tasks and will be primary point of contact). (10-30 pts.)
4. Project Approach and Schedule (i.e. the tasks that must be accomplished to complete the project. How the firm proposes to execute the tasks. Unique aspects of the project and alternative approaches the owner might wish to consider). (10-30 pts.)
5. Selection Committee Interview (optional). Firms should be asked to make brief presentations covering their relevant experience, their understanding of the project’s requirements and their own approach to designing and supervising the job. (10-30 pts.)

 Total Points Possible = 100

Award will be made to the most qualified bidder whose is deemed most advantageous to the City/County/Tribe of , all evaluation criteria considered. Unsuccessful bidder will be notified as soon as possible.

Questions and responses should be directed to: Mayor/County Commissioner/Chief

 City/County

 P. O. Box

 City, State, Zip

All responses must be postmarked no later than (date) . Please state “Project Name - Engineering Services Proposal” on the outside of the response package.

The City/County/Tribe of reserves the right to negotiate an agreement based on fair and reasonable compensation for the scope of work and services proposed, as well as the right to reject any and all responses deemed unqualified, unsatisfactory or inappropriate.

**Exhibit D**

REQUEST FOR PROPOSALS FOR ENGINEERING or ARCHITECTURAL SERVICES

(Published Advertisement)

The City/County/Tribe of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is requesting proposals from qualified engineers to provide engineering and associated services for the design   (type of project)                                    .

The City/County/Tribe of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is applying for federal assistance to fund the project.

Proposals will be evaluated and ranked on the following criteria. The maximum point value of each criterion is shown in the parentheses:

 1) Capability to Perform Project ( )

 2) Relevant Project Experience ( )

 3) Qualifications of Project Team ( )

 4) Project Approach and Schedule ( )

 5) Selection Committee Interview (Optional) ( )

A request for proposals may be obtained from the Office of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City/County Clerk.

Proposals must be post marked or submitted to the office of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City/County Clerk by 5:00 p.m. (MST), \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date), 20 .

Office of the City/County Clerk

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ City Hall/County Courthouse

Address

City, State, Zip Code

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Chief Elected Official

(Mayor/County Commissioner Name)

Published:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date of first publishing)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date of second publishing)

**Exhibit E**

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**Exhibit F**

**This form is provided for assistance only.  It does not constitute legal advice and is not a substitute for the Grantee’s independent legal obligation to make sure Grantee fully complies with state and local legal requirements.  If Grantee has any question about its legal responsibilities, it should seek the advice of a licensed attorney.**

**Grant Administration Contract**

This contract is entered into on (date) by and between the City/County/Tribe of ­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , herein referred to as the CITY/COUNTY/TRIBE and (Grant Administrator) herein referred to as the CONTRACTOR,

WITNESSETH:

WHEREAS, the CITY/COUNTY/TRIBE has made application to and has been approved by the Idaho Department of Commerce, herein referred to as the DEPARTMENT, for the receipt of grant funds under the Rural Community Investment Fund Program (RCIF) for purposes of

 ; and

WHEREAS, the CITY/COUNTY/TRIBE desires to engage the CONTRACTOR to render certain services related to the administration of the above-described Rural Community Investment Fund project; and

WHEREAS, the CITY/COUNTY/TRIBE has complied with provisions for the soliciting of contractors as cited in Idaho Code; and

WHEREAS, to ensure effective management of the above project, it is deemed to be in the best interests of the CITY/COUNTY/TRIBE to enter into an agreement with the CONTRACTOR as hereinafter provided;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. EMPLOYMENT OF CONTRACTOR

The CITY/COUNTY/TRIBE agrees to engage the CONTRACTOR, and the CONTRACTOR agrees to provide the services described in Section 6 in order to provide for the administration and management of the RCIF project for the CITY/COUNTY/TRIBE as approved the Idaho Department of Commerce.

2. EMPLOYEE-EMPLOYER RELATIONSHIP

The contracting parties warrant by their signature that no employer-employee relationship is established between the CONTRACTOR and the CITY/COUNTY/TRIBE by the terms of this contract. It is understood by the parties hereto that the CONTRACTOR is an independent contractor and as such, neither it nor its employees, if any, are employees of the CITY/COUNTY/TRIBE for purposes of tax, retirement system or social security (FICA) withholding.

3. CONTRACTOR’S INSURANCE

The CONTRACTOR warrants that it has obtained, and will maintain at its expense for the duration of this Contract, statutory worker’s compensation coverage, employer’s liability and comprehensive general liability insurance coverage for its principals and employees for the services to be performed hereunder. The comprehensive general liability insurance shall have, at a minimum, a coverage limit of at least one hundred thousand dollars ($100,000) per claim, and five hundred thousand dollars ($500,000) aggregate.

4. LIAISON

 The CITY/COUNTY/TRIBE’S designated liaison with the CONTRACTOR is (Name) ,

 (Title) . The CONTRACTER’S designated liaison with the

 CITY/COUNTY/TRIBE is (Name) .

5. EFFECTIVE DATE AND TIME OF PERFORMANCE

 This Contract takes effect on (Date) . The services to be performed by the CONTRACTOR will be completed no later than project closeout.

6. SCOPE OF SERVICES

The CONTRACTOR will perform the following services as outlined in Attachment A.

7. COMPENSATION

For the satisfactory completion of the services to be provided under this Contract, the CITY/COUNTY/TRIBE will pay the CONTRACTOR a sum, not to exceed

 that the CITY/COUNTY/TRIBE agrees to pay as set forth in Attachment A.

8. CONFLICT OF INTEREST

The CONTRACTOR warrants that it presently has no interest and will not acquire any interest, direct or indirect, in the RCIF project that would conflict in any manner or degree with the performance of its services hereunder. The CONTRACTOR further covenants that, in performing this contract, it will employ no person who has any such interest. Should any conflict of interest, as defined by the RCIF Administrative Rules, arise during the performance of this contract, it will be disclosed and managed according to the RCIF rules.

9. MODIFICATION AND ASSIGNABILITY OF CONTRACT

This contract contains the entire agreement between the parties, and no statements, promises or inducements made by either party or agents of either party, that are not contained in the written contract, are valid or binding. This contract may not be enlarged, modified or altered except upon written agreement signed by both parties hereto. The CONTRACTOR may not subcontract or assign its rights (including the right to compensation) or duties arising hereunder without the prior written consent of the CITY/COUNTY/TRIBE and the Idaho Department of Commerce. Any subcontractor or assignee will be bound by all of the terms and conditions of this contract.

10. TERMINATION OF CONTRACT. This contract may be terminated as follows:

1. Termination due to loss of funding.

In the event that the Department reduces or terminates payments under the RCIF Program so as to prevent the CITY/COUNT/TRIBE from paying the CONTRACTOR with RCIF funds, the CITY/COUNTY/TRIBE will give the CONTRACTOR written notice which sets forth the effective date of the termination and explains the reasons for the termination. The notice shall also describe the conditions for any reimbursement for any work completed.

(b) Termination for Convenience.

The CITY/COUNTY/TRIBE may terminate this contract in whole, or in part, for the convenience of the CITY/COUNTY/TRIBE when both parties agree that the continuation of the project is not in the best interest of both parties and that further expenditure of funds will not produce any results. The parties shall agree in writing, upon the conditions, effective date, and fair and reasonable payment for work completed.

(c) Termination for Cause.

 (i) If the CITY/COUNTYTRIBE determines that the CONTRACTOR has failed to comply with the terms and conditions of this contract, it may terminate this contract in whole, or in part, at any time before the date of completion. If the CONTRACTOR fails to comply with any of the terms and conditions of this contract, the CITY/COUNTY/TRIBE may give notice, in writing, to the CONTRACTOR of any or all deficiencies claimed. The notice will be sufficient for all purposes if it describes the default in general terms. If all defaults are not cured and corrected within a reasonable period as specified in the notice, the CITY/COUNTY/TRIBE may, with no further notice, declare this Contract to be terminated. The CONTRACTOR will thereafter be entitled to receive payment for those services reasonably performed to the date of termination, less the amount of reasonable damages suffered by the CITY/COUNTY/TRIBE by reason of the CONTRACTOR’S failure to comply with this contract.

 (ii) Notwithstanding the above, the CONTRACTOR is not relieved of liability to the CITY/COUNTY/TRIBE for damages sustained by the CITY/COUNTY/TRIBE by virtue of any breach of this contract by the CONTRACTOR, and the CITY/COUNTY/TRIBE may withhold any payments to the CONTRACTOR for the purpose of until such time as the amount of damages due the CITY/COUNTY/TRIBE from the CONTRACTOR is determined.

11. OWNERSHIP AND PUBLICATION OF MATERIALS

 All reports, information, data, and other materials prepared by the CONTRACTOR pursuant to this Contract are to be the property of the CITY/COUNTY/TRIBE and the Idaho Department of Commerce which has the exclusive and unrestricted authority to release, publish or otherwise use, in whole or part. All such materials developed under this contract shall not be subject to copyright or patent in the United States or in any other country without prior written approval of the CITY/COUNTY/TRIBE and the Idaho Department of Commerce.

12. REPORTS AND INFORMATION

 The CONTRACTOR will maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to this contract and such other records as may be deemed necessary by the CITY/COUNTY/TRIBE to ensure proper accounting for all project funds. These records will be made available for audit purposes to the CITY/COUNTY/TRIBE or its authorized representative, and will be retained for three years after the expiration of this contract.

13. CONSTRUCTION AND VENUE

 This contract will be construed and governed by the laws of the State of Idaho. In the event of litigation concerning it, venue is the (District Court) in and for the county of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ state of Idaho.

14. INDEMNIFICATION

 The CONTRACTOR waives any and all claims and recourse against the CITY/COUNTY/TRIBE, including the right of contribution for loss and damage to persons or property arising from, growing out of or in any way connected with or incident to, the CONTRACTOR’S performance of this contract except for liability arising out of concurrent or sole negligence of the CITY/COUNTY/TRIBE or its officers, agents or employees. Further, the CONTRACTOR will indemnify, hold harmless, and defend the CITY/COUNTY/TRIBE against any and all claims, demands, damages, costs, expenses or liability arising out of the concurrent or sole negligence of the CITY/COUNTY/TRIBE or its officers, agents or employees.

15. LEGAL FEES

 In the event either party incurs legal expenses to enforce the terms and conditions of this contract, the prevailing party is entitled to recover reasonable attorney fees and other costs and expenses, whether the same are incurred with or without suit.

16. SPECIAL WARRANTY

 The CONTRACTOR warrants that nothing of monetary value has been given, promised or implied as remuneration or inducement to enter into this contract. The CONTRACTOR further declares that no improper personal, political or social activities have been used or attempted in an effort to influence the outcome of the competition, discussion or negotiation leading to the award of this contract. Any such activity by the CONTRACTOR shall make this contract null and void.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day of 20 .

(GRANT ADMINISTRATOR AGENCY) (CITY/COUNTY/TRIBE NAME)

BY: BY:

 (Grant Administrator’s Name and Title) (Chief Elected Official and Title)

Date: Date:

Attest: Attest:

**Attachment A**

Pre-Development Stage:

The City/County/Tribe agrees to pay the Administrator a sum not to exceed $\_\_\_\_\_\_\_\_\_\_\_\_ for project planning, project development, and writing an application for RCIF funding. Pre-Development services will not be paid by RCIF.

Grant Administration:

Activities (1 thru 4) listed below will be contingent on the City/County/Tribe receiving RCIF funding.

1. Project Set-Up – (30%) file set-up, facilitating financial management procedures including cost allocation plan, meetings with grantee and stakeholders, submission of pre-contract documents, responding to inquiries, and explaining RCIF requirements to the (City/County/Tribe) and/or sub-recipient. These services will be completed for a lump sum amount of $\_\_\_\_\_\_\_\_\_\_\_\_.

1. Project Monitoring (during procurement and construction) – (30%) Assist (City/County/Tribe) in setting up the procurement and selection of a design professional and/or contractors in accordance with RCIF requirements. Participating in pre-bid, pre-construction and construction progress meetings. Review of bidding documents, construction progress monitoring, reporting, and construction close-out. These services will be completed for a lump sum amount not to exceed $\_\_\_\_\_\_\_\_\_\_\_, which should be invoiced in monthly increments.
2. Financial Management – (30%) duties which includes coordinating contractor and design professional pay applications, preparation of RCIF request for funds, submission of request to IDC and ensuring proper disbursement of RCIF expenditures. These services will be completed for a lump sum amount not to exceed $\_\_\_\_\_\_\_\_\_\_\_\_, which should be invoiced in monthly increments.

The total amount paid in progress payments as listed above shall not exceed ninety percent (90%) of the total compensation sum.

1. Project Close-Out (10%) – Documentation that the (City/County/Tribe) has met their RCIF contractual performance requirements, submitted certificate of substantial completion and documented jobs created by business. Complete RCIF closeout documents for review and signature. Ensure all project and close out documents are submitted and approved by IDC. Ensure requested documents, concerns, and findings are addressed and resolved. The department’s approval to close out. These services will be completed for a lump sum amount of $ \_\_\_\_\_

**Exhibit G**

**Sample Interview Questions**

Listed below are a series of questions to be asked of the design professional firm. Questions can be expanded as appropriate. The points determined from this interview are added to the points scored on the written proposal. Interview point total cannot exceed 30 points.

What similar project experience do you have?

What is the firm’s capacity to perform the work?

Who will be your lead design professional?

What is the firm’s understanding of the project needs?

Discuss the methodology the firm proposes to use in providing the required services.

Discuss the consultants, if any, who may be working with the firm on the project.

Discuss how the firm will handle the planning, design, and construction phases of the project.

How will the firm handle construction cost controls in the design and construction phases?

Discuss the time schedule the firm proposes to complete the necessary preliminary work as well as the time schedule for the entire project.

Does your firm have the ability to determine accurate construction costs?

Is your firm willing to redesign and re-bid the project to cause award of construction contract within a maximum construction contract cost without additional compensation or reimbursement?

Discuss your methods of determining your compensation.

Identify the last two projects the firm has completed. How many change orders were issued on each of these two projects? Why were the change orders issued?

What is your experience working with state and federal agencies both regulatory as well as funding agencies?

How will you keep us informed of the project progress?

Whom will we be working with on the day-to-day matters?

Please tell us what you see as our problem, the potential remedies, and likely obstacles.

What are your ideas on how we can save money on the design and construction of this project?

**Exhibit H**

 Initial

 Owner: \_\_\_\_

 Design Professional:\_\_\_\_

Attachment \_\_\_\_\_\_

Rural Community Investment Fund Agreement Attachment

Between Owner and Design Professional

1) Time of Performance

The Design Professional’s schedule for preparing and delivering shall be as follows:

 a. Draft Bidding Documents and Drawings for review by applicable regulatory agencies and Owner within \_\_\_\_\_\_\_\_\_\_\_ calendar days of the execution of the agreement between the Owner and Design Professional.

2) Ownership of Document.

All drawings, specifications, studies, and other material prepared under this contract shall be the property of the Owner and at the termination or completion of the Design Professional’s services shall be promptly delivered to the Owner. The Design Professional shall have no claim for further employment or additional compensation as a result of exercise by the Owner of its full rights of ownership. It is understood, however, that the Design Professional does not represent such data to be suitable for re-use on any other project or for any other purpose. If the Owner re-uses the subject data without the Design Professional’s written verification, such reuse will be at the sole risk of the Owner without liability to the Design Professional.

3) Reports and Information

The Design Professional will maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to this contract and such other records as may be deemed necessary by the Owner to ensure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit purposes to the Owner or its authorized representative, and will be retained for three years after the expiration of this contract.

4) Access to Records

It is expressly understood that the Design Professional’s records relating to this contract will be available during normal business hours for inspection by the Owner, Commerce, and if necessary other representatives of the State of Idaho.

5) Employee-Employer Relationship

The contracting parties warrant by their signature that no employer-employee relationship is established between the contractor and the Owner by the terms of this contract. It is understood by the parties hereto that the Design Professional is an independent contractor and as such neither it nor its employees, if any, are employees of the Owner for purposes of tax, retirement system or social security (FICA) withholding.

6) Design Professional’s Insurance

The Design Professional warrants that it has obtained, and will maintain at its expense for the duration of this Contract, statutory worker's compensation coverage, employer's liability and comprehensive general liability insurance coverage for its principals and employees for the services to be performed hereunder. The comprehensive general liability insurance shall have, at a minimum, a coverage limit of at least five hundred thousand ($500,000) per occurrence, and one million dollars ($1,000,000) aggregate.

7) Conflict of Interest

The Design Professional warrants that it presently has no interest and will not acquire any interest, direct or indirect, in the Rural Community Investment Fund project that would conflict in any manner or degree with the performance of its services hereunder. The Design Professional further covenants that, in performing this contract, it will employ no person who has any such interest. Should any conflict of interest, as defined by the Rural Community Investment Fund Administrative Rules, arise during the performance of this contract, it will be disclosed and managed according to the Rural Community Investment Fund rules.

8) Modification and Assignment of Contract

This contract contains the entire agreement between the parties, and no statements, promises or inducements made by either party or agents of either party, that are not contained in the written contract, are valid or binding. This contract may not be enlarged, modified or altered except upon written agreement. The Design professional may not subcontract or assign its rights (including right to compensation) or duties arising hereunder without the prior written consent of the Owner and the Idaho Department of Commerce. Any subcontractor or assignee will be bound by all of the terms and conditions of the Agreement.

9) Nondiscrimination

The Design Professional will not discriminate against any employee or applicant for employment on the basis of race, color, religion, creed, political ideas, gender, age, marital status, physical or mental handicap or national origin.

10) Environmental Mitigation Requirements

The Design Professional will design the project to comply with mitigation measures as required by federal, state, and local laws and statutes.

**Chapter 3: Section B**

**Rural Community Investment Fund - Construction Process**

This section contains instructions and forms used for procurement procedures that will aid grantees (cities and counties or sub-grantees such as special districts, and non-profits) in the procurement of construction services and/or supply and delivery of materials for RCIF funded projects.

Forms in this appendix include:

* Construction Bid Document Review Certification Form
* RCIF supplemental general condition

**Rural Community Investment Fund - Construction Procurement**

RCIF funded projects are usually the construction of infrastructure (sewer, water, electrical, road, storm water drainage, building, telecommunication) systems to create or improve services to businesses. Depending on the estimated cost of the project the grantee will need to follow the procedures as described below.

**CONSTRUCTION CONTRACT –** three methods of procurement: 1) micro procedure, 2) small purchase procedure and 3) competitive sealed bid or formal advertising.

**Construction – Micro Procedure (estimated cost less than $50,000)**

The Grantee can purchase from any licensed public works contractor believed to provide the best value. The Grantee’s procurement procedures should be determined by their governing board. For public works construction valued at less than $50,000, contractors without a public works license may be used.

* Other Requirements
	+ Insurance requirements are always applicable.
	+ Contract/work order

**Small Purchase Procedure (estimated cost between $50,001 and $200,000)**

The Grantee should follow the same steps identified for sealed competitive bidding with the following exceptions.

* The Grantee shall solicit in writing an invitation to bid (via mail, email, or fax) to at least three (3) licensed public works contractors. At a minimum the contractors should have at least seven (7) days to submit their bids. The date and time of the bids due date needs to be included in the invitation to bid. Bids are not required to be opened in a public format. A written record of the solicitation and bids needs to be documented in the Grantee’s file. Documentation must include the invitation to bid, how the invitation was solicited, what contractors were solicited, bids or responses received, and justification for award to lowest responsive and responsible bidder.
* Other Requirements
	+ Insurance requirements are always applicable.
	+ Bid Tabulation and Analysis
	+ Award Notice
	+ Contract
	+ Pre-Construction Meeting
	+ Notice to Proceed

**Competitive Sealed Bid Construction Procedure – (estimated project cost over $200,001**)

**Category A -** Involves competitive bidding for a single construction contract. In the process the bidding documents are prepared by a design professional for the Grantee and advertised formally for qualified contractors. The contractors determine the price, including profit, for which the project can be built. The bids are submitted to the owner. After analysis of the bids, the owner selects a contractor, the lowest responsive and responsible bidder. The selected bidder must be a qualified public works contractor. The contractor then constructs the project in accordance with the contract documents. Follow the steps for a Category A procedure.

**Step 1 –** The design professional prepares bidding documents and invitation to bid for the project. The bidding document is a combination of bidding requirements, contract forms, and conditions to the contract, specifications, drawings, and addenda.

**Step 2** – Once the design professional has completed the bidding documents and the documents have been reviewed by the appropriate regulatory agency, the grant administrator will need to review and certify the proper clauses, provisions, and forms are included in the bidding document before solicitation. Send certified bid document review form (See Exhibit – Bid Document Certification Review Form) to your Commerce Specialist along with a copy of the bidding documents and plans fifteen days before bid due date.

**Step 3 –** As this is a competitive sealed bid procurement, the Grantee is required to solicit the invitation to bid in the local newspaper of general circulation. The notice inviting bids shall set a date and place for the opening of bids. The first publication of the notice shall be at least two weeks before the date of opening the bids. Notice shall be published at least twice, not less than one week apart.

**Note: All sub-recipients will need to follow the same publishing and solicitation time frames as established with their sponsoring city, county or tribe.**

Concurrently during solicitation the Grantee will need to hold a Pre-Bid Meeting. The meeting, held before the bid opening, is to allow the bidders the opportunity to view the actual work site, ask questions, and better understand the proposed project. The design professional shall respond to questions in writing through an addendum.

**Step 4 –** Bid Opening of Competitive Sealed Bids.

* Do not open bids before advertised date and time.
* Publicly open and read aloud bids received.
* Bids will be taken under advisement at this time.
* Do not accept or open late bids.

**Step 5 –** The Grantee with the assistance of the design professional and grant administrator will need to identify if the bids received are responsive and which bid is the lowest. The design professional should prepare a bid tabulation form and analysis of bids and recommendation for award. Submit the bid tabulation form to your Commerce Specialist. Determine if lowest responsive bidder is a responsible bidder.

Verify contractor’s public works license at www2.state.id.us/dbs/publicworks/.

**Step 6 –** Grantee provides Award Notice letter to successful bidder. Notice should indicate that the bidder will need to submit performance and payment bonds accompanied by power of attorney, and certificates of insurances. Submit proof of award to your Commerce Specialist.

**Step 7 –** The Grantee can now proceed with the execution of the construction agreement. Remember it is critical that the agreement form used identifies that the contract documents consist of contract forms, conditions to the contract, specifications, drawings, addenda, and contract modifications/change orders. Think of the agreement form as a clamp that binds the documents together.

**Step 8** – Hold the Preconstruction Conference. The conference should include the Grantee, design professionals, contractor, subcontractors, grant administrator, and other funding agency representatives. The conference minutes need to be submitted to your Commerce Specialist five days after the conference.

**Step 9 –** Grantee issues Notice to Proceed. The notice should contain start date of the contract and the number of days to complete work or substantial completion date. Submit copy of notice to your Commerce Specialist.

**Step 10** – Procurement does not stop at the Construction Phase. The RCIF program requires at a minimum the following process is implemented.

* Construction progress meeting shall be held during construction. Attendees should include owner, grant administrator, design professional, and contractor.
* Any change orders issued on the project are required to be justified and cost reasonable. Change orders must be discussed with your Commerce Specialist. Copy of executed change orders need to be sent to Commerce. Copies not received may hold up the RCIF progress payment or result in non-payment.
* Progress reports shall accompany all RCIF payment requests.

**Step 11** – A pre-final inspection shall be held to determine completion of work to date and quality of work. If all parties determine substantial completion of work has been completed, a certificate of substantial completion shall be executed. Certificate shall be signed by Grantee, design professional, and contractor. The certificate should also contain a list of items to be completed or corrected. Submit certificate to your Commerce Specialist.

**Step 12** – The process of improving infrastructure is dynamic. The Grantee needs to ensure public works staff are properly educated and trained on the new systems. Grantee should receive the Operations & Maintenance manual and “as-built” drawings.

**Step 13 –** Eleven months after completion of construction the Grantee and Design Professional shall formally inspect work to ensure construction work, materials, and equipment are meeting performance and warranty requirements.

**Category B –** This process consists of two stages: the first establishing a list of pre-qualified contractors, and the second where sealed bids are submitted from pre-qualified contractors. The Grantees must not deviate from the process established under Idaho statute 67-2805 (3) (b). Contact your Commerce Specialist if you elect to do this process.

**Rural Community Investment Fund – Supply & Delivery Procurement**

**SUPPLY AND DELIVERY CONTRACTS FOR MATERIALS AND EQUIPMENT**

Four methods of procurement: 1) micro purchase procurement, 2) small purchase procurement, 3) competitive sealed bid, and 4) Supply & Delivery Request for Proposals

RCIF funds cannot be used to purchase equipment, fixtures, motor vehicles, furnishing, or other personal property which is not an integral structural fixture. However, if the Grantee is proposing to procure construction materials or an integral structural fixture, the Grantee must first receive approval from Commerce and will be required to follow Idaho Statute 67-2806, as summarized below.

**Micro Purchase Procedure (estimated material cost under $50,000)**

The Grantee can purchase from any vendor believed to provide the best value. The Grantee’s procurement procedures should be determined by their governing board.

* Other Requirements
	+ Insurance
	+ Contract / Work Order / Purchase Order

**Small Purchase Procedure (estimated material cost between $50,001 and $100,000)** The Grantee should follow the same steps identified for sealed competitive bidding with the following exceptions. Grantee must award contract to lowest responsive and responsible bidder.

* The Grantee shall solicit in writing an invitation to bid (via mail, fax or email) to at least three (3) qualified suppliers. At a minimum the contractors should have at least seven (7) days to submit their bids. The date and time of the bid’s due date needs to be included in the invitation to bid. Bids are not required to be opened in a public format. A written record of the solicitation and bids received need to be documented in the Grantee’s file**.**
* Other Requirements
	+ Insurance
	+ Supply & Delivery Document Certification.
	+ Bid Tabulation and Analysis.
	+ Contract

**Competitive Sealed Bid (estimated cost over $100,001)**

**Step 1** – The Design Professional prepares bidding documents and invitation to bid for the project. The bid document is a combination of invitation to bid, instructions to bidders, bid forms, supply and delivery agreements, general conditions, **RCIF supply & delivery supplemental conditions (see Exhibit),** technical specifications, drawings and addenda.

**Step 2** – Grant Administrator reviews and certifies supply and delivery bid documents before solicitation. Send signed supply and delivery document review form (see Exhibit) to Commerce along with a copy of the bid documents and plans, if any, before bid opening.

**Step 3 –** As this is a competitive sealed bid procurement, the Grantee is required to solicit the invitation to bid in the local newspaper of general circulation. The bid invitation notice shall set a date and place for the opening of bids. The first publication of the notice shall be at least two (2) weeks before the date of opening the bids. Notice shall be published at least twice, not less than one (1) week apart.

**Note: All sub-recipients will need to follow the same publishing and solicitation time frames as established with their sponsoring city or county.**

Concurrently the Grantee may want to hold a pre-bid meeting. The meeting held before the bid opening is to allow bidders to inspect the work site, discuss specifications and requirements, and revisions to requirements, and address questions of potential bidders. The Design Professional should respond to questions in writing through an addendum.

**Step 4 –** Bid Opening of Competitive Sealed Bids

* Do not open bids before advertised date and time.
* Publicly open and read aloud bids received.
* Bids will be taken under advisement at this time.
* Do not accept or open late bids.

**Step 5 –** The Grantee with the assistance of the Design Professional and Grant Administrator will need to identify if the bids received are responsive and which bid is the lowest. The Design Professional should prepare a bid tabulation form and analysis of bids and recommendation for award. Submit the bid tabulation form to your Commerce Specialist. Determine if lowest responsive bidder is a responsible bidder.

The Grant Administrator will conduct a debarment clearance, via a Commerce Specialist. The Specialist will verify if the supplier is suspended or debarred from entering into a federally funded contract.

**Step 6 –** Grantee provides Award Notice letter to successful bidder. Notice should indicate that the bidder will need to submit a performance bond accompanied by a power of attorney and certificate of insurance.

**Step 7** - The Grantee can now proceed with the execution of the supply and delivery agreement. It is critical that the agreement form used identifies that the contract documents consist of contract forms, conditions to the contract, specifications, drawings, addenda and contract modifications/change orders. Submit the contract documents to your Commerce Specialist.

**Step 8** – It may be necessary to hold a pre-construction conference with the supplier. Topics such as submittal process, risk of loss or damage of goods, shipment and delivery of goods, payments, party responsibilities, and warranty and guarantees will need to be addressed.

**Step 9** – Grantee issues notice to proceed. The notice should contain start date of the contract and the number of days to complete work or substantial completion date. Submit notice to proceed to your IDC Specialist.

**Step 10** – During supply and delivery phase:

* Change orders issued on the project are required to be justified and cost reasonable. Copy of change orders need to be sent to Commerce. Copies not received may hold up RCIF progress payments.

**Step 11** – A pre-final inspection shall be held to determine completion of work to date and quality of work. If all parities determine substantial completion of work has been completed, a certificate of substantial completion or letter supporting completion of project shall be issued. The letter or certificate shall be signed by Grantee, Design Professional, and Contractor. The letter or certificate should also contain a list of items to be completed or corrected. Submit certificate to your Commerce Specialist.

**Step 12** – The Grantee should receive an Operations & Maintenance manual and “as built” drawing from the supplier or design professional.

**Step 13** – Eleven (11) months after completion of construction, the Grantee and Design Professional shall formally inspect the materials, equipment and fixtures to ensure they are meeting performance and warranty requirements.

**Supply & Delivery Request for Proposals** A Grantee may utilize a request for proposal process as an alternative to the competitive bidding process required by section 67-2806 Idaho Code, when the Grantee contemplates a procurement for materials and equipment which:

* Fixed specifications might preclude the discovery of a cost-effective solution;
* A specific problem is amenable to several solutions; or
* Price is not the sole determining factor for selection.

Factors that may be considered in the evaluation of vendors in a request for proposal process include but are not limited to:

* An innovative solution that is offered;
* Unique product features;
* Price;
* Vendor experience in the market;
* Financial stability of a vendor;
* Differences among vendors in their ability to perform contract requirements;
* Ability to meet product specifications;
* Product quality;
* Product performance records;
* Past performance by a vendor;
* Future product maintenance or service requirements; and
* Product warranties.

At a minimum, a request for proposal shall state the instructions of the process, the scope of work for the materials or equipment, the selection criteria, contract terms and the scoring methodology applying relative weights to factors considered.

Notifications, solicitation and consideration of contests concerning the award of procurement pursuant to a request for proposal shall be in accordance with the minimum requirements established in section 67-2806, Idaho Code, subject to the selection criteria established at the outset of each such procurement. Records compiled in the scoring process shall be made available for public inspection when a procurement recommendation is made to the Grantee’s board.

**EXHIBITS**

**Chapter 3: Section B**

**Rural Community Investment Fund – Construction Bid Document Review Certification**

Project Name:

Grant Number:

Below is a list of following RCIF clauses, provisions, or forms that are required to be included in the project bidding documents, with exclusion to the environmental considerations.

\_\_\_\_ Bidding Requirements

- Invitation to Bid

- Instruction to Bidders

- Bid Form (ensure firm fixed bid)

- Bid Security (5%)

- Subcontractor List (ensure HVAC, plumbing, and electrical list with public works license number)

\_\_\_\_\_ Optional

- Bidder’s Qualification

- Supplier’s List

- Bidder’s Checklist

\_\_\_\_ Contract Forms

- Agreement

- Performance Bond (100%) - may be referenced

- Payment Bond (100%) – may be referenced

\_\_\_\_ General Conditions

- Commercial General Liability

- Worker’s Compensation Insurance

- Automobile Insurance

- Administrative, Contractual, or Legal Remedies

- Termination for Cause and for Convenience

\_\_\_\_ RCIF Supplemental General Conditions

- Sign Requirements

- Preconstruction Conference

- Licensing of Contractors

- Environmental Protection

- Clean Air and Water Act

- Historic Preservation

- Floodplains

- Reports and Information

- Conflict of Interest

- Access to Records

- Equal Employment Opportunity

- Insurance during Construction

\_\_\_\_ Drawings and Specifications

* Engineer or Architect Seal

As the grant administrator/consultant, I certify that I have reviewed the final bidding documents and find that the necessary Rural Community Investment Fund applicable clauses, provisions and forms are included within the (Project Name) bidding documents.

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dated

**RCIF Supplemental General Conditions**

**Preconstruction Conference**

After the contract(s) have been awarded but before the start of construction, a conference will be held for the purpose of discussing requirements on such matters as project supervision, progress schedule and reports, payrolls, payment to contractors, contract change order, insurance, safety and other items pertinent to the project. The contractor shall arrange to have all subcontractors and supervisory personnel connected with the project on hand to meet with representatives of the design professional and owner to discuss any problems anticipated

**Sign Requirements**

After the notice to proceed with construction is issued, and prior to construction, GRANTEES and Sub grantees will, unless otherwise directed, erect a sign located prominently at the project site for all major construction projects. The sign shall be identical to the image provided by the IDAHO DEPARTMENT OF COMMERCE.

**Licensing of Contractors**

Bidders shall be licensed in the state of Idaho by the Idaho Public Works Contractors License Board in the class and type specified for the value and scope of work to be done in accordance with the provisions of Title 54, Chapter 19, Idaho Code as amended. Subcontractors that are required to be listed in the bid proposal shall possess a license of the class and type specified prior to submission of the bid.

**Environmental Protection**

The Contractor shall comply with all federal, state and local laws and regulations controlling pollution and contamination of the environment. A storm water plan, erosion and sediment control plan, and best management practices shall be followed to prevent pollution of surface and groundwater, soil, and the atmosphere with any contaminate including hazardous and toxic materials. Any release of these materials into the environment will require immediate corrective action by the Contractor in accordance with applicable state and federal regulations.

If, during the construction of the project, an underground storage tank, buried drum, other container contaminated soil or debris not scheduled for removal under the contract are discovered, the contract are discovered, the Contractor shall immediately notify the owner and design professional. No attempt shall be made to excavate, open, or remove such material without written approval from the appropriate regulatory agency.

The Contractor shall conduct and schedule his operations and abide by the conditions of any state or federal permit to avoid or minimize impacts on streams, lakes, wetlands, reservoirs, aquifers, and associated fish and wildlife habitat.

**Clean Air and Water Act**

For all contracts and subcontracts exceeding $100,000, the contractor shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368). Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15)

**Historic Preservation**

If any items of suspected historical or archaeological value are uncovered during construction the contractor will be required to stop work and contact the Idaho State Historic Preservation Office and Commerce.

**Floodplains**

When disposing of excess, spoil, or other construction materials on public or private property, the Contractor shall not fill in or otherwise convert 100-year floodplain area delineated on the latest Federal Emergency Management Agency Floodplain Map or other appropriate maps.

**Reports and Information**

The contractor, at such times and in such forms as the owner may require, shall furnish the owner such periodic reports as requested pertaining to the work or services undertaken pursuant to this contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this contract.

**Conflict of Interest**

No member, officer, or employees of the grantee, or its designees or agents, no members of the grantee’s governing body and no other public official of the grantee who exercises any functions or responsibilities with respect to this contract during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in work to be performed in connection with this contract. All contractors shall incorporate, or cause to be incorporated, in all subcontracts, a provision prohibiting such interest.

**Access to Records**

The grantee, Commerce, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this specific contract, for the purpose of making audit, examination, excerpts, and transcriptions. All required records must be maintained by the contractor for three (3) years after grantee makes final payments.

**Equal Employment Opportunity**

During the performance of this contract, the contractor agrees as follows:

The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during their employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

**Insurance During Construction**

The contractor shall have in effect without interruption from the date of construction commencement until final payment is made and the Project is closed-out pursuant to the terms of this Contract, the following types of insurance Further, the contractor warrants such insurance coverage shall be written on an "occurrence" basis and will be obtained with the following minimum liability limits:

1. Workers’ Compensation Insurance and Employer's Liability Insurance:

(1) State: Statutory Limits

(2) Employer’s Liability: $100,000 per accident

 $500,000 Disease, Policy Limit

 $100,000 Disease, Each Employee

2. Comprehensive or Commercial General Liability Insurance with the DEPARTMENT as a named insured to include premises operation, owners and contractors protective liability, products and completed operations liability, personal injury liability including employee acts, broad form property damage liability and blanket contractual liability, with no exclusion for explosion (X), collapse (C) and underground (U) hazards:

(1) $1,000,000 Each Occurrence

(2) $1,000,000 Personal Injury

(3) $2,000,000 Products/Completed Operations to be maintained for two (2) years following final payment

(4) $2,000,000 General Aggregate

3. Automobile Liability Insurance with the DEPARTMENT as a named insured for bodily injury and property damage: $1,000,000 Combined Single Limit

**Property or Builder's Risk Insurance**

**If required by the owner,** the contractor shall have in effect Property or Builder’s Risk Insurance**.** The Property or Builder’s Risk Insurance shall include coverage for all direct physical loss, also known as “Special Causes of Loss” in an amount equal to one-hundred percent (100%) of the estimated maximum value of the Project upon completion with the broadest form of “all risk” coverage possible.