

**PROFESSIONAL SERVICES
PROCUREMENT POLICY**

**COASTAL WATER AUTHORITY
DECEMBER 12, 2012**

PROFESSIONAL SERVICES PROCUREMENT POLICY

I. PURPOSE

The purpose of this Policy is to establish policies by which the Coastal Water Authority ("CWA") will evaluate and select firms to provide professional services.

II. SCOPE

This Policy outlines procedures to evaluate and select firms for the performance of professional services in accordance with the Professional Services Procurement Act (the "Act"), Texas Government Code. The CWA selection process involves an initial review and recommendation by an Evaluation Committee, negotiation of a contract, including pricing, by the Executive Director, the Chief Financial Officer, and the CWA Chief Engineer, and approval by the CWA Board of Directors. CWA Professional Services procurements will require two separate actions by the CWA Board. The Board will first approve the contract award and then at a later meeting, approve the negotiated fee.

III. EVALUATION COMMITTEE MEMBERSHIP

- A. The Evaluation Committee will be comprised of the Executive Director, the Chief Financial Officer, the Operations & Maintenance Manager, the CWA Chief Engineer, and the CWA Contracts Administrator. The Evaluation Committee will determine technical competency and ranking. The Executive Director will act as chair of the Evaluation Committee, or if unable to do so will appoint another committee member to act as chair.

IV. CONFIDENTIALITY

- A. The deliberations of the Evaluation Committee are confidential. Committee members should not discuss or otherwise reveal any of their findings to anyone other than their fellow committee members or to the CWA Board of Directors.
- B. Evaluation Committee members must immediately report any outside contacts regarding the evaluation proceedings to the Executive Director.
- C. All communications with any potential proposers should be handled by the Executive Director or the Chief Financial Officer for accounting and financial services. Any questions from potential proposers about the RFQ must be in writing to the Executive Director or Chief Financial Officer. Responses to questions will be made available to all known proposers. However, CWA is not obligated to provide responses.

V. EVALUATION CRITERIA

- A. The Executive Director, the Chief Financial Officer, and the CWA Chief Engineer will develop a set of evaluation criteria with relative weighting factors appropriate

for the particular solicitation that is communicated via the RFQ or advertisement for the procurement, and is intended to identify fully qualified firms from qualifications statements. Typical examples of criteria include the following:

1. Qualifications necessary for all segments of project requirements and the ability to satisfactorily perform all the required services;
 2. Specialized experience as a firm and technical competence of proposed key members in the type of work required;
 3. Capacity to accomplish the work in the required time from resources within the individual firm or through a subcontract relationship. (This includes an assessment of current and previous workloads);
 4. Potential conflicts with current CWA work by either the individual firm or subcontractors, subconsultants on a case by case basis;
 5. Efforts to reach CWA affirmative action goals, which are the same as those for the City of Houston for similar contracts, with firms certified by the City of Houston as a Minority Business Enterprise (MBE), a Disadvantaged Business Enterprise (DBE) or a Women Business Enterprise (WBE) or by the State of Texas as a Historically underutilized Business (HUB);
 6. Past experience and satisfactory performance on contracts with CWA and or other public agencies, approval authorities, and private industry in terms of cost control, quality of work, and compliance with performance schedules;
 7. Knowledge of local conditions in the locality of the project as evidenced by local presence;
 8. Level of effort, fiscal capacity and revenue considerations (if applicable);
 9. Acceptability under other appropriate project specific evaluation criteria.
- B. This general list of evaluation criteria may be modified, as appropriate, to reflect the requirements of the specific professional service being procured.
- C. Pre-submittal briefing with potential proposers may be conducted to review the evaluation criteria and to clarify submittal requirements, if requested by the Evaluation Committee Chair.

VI. EVALUATION OF SUBMITTALS

A. Evaluation Procedures.

1. After the deadline for submission required by the RFQ, the Executive Director will provide copies of all letters of interest and qualification statements in response to the Request for Qualifications (RFQ) to the Evaluation Committee for their review. The Evaluation Committee's review will be limited to those firms that have submitted letters of interest and qualifications statements in response to the RFQ. Without approval from the Board of Directors, the Evaluation Committee will exclude from evaluation any firm of which a director or a director's spouse is an employee or owner;
2. Prior to beginning the evaluations, the Evaluation Committee Chair will call a meeting of the Evaluation Committee and brief them on the evaluation criteria, the scoring parameters, and distribute blank score sheets. At this meeting, any member of the committee may present any information or superior personal knowledge they may have about any of the submissions.

B. Scoring Procedures.

1. Scores will normally be based on a 100 point system;
2. Each voting member of the Evaluation Committee will evaluate the firms, individually, in accordance with the established evaluation criteria published in the solicitation and score the firms in accordance with the scoring parameters. Each evaluator shall also provide any narrative comments they feel are pertinent to support their evaluation and, ultimately, submit their evaluation results to the Executive Director. Written scoring for each evaluator will be retained by the Executive Director;
3. The Executive Director will compile the scores and comments from the Evaluation Committee, perform a preliminary analysis of the scoring, and recommend those firms to be included in the short list. Once the Executive Director has completed the analysis, he will call a meeting of the Evaluation Committee discuss the results of the analysis. During the meeting, any obvious scoring anomalies will be discussed in an attempt to resolve any disparities;
4. Before the meeting adjourns, the Executive Director and Committee will finalize the compilation of the scoring.

C. Recommendation.

1. The Evaluation Committee will then discuss the final results of the scoring and decide whether to recommend a selection or establish a short-list of qualified firms to be invited for oral interviews. If oral interviews are conducted, the Evaluations Committee and the Engineering Services Committee (or Finance and Audit Committee as may be-appropriate) will constitute the CWA Interview Team;
2. If the Evaluation Committee feels that conducting oral presentations would be of no benefit in determining the final ranking, then the Committee will recommend a firm to the CWA Board of Directors for approval.

D. Evaluation Process for Oral Presentations.

1. If a decision is made to require oral presentations, then the Executive Director will schedule the oral presentations at a time convenient for the CWA Interview Team. The oral presentation will be scored by the CWA Interview Team and will be used as the basis of their recommendation to the CWA Board of Directors for approval of a professional services firm.

VII. NEGOTIATION AND AWARD

- A. As a general rule, contract awards will be presented to the CWA Board as two separate actions. The CWA Board will first approve the selected firm and then at a later meeting review the negotiated fee.
- B. The Executive Director, or the Chief Financial Officer when accounting or other financial services are being procured, will negotiate a contract with the most qualified offeror for the required services at compensation determined in writing to be fair and reasonable. The results of the negotiations will be presented to the Engineering Services Committee or Finance and Audit committee who will ultimately make a recommendation for approval to the CWA Board.

Contract negotiations will be directed towards:

- Making certain that the offeror has a clear understanding of the scope of the work, specifically the essential requirements involved in providing the required services;
- Determining that the offeror will make available the necessary personnel and facilities to perform the services within the required time;

- Agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services and the scope, complexity, and nature of such services.
- If compensation, contract requirements, and contract documents can be agreed upon with the most qualified offeror, the contract shall be awarded to that offeror after obtaining Board authorization.
- If compensation, contract requirements, or contract documents cannot be agreed upon with the most qualified offeror, a written record stating the reasons therefore shall be placed in the file and the Executive Director will advise such offeror of the termination of negotiations, which shall be confirmed by written notice prior to commencement of negotiations with the next most qualified offeror.
- Upon failure to negotiate a contract with the most qualified offeror, the Executive Director may enter into negotiations with the next most qualified offeror. If compensation, contract requirements, and contract documents can be agreed upon, then contract award will be recommended to that offeror. If negotiations again fail, negotiations shall be terminated as provided above, and commenced with the next most qualified offeror.
- Should the Executive Director team be unable to negotiate a contract with any of the offerors initially selected as the most qualified offerors, additional offerors may be selected based on original, acceptable submissions in the order of their respective qualification ranking and negotiations may continue until an agreement is reached.
- If this effort proves unsuccessful, proposals may be re-solicited.

VIII. DOCUMENTATION

- A. A documentation package consisting of the procurement process, final scores and final rankings will be prepared by the Executive Director for the Board's review and approval.
- B. All back-up documentation necessary to substantiate the evaluation and recommendation will be retained as a part of the official files.
- C. Contract files will be available for review under appropriate circumstances.

IX. DEBRIEFING OF UNSUCCESSFUL OFFERORS:

- A. Any debriefings for requirements will be conducted by the Executive Director and CWA Attorney. The Evaluation Committee's scores and comments will be the basis for the debriefing discussion. Normally, individual scores must not be disclosed during debriefings. Nor may scores of one proposing firm be shared with another proposing team.