

APD ALERT



Source Selection Procedures for Architect-Engineering (A-E) Services – Project Specific or Indefinite Quantity Contracts

1. **Purpose**

This document provides Business Service Center (BSC) Acquisition and Property Branches procedures for source selection in acquiring Architect-Engineer (A-E) services.

2. **Policy**

Contracting Officers shall initiate a source selection for A-E services for projects whose estimated cost of construction is greater than \$10 million per phase, or there is a need to have an Indefinite Quantity Contract (IQC) contract in place to accomplish various smaller projects.

3. **Procedures**

- A. A-E firms are selected for IQC's (Nation-wide or Area-Wide) or for project specific requirements in accordance with Federal Acquisition Regulation (FAR) Part 36.6.
- B. The Engineering Project Manager (EPM) will develop an Action Plan/Fact Sheet for project specific A-E selections. IQC awards do not require an Action Plan/Fact Sheet. The Action Plan/Fact Sheet provides detailed information regarding the project background and budget.
- C. The Contracting Officer (CO) shall determine the applicable NAICS code for each requirement and conduct market research. If it is determined that a requirement cannot be completed as a set-aside in accordance with USDA policy, the CO shall prepare a Procurement Request Review (PRR), in accordance with APD Alert 2011-21, Small Business Administration (SBA) Procurement Center Representative (PCR) Procurement Request Review. The PRR shall be forwarded to the ARS Competition Advocate and the REE Small Business Coordinator in the Acquisition & Property

- Division (APD) for review. APD will forward their concurrence to the Department's OSDBU Office for their review and subsequent clearance by the Small Business Administration Procurement Center Representative (SBA-PCR). PRRs must be submitted to and approved by the Department prior to synopsising the requirement in FedBizOpps (FBO).
- D. The CO shall prepare an acquisition plan in accordance with APD Alert 2012-02. The acquisition plan is a living document and should be kept up-to-date. If a milestone date cannot be met, a revised plan shall be prepared with new dates and copies given to all interested parties. The milestone portion of the plan shall also be periodically updated.
 - E. The CO shall submit a request via e-mail to the applicable Business Service Center (BSC) Chief, Facilities, Asset Management and Safety (FAMS) Branch to identify a Chairperson and the members of the Evaluation Board. The Chairperson should be the EPM in charge of the project. The BSC Chief, FAMS, will e-mail the names of the appointees to the CO.
 - F. The CO and Evaluation Board should work together to develop the evaluation factors and methodology, as well as the synopsis for the FBO announcement. The announcement shall identify the requirements, the evaluation factors and any sub-factors, the scoring method for each factor and subfactor, whether there will be multiple awards, any geographic considerations, and the number of copies of Standard Form (SF)-330's, Architect-Engineer Qualifications, to be submitted. Once the announcement has been developed, the CO shall post the announcement to FBO.
 - G. Release of information during the process is restricted in accordance with FAR Parts 5.4, 15 and 36.607. See paragraph Q for additional guidance.
 - H. Prospective firms will submit their SF-330's to the CO. The CO shall collect and store the documents in a locked cabinet until the date established for receipt. After that date, the CO shall provide the SF-330's to the Evaluation Board members for initial screening.
 - I. The initial screening by the Evaluation Board shall be conducted using the established evaluation criteria and scoring method. The scoring method shall be consistent throughout the process. The CO is responsible for ensuring that the evaluation panel has thoroughly documented the strengths and weaknesses in each evaluation criteria for all evaluation board members.
 - J. The Evaluation Board Chairperson will provide a written report to the CO detailing the Board's findings and recommendation for the short list. The short list shall consist of only the most highly qualified firms that will be given the opportunity to participate in the interview process of the selection procedure. The CO shall review this report and recommend the short-list to the Source Selection Authority (SSA), normally the BSC Acquisition and Property Branch Chief.
 - K. After the Selection Authority has approved the short list, those firms not making the short-list shall be notified in writing that their submission will not be evaluated further .

- L. After the Selection Authority has approved the short list, the CO shall schedule interviews with the short-listed firms and confirm the interview by letter. The letter should discuss the interview structure, any questions that need to be responded to prior to the interview, and advise that all presentation materials must be in writing.
- M. The Evaluation Board shall conduct interviews based on the evaluation criteria. After the interview is complete, the panel members will discuss each firm's qualifications in order to come to a consensus. Each firm is evaluated against the stated selection criteria and not against each other. The discussion shall be well documented by the Evaluation Board Chairperson, including the strengths and weakness in each evaluation criteria.
- N. The Chairperson shall prepare a comprehensive final report and provide it to the CO. The report shall include each firm's strengths and weaknesses, their scores, and clearly identify the most highly qualified firm, or firms if there will be multiple awards in the case of an IQC.
- O. The CO shall review the report, ensuring that the established evaluation criteria were used properly, and recommend the A-E firm(s) to the Selection Authority who will either concur with the CO's recommendation or recommend another firm(s). If the SSA recommends another firm(s), he/she must provide a written justification to the CO.
- P. The CO shall notify the successful firm(s) of their selection and follow-up with a letter. The CO shall also notify, by letter, the unsuccessful firms and thank them for their continued interest in ARS projects.
- Q. In accordance with FAR Part 15.505, unsuccessful firms may request a debriefing either before award or after, but not both. The CO shall conduct all debriefings with the assistance of the Chairperson.

Preaward and postaward debriefings shall be conducted in accordance with FAR 15.504 and 15.505.

- R. The CO shall issue a Request for Proposal (RFP) to the successful firm requesting their current labor, overhead, and profit rates for the list of disciplines necessary for the contract, and any other costs as applicable (e.g., travel, other direct costs, etc.). The letter transmitting the RFP shall include a request for a copy of a recent audit of the firm's overhead rate, financial statements, and any other information deemed necessary to determine responsibility. For project specific contracts, the RFP will include a copy of Section J, Statement of Work, which details of the specific requirements for the project. The project specific Statement of Work will be submitted to the CO by the EPM.
- S. Upon receipt of the proposal, the CO and the Evaluation Board shall review the proposal and develop the negotiation position. The pre-negotiation memorandum shall include the firm's fee proposal, the government's estimate, pre-negotiation objective, and the rationale for negotiation.

- T. The Evaluation Board shall provide a technical analysis of the firm's proposal. The analysis shall state, at a minimum, which disciplines are technically acceptable, the rationale for others not being technically acceptable, what a technically acceptable fee would be for that discipline, whether the labor mix is correct, whether the amount of travel and ODC's are correct, etc. For IQC's, it should address whether the escalation factor, other direct, and indirect costs are appropriate.
- U. The CO shall review the overhead rate and subsequent documentation for accuracy and completeness. If a recent audit is included and substantiates the overhead rate, the CO can accept the proposed rate. If no documentation substantiating the rate is received and the CO determines the rate unreasonable, he/she shall negotiate a reasonable rate.
- V. For project specific A-E contracts and IQC's, a subcontracting plan is required if the total value of the contract exceeds \$500,000. Subcontracting plans must be negotiated prior to award. After the CO has negotiated the plan, it is to be submitted to BSC Small Business Coordinator for review and then to the REE Small Business Coordinator who will review and submit it to the Department OSDBU. All subcontracting plans must be approved by the Department's OSDBU Office prior to award
- W. Negotiations can be held face-to-face or via telephone. Upon completion of negotiations, a memorandum documenting the session(s) shall be prepared for the file. The memorandum shall show the A-E fees, the pre-negotiation objective, and the final negotiated fee.
- X. The CO shall prepare the award document for the signature of the A-E firm. The award document shall consist of the Standard Form (SF)-252 with Sections B, C, D, E, F, G, H, I and J. Section K is to be incorporated by reference. .
- Y. After receipt of the signed documents, the CO shall sign the SF-252, release it in IAS, and post the Notice of Award on FBO. For project specific awards exceeding \$1 million, the CO shall also follow the APD Alert No. 2011-36 , Information for Public Announcement of Contracts Valued at Over \$1 Million.
- Z. After award, the CO and the EPM will conduct a pre-performance orientation/pre-design meeting. This meeting will provide the A-E with direction on how ARS does business, such as ARS design standards, partnering, management reviews, task order procedures, anticipated type of task order workload, funding, submittals, payment methods, and payment submittal schedules. For project specific A-E selections, this meeting will be the pre-design meeting and will begin the Program of Requirements (POR) effort. The CO shall document this meeting and place a copy in the file.

4. References

The Brooks Act, Public Law 92-582
FAR Part 15, Contracting by Negotiation
FAR Part 19, Small Business Programs
FAR Part 36.6, Architect-Engineering Services
AGAR 436-6, Architect-Engineer Services

PPD Policy Memorandum 5-01, Information for Public Announcement of Contracts Valued over \$1 Million

PPD Policy Memorandum 19-08, Small Business Competitiveness Demonstration Program (Clarifications)

Departmental Regulation (DR) 5090-1, USDA Small Business Programs - Full Small Business Participation & Clearance Process for Contracts Not Set-aside or Reserved for Small Business Participation

APD Alert 2011-36 Information for Public Announcement of Contracts Valued at Over \$1 Million

5. Point of Contact

Acquisition Programs and Oversight Branch, E-mail at APOB@ars.usda.gov or phone at 301-504-1725.

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