

# **Alleghany County Water District Policies & Procedures**

## **Policy # 601 Selection & hiring of private consulting services**

It is the Policy of Alleghany County Water District (ACWD) to utilize a consistent method for hiring professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms. The purpose of this method is to ensure that firms are selected based upon demonstrated competence and professional qualifications per California Government Code 4526.

These procedures are intended to assure that private services are engaged based on demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable price. Furthermore, these procedures shall assure maximum participation of small business firms, as defined by the Director of General Services pursuant to Section 14837.

These procedures specifically prohibit practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and also prohibit government agency employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a contract.

### **Procedures:**

#### **Procedure 601.1 Appoint Selection Committee**

The ACWD Board of directors shall appoint a selection committee, to consist of no more than two board members, at least one water operator and the general manager or project manager. (If the district has a general engineer, the engineer will also be on the committee.)

The committee shall be authorized and responsible for carrying out or delegating the applicable Procedures in this Policy and shall make a final hiring recommendation to the board of directors.

#### **Procedure 601.2 INITIAL STEPS**

##### **1. Preliminary Project Description**

The Project Manager, Engineer or designee shall prepare a preliminary project and scope of work. (See exhibit A for an example). This document should be reviewed by the water operator(s) and others with direct knowledge of the project for input.

##### **2. Request Statement of Qualifications**

Once the project description is ready, invite qualified firms to submit a statement of their professional qualifications within a specified timeframe (a minimum of 2 weeks).

- Publish a legal notice in at least one local newspaper of general circulation. (See Exhibit B for Public Notice sample)
- Send the notice to local engineering firms which have been successfully utilized by county public works directors for design of water projects within the past ten years. Area professional engineering organizations and water associations may also have lists that can be utilized.

**3. Provide additional information** to the firms that respond to the public notice. (See exhibit C for an example) This can be done via email or a website posting for convenience.

**Procedure 601.3 Rank the firms**

After the submittal deadline, the Selection Committee shall rank the potential firms based on consistent scoring criteria.

Before meeting to perform the evaluations, a designated individual(s) should check references of each firm under consideration. This check may not be limited to the references supplied by the firms (See Exhibits D and E for Evaluation Criteria and Reference Check samples). The firms’ engineering license status, recognition awards, potential pending lawsuits, and similar matters can be checked using online resources in many cases.

**Scoring criteria** The table below (or something similar) should be used to score each firm, using a numeric value of 0 to 10 with 0 being the worst or not applicable and 10 being excellent. Individual selection committee members should score the firms then discuss differences in scores to arrive at an agreed upon final score. This method encourages discussion between committee members. The weight of each scored item in relation to the others shall be determined by the selection committee prior to scoring.

<b>Criteria</b>	<b>Score</b>	<b>Notes</b>
Qualifications and experience		Examine resumes and past jobs
References		Contact references and document see exhibit
Travel time to Alleghany		Best score would be an hour or less travel time
Availability		Include a question about availability & workload
Specialized qualifications		If any are needed or desired include them
SMALL Business “yes” or “no”	n/a	This is a “yes or no” answer.

Based upon the evaluation of the statements of qualifications and reference checks, lesser-qualified firms can be disqualified, leaving a short-list of three (smaller projects) to five firms for further consideration.

The short-listed firms should be officially notified that they have been selected for further consideration. As a courtesy, the water system should also send a letter of thanks to those firms not selected for further consideration (See Exhibit F for Sample Memo to “Short-Listed” Firms for an Interview)

**Procedure 601.4 Interview the “short listed” firms**

Once the “short list” is ready the firms should be interviewed. This can be done in person or remotely. See exhibit G for supplemental information and guidance.

**Procedure 601.5 Contract negotiations (THIS SECTION TO BE DEVELOPED FURTHER FOR CONSIDERATION IN AUGUST)**

Once the selection committee has selected the best qualified firm, the scope of service should be clearly defined again if necessary. Fees must be negotiated and a contract for services executed.

**LINE HERE ABOUT FAIR PRICES (HOW TO DETERMINE THEM)**

See exhibit H for more information from CRWA to help guide this process.

The final contract for services should be reviewed by an attorney and must be approved by ACWD's Board of Directors prior to execution. Board approval in the form of a Resolution is preferred.

DRAFT Policy 601 for initial consideration and adoption BOD meeting date July 12, 2022

## Exhibit A (page 1 of 2)

Preliminary Project Description: prepare a brief written description of the project. This helps interested engineering firms decide whether they are capable and qualified to perform the services needed. When the preliminary project description is properly written and communicated, it saves time, money and effort for both the water system and the interested firms.

The preliminary project description should include:

- The project name or identification and planned location
- Project description, including intended size, function, capacity and other general requirements. Is the project a renovation or modernization? Will it involve demolition, additions, new construction, or specialized studies?
- Preliminary project budget and anticipated funding sources.
- Key schedule milestones
- Unique requirements or restrictions such as zoning or known environmental problems.
- Special services to be provided by the engineering firm, such as feasibility studies, design, construction management, etc.

**EXHIBIT A Continued, sample preliminary project description**

Name of Project \_\_\_\_\_

Project Owner \_\_\_\_\_

Project Location \_\_\_\_\_

Contact Person \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Description of Proposed Project \_\_\_\_\_

Additional information regarding this project, such as \_\_\_\_\_

*(i.e., maps, studies)*

will be made available upon request.

Preliminary Budget Estimate \_\_\_\_\_

Preliminary Financing Plan \_\_\_\_\_

Project Schedule:

Planned Date of Design Startup \_\_\_\_\_

Planned Date of Design Completion \_\_\_\_\_

Planned Date of Construction Startup \_\_\_\_\_

Planned Date of Construction Completion \_\_\_\_\_

Special Restrictions or Conditions (if known)

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

Professional Services Anticipated \_\_\_\_\_

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

PUBLIC NOTICE SAMPLE

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**ENGINEERING FIRM CONSULTANTS**

***(Project Name) RFQ ### (Internal RFQ)***

Alleghany County Water District (ACWD) in Sierra County, California is requesting Statement of Qualifications from engineering firms to provide (include all that apply) [construction plans, specifications, bid documents including assistance with the bid process, contract administration, construction oversight, and inspection services] for one project consisting of

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*(Provide brief description, including:  
Description of the project  
Location of project  
Purpose of the project / What does project accomplish  
Section process for the project)*

Request for *(Request for Qualifications)* packets may be obtained at *(Location)*, through the *(Title of Person or Department responsible for distribution of RFP or RFQ)*. All proposals must be received at *(Location Name)*, *(Street Address for Submittal)*, no later than *(Time AM/PM)*, on *(Day of Week)*, *(Month, Date, Year)*. (suggest using email or the district's website)

ACWD reserves the right to reject any or all *(Request for Qualifications)* received.

If you have any questions please contact *(Name)*, at *(Phone Number, Extension)* or *(email)*

**Exhibit C**

**SAMPLE REQUEST FOR STATEMENT OF QUALIFICATIONS  
(this form is sent to firms that respond to the Public Notice (exhibit B))**

TO: \_\_\_\_\_  
(Engineering Firm)

FROM: Alleghany County Water District

PROJECT:

PROJECT LOCATION:

RE: REQUEST FOR STATEMENT OF QUALIFICATIONS

Your firm is invited to submit your Statement of Qualifications to become eligible to be selected to provide professional engineering services.

Your Statement of Qualifications should include the following information:

- 1) Name, address and brief description of firm.
- 2) Resumes of key personnel to be assigned to this project.
- 3) A one-page narrative as to firm's interest, particular abilities and qualifications related to this project.
- 4) Description of other projects designed by this firm and key personnel pertinent to this project. Include references with contact information.
- 5) Examples of knowledge, expertise and/or experience with other related work.

For firms that are Short-listed for an interview, a tour of the facility and/or site will be arranged if necessary.

\_\_\_\_\_ copies of your Statement of Qualifications should be forwarded to the following address – and must be received no later than \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_  
(time) (date)

TO: \_\_\_\_\_ (Contact person)  
\_\_\_\_\_ (Title)

\_\_\_\_\_  
(Address) (City) (State) (Zip)

\_\_\_\_\_  
(email address)

## Exhibit C Supplemental information

### OTHER THINGS TO CONSIDER INCLUDING

- Information on the criteria used by the water system for review of the qualifications statements such as:
  - Qualifications and experience of the project engineer
  - Past experience with this type of project
  - Present and projected workloads
  - Capability to meet time and project budget requirements
  - Other specialized project needs such as environmental, geotechnical, etc.
- Deadline for submitting Statement of Qualifications
- A link or web address for detailed project plans and specs if available
- These criteria will help the engineering firms understand your concerns and prepare to respond to them.
- The water system may include special statements in the published notice that it is not responsible for costs incurred in the preparation of their Qualification Statement and reserves the right to reject any and all proposals.
- The water system should allow adequate time in the project schedule for submission of Statement of Qualifications. A minimum of three weeks between announcement and deadline is suggested. Documentation of all aspects of the selection process should be kept on file at the water system for at least three years after the project completion.



## Exhibit D

### Sample Evaluation Criteria

The primary considerations are *relevant experience* in the types of services needed and *demonstrated ability to serve in a timely and effective manner*. The basic criteria you will be evaluating during the evaluation process include:

**Knowledge** – The engineer should have specialized education or training in the aspect of public water system planning or engineering that the small water system needs.

**Experience** – The engineer should have professional engineering experience with similar water system projects for a similar size system. If your system has a specific issue, such as a violation of Maximum Contaminant Level, then the engineering firm selected should have specific knowledge and experience with the treatment technologies available to remove such contaminants.

**Ability to Serve** – The engineer should demonstrate that sufficient uncommitted time and other resources are available to perform the services within the time needed by the water system

**Communication** – The engineer should demonstrate the ability to communicate in a thorough and timely manner as needed to keep the water system fully and satisfactorily informed.

**References** – the engineer should provide three or more references from previous clients for water system engineering performed. In addition to a contact person, you may want to ask for information about the type of project, the year the project was undertaken, the total actual versus estimated cost of the project, and the name of the engineer in charge of the project.

Each firm that submitted a statement of qualifications should be evaluated based on its experience on similar projects, expertise of its key professional staff, its physical resources and facilities for conducting the necessary engineering work, references, and factors unique to the project scope, such as experience with contaminant removal treatment, seismic safety design, past performance on similar projects etc.

**Exhibit E**  
**Sample Reference Check**

This form is designed for the Selection Committee to check references of "short-listed" firms.

Project \_\_\_\_\_  
*(for which the selection is being made)*

Engineering Firm \_\_\_\_\_  
*(for which the reference check is being conducted)*

Reference Information:

Water System \_\_\_\_\_ Project Referenced \_\_\_\_\_  
Address \_\_\_\_\_ Person Contacted \_\_\_\_\_  
\_\_\_\_\_ Email \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_

**SAMPLE QUESTIONS:**

1. What was the scope of this firm's services? (soil investigations, design work, construction phase services, studies, other (specify) \_\_\_\_\_  
\_\_\_\_\_
2. Who was this firm's Project Manager or primary contact? \_\_\_\_\_
3. When was the project completed? \_\_\_\_\_

**COMMENTS**

**CIRCLE ONE**

- |  |       |         |      |
|--|-------|---------|------|
| 4. Was the project completed on time?  | YES   | NO      |      |
| 5. Was the project completed within budget?  | YES   | NO      |      |
| 6. Did this firm and you (the owner) work well as a team?  | YES   | NO      |      |
| 7. Did this firm cover all of the project's requirements?  | YES   | NO      |      |
| 8. Would you use this firm on a similar project in the future?                                     | YES   | NO      |      |
| 9. Do you or your system have a personal relationship with<br>this engineering firm key personnel? | YES   | NO      |      |
| 10. How would you rate this firm's qualifications and fee structure?                               | POOR  | AVERAGE | GOOD |
| 11. What is your overall evaluation of this firm based on your experience?                         | _____ |         |      |
| 12. Other questions/comments?  | _____ |         |      |

**Exhibit F**

**SAMPLE MEMO TO "SHORT-LISTED" FIRMS FOR AN INTERVIEW**

TO: \_\_\_\_\_  
*(Engineering Firm)*

FROM: \_\_\_\_\_  
*(Water System)*

PROJECT: \_\_\_\_\_

RE: INTERVIEW SCHEDULE AND REQUIREMENTS FOR SHORT-LISTED  
FIRMS

Congratulations! Your firm has been chosen to be interviewed by our Selection Committee.  
Please find the following attached:

Copies of \_\_\_\_\_ for your information and review  
*(name of studies, reports, or site map)*

Each firm will be allowed approximately 45 minutes to present their qualifications and answer questions. At the completion of the interviews, the committee will rank the firms. The firm deemed to be most qualified will then be invited to define the scope of work and negotiate contract terms. If contract terms cannot be reached, the firm deemed the next most qualified will be invited for scope definition and contract negotiation.

A tour of the site (if appropriate) will be held on \_\_\_\_\_ at \_\_\_\_\_  
*(Date) a.m./p.m.*

Interviews will be held at \_\_\_\_\_  
*(Location)*

The date and time of interview is: \_\_\_\_\_ at \_\_\_\_\_  
*(Date) a.m./p.m.*

Confirm arrangements with \_\_\_\_\_ at ( ) \_\_\_\_\_  
*(Contact name) (Phone number)*

## Exhibit G

### Sample Interview Questionnaires & supplemental advice

- What experience does your firm have in working with water system such as ours?
- What other water system have you worked with in the state?
- Are you familiar with our situation and the local area to know some of the particular needs we have?
- What is the design philosophy of your firm? Are you willing to look at innovative and/or alternative designs?
- What do you see as your duty as part of this project? Are there specific or itemized services that you do not provide? Detail services you will provide in addition to design plans and specifications.
- Are you familiar with the various funding programs in the state for water as they relate to water system/special districts? What has been your experience in working with these funding agencies before? Has your firm assisted water system/special districts with grant writing and the application preparation? What has been success rate of those applications?
- Who specifically in your firm would be working directly with our board? Have they worked with other water system /special districts?
- What other projects are you currently working on that could take precedence and time away from our project? Is your firm under any time constraints for this year?
- How much of the work on our project would be subcontracted?  
If we select your firm, would it be acceptable for the firm to accept liability for the design of the project?
- If we select your firm, would it be acceptable for the firm to accept liability for the design of the project? If so, what would you have to do to assume that liability?

## Exhibit G supplemental information

By interviewing representatives of each of the short-listed firms, the water system selection committee has the opportunity to compare each firm's interpretation and understanding of the project. The interview provides an important insight into each engineering firm's management style and communications abilities. When the firms are invited to the interview, request the staff who will be working on the project attend. It helps to know the individuals who will be working with your system and what the philosophy of the engineering team members will be toward the project. For example, if the firm's president attends the interview, but will not actually work with your water system during your planning, design, and construction phases, you may not have the outcome anticipated if you rely on the committee impression of the president.

It is helpful for the water system to conduct a tour of the project prior to the interview. The firm can better prepare their proposals in preparation for the interview. If site visits are provided, each firm should be given equal opportunity for a tour prior to the interview.

The following are suggested guidelines for setting up and conducting the interviews:

- Allow approximately one hour for each interview and at least 15 minutes between interviews. Set time limits for firm's presentation (e.g. 30 to 40 minutes) and allow 10 to 15 minutes for questions from the committee. The time allowed for interviews should be tailored to the complexity of the project
- Schedule all of the interviews on the same day if possible. This enables the committee to compare all of the interviewed firms while information is fresh in their minds and ensures consistent interview scoring
- Ask each candidate firm the same questions (*see Exhibit G for Sample Interview Questionnaires*). This will give the committee members a better feel for differences or similarities in the approach and ability of each engineering firm
- The water system should not discuss fees for professional services during the interview process

### ***Final Ranking Process:***

It is critical that evaluation of the short list of firms be as fair and impartial as possible. For this reason the selection committee should rate each firm by using a standard form that lists the significant selection criteria.

The selection committee chairman should notify the firm that is rated most highly overall that it has been selected to receive the contract, pending agreement on the scope of service and the fee for those services. The other short-listed firms should be notified of the final ranking, as well.

## EXHIBIT H

### Suggestions from the California Rural Water Association for the final steps in hiring an engineering firm.

#### Establishing Engineering Fees

When the detailed Scope of Service is agreed upon, the engineer is in a position to develop and submit a detailed fee proposal to the water system.

Consulting engineers use one of three basic methods to calculate fees for their water system infrastructure services. No matter which of these fee methods is used, the water system has a right to expect that the engineering firm will be able to fully document the proposed fee.

- Lump Sum (Fixed fee): is the most common fee structure in use. The engineer and water system agree in advance on the total compensation that will be paid for the agreed upon services. Lump Sum is best used when all of the project tasks and required services are well defined and can be mutually agreed upon during negotiations.
- Time-plus-expense: Most firms have developed a standard hourly fee rate for each of their professional employees. Project fees are estimated by multiplying the estimated number of hours projected for the project times the standard hourly rate (hours x "cost per hour"). The number is then multiplied by a factor to cover the firms indirect cost (items such as rent, computer design equipment and software, telecommunications, taxes, fringe benefits and other "overhead" plus profit). Frequently time plus expense contract will provide for a "not to exceed" maximum fee.

*Note that subsequent to concluding the engineering fee for a project by either method above, renegotiation of the fee must occur if additional work not included in the original scope of service is required of the engineer, or, conversely, should the original scope of service be reduced.*

- Per diem: under this method, the water system agrees to pay the engineer a predetermined fee each day, or part of a day, the engineer devotes to the project. Per diem is most frequently utilized when the work is personal, of limited time duration or somewhat irregular. (e.g. specialized areas such as appraisals, feasibility studies, investigation of conditions, collection of data, court or public hearing testimony).

#### Negotiation Process:

Most small water systems benefit from having an attorney involved in the negotiating process to be sure they are fully represented and their interests are protected. Your board, attorney, and engineer should carefully review the Work Plan to make certain you understand:

- What work will be performed by the engineer,
- What services will be provided by the engineer, and
- What items are the water system's responsibility

If the fee proposed by the engineer is significantly beyond what the water system has budgeted, representatives of the system and engineering firm meet to review options for modifying the scope of services in order to reduce the fee (*see Exhibit I for Contract Negotiation Sample Questions*). The engineer will advise the water system of any risks or problems which might result from the change(s) in the scope of service, and a revised fee is agreed upon. This kind of communication greatly enhances the likelihood of a successful project outcome.

On occasion, the representatives will be unable to reach a contract agreement, despite good faith negotiation. This happens infrequently because Qualifications Based Selection fosters excellent communication and understanding between the water system and the engineering firm. If an impasse is reached, the water system should terminate discussions with the first ranked firm and invite the firm ranked second on the short-list to enter into contract negotiations. At no time should the water system reenter negotiations with a firm with whom negotiations have been terminated.

It is prudent to consider use of a standard contract form, such as from a professional engineering association. These have stood the test of legal and court challenges, and can bring to your attention business matters which it is in the best interest of both the water system and the engineering firm to address prior to work on the project proceeding.