

## **Exhibit 2-A Procurement Processes**

Title 7, Chapter 5, Parts 23 and 43, MCA govern the procurement of construction and purchasing contracts by Montana Historic Preservation Grant (MHPG) grantees. Tribal governments are subject to their own tribal procurement laws.

Depending on the project and the size of the contract, procurement processes will differ. Below are the various procurement processes and the documentation required by Commerce for each one:

### **A. “Small Purchases” Process:**

Services (architect, contractor, etc.) and supplies under \$5,000 can be purchased through whatever process best meets the MHPG grantee’s needs (oral quotes, written quotes, etc.).

Documentation required:

- An email to your Commerce liaison with an overview of the process that was used
- Contract between the MHPG grantee and the contractor or supplier

### **B. “Limited Solicitation” Process:**

Services (architect, contractor, etc.) between \$5,001-\$25,000 and supplies between \$5,001-\$50,000 require a minimum of three written or verbal quotes. If three written or verbal quotes are not available due to the nature or location of the project, then this should be documented. The three written or verbal quotes should be documented with a limited solicitation form, which is included at the end of this document.

Documentation required:

- Limited solicitation form
- Contract between the MHPG grantee and the contractor or supplier

### **C. “Formal Solicitation” Process:**

Services (architect, contractor, etc.) over \$25,000 and supplies over \$50,000 require an Invitation for Bid (IFB) or Request for Proposals (RFP). An IFB is a formal, written, competitive method used to obtain written bids from which a contract award is made to the entity that presents the lowest-price bid. An RFP is a formal, written, competitive method used to obtain written responses from which a contract award is made to the entity that offers the best value along with other factors (such as technical capacity or past performance). In other words, an RFP is used when factors other than price are considered when making the award decision. Generally, an IFB is used for construction contractors whereas an RFP is used for architectural, engineering, and grant administration services.

An IFB or RFP should be advertised within a newspaper, website, social media, or other means that provides adequate public notice for a reasonable amount of time. A good rule of thumb is publishing an advertisement twice in a newspaper with six days in between advertisements. A sample IFB and RFP are included at the end of this document.

Documentation required:

- A copy for the advertisement for the IFB or RFP
- A copy of the IFB or RFP, score sheets, and responses
- Contract between the MHPG grantee and the contractor or supplier

**D. “Sole Source” Process:**

Per MCA 18-4-306, a sole-source procurement process may be considered acceptable by Commerce for services (architect, contractor, etc.) and supplies when:

- (1) there is only one source for the supply or service item,
- (2) only one source is acceptable or suitable for the supply or service item, or
- (3) the supply or service item must be compatible with current supplies or services.

If a MHPG grantee believes a sole-source procurement process is appropriate, they must check with their Commerce liaison to ensure that this is correct before using this approach. The sole-source procurement process should be documented with a sole-source procurement form, which is included at the end of this document.

Documentation required:

- Sole-source form
- Contract between the MHPG grantee and the contractor or supplier

## LIMITED SOLICITATION FORM

This form is should be used to document written or verbal quotes for limited solicitation: \$5,001-\$25,000 for services and \$5,001-\$50,000 for supplies	
Description of Services or Supplies:	
Quote #1	
Vendor Name:	
Vendor Contact: <i>name and contact information</i>	
Quote:	
Quote #2	
Vendor Name:	
Vendor Contact: <i>name and contact information</i>	
Quote:	
Quote #3	
Vendor Name:	
Vendor Contact: <i>name and contact information</i>	
Quote:	
Awarded to:	

## SAMPLE INVITATION FOR BID (IFB)

The (Organization) is currently accepting bids for (Project Description). The project consists of:

- Removal and disposal and/or recycling of approximately 8,000sf of roofing.
- Masonry repairs to the southwest corner of the building as needed for roof integrity.
- Installation of 5-inch polyisocyanurate insulation.

For more information please contact (Project Contact, Title, Phone Number or Email).

Bids will be received until 5:00 PM Mountain Standard time on (Date). Bids may be mailed or delivered to: (Address).

The right is reserved to reject any or all proposals received, to waive informalities, to postpone the award of the contract, and to accept any responsible bid which is in the best interest of the organization.

## SAMPLE REQUEST FOR PROPOSALS (RFP)

Request for Proposals  
For (Type of Service) Services – (Organization)

### Summary:

(Organization) has received funding from the Montana Department of Commerce (Commerce), Montana Historic Preservation Grant (MHPG) program to (Project Description) and is accordingly soliciting this Request for Proposals for (Type of Service) to assist (Organization) to prepare a Preliminary Architectural Report (PAR), designs, and oversee the construction work. These efforts and activities are viewed as key tools for the (Project Description). Payment terms will be negotiated with the selected offeror.

Work activities will include preparing a Preliminary Architectural Report, preparation of preliminary engineering/architecture, final design plans and specifications, as well as construction inspection. Tasks and deliverables are attached as “Exhibit A”. The (Type of Service) will also be responsible for preparing the construction bid package and conducting the bid opening as well as overseeing the construction work once it begins.

### Project Need:

The exterior of the Boulder Hot Springs structure has been experiencing deterioration of its cement-based siding (stucco), sub structure (wood framing) and metal lath. The metal lath and fasteners (which hold the stucco to the wall) have rotted to such an extent that large areas of these materials are separating from the wall, resulting in large cracks, and disintegrating (even occasionally falling) stucco. This deterioration is related to some underlying structural issues: the gutter and roof overhang have deteriorated, resulting in water run off damaging the siding; there is no insulation or consistent water barrier in the walls; and the landscape grading has been raised, resulting in negative water drainage, also damaging the siding of the walls. These structural issues have been present for decades and to this point, only a short-term solution of patching the stucco has been utilized. This has resulted in the building not having a uniform exterior finish (because it is impossible to create a color match) and the underlying deterioration has never been addressed.

### Project Timeline:

Task	Month / Year

### Scoring Criteria and Submission Instructions:

#### Responses should include:

1. The firm’s legal name, address, and telephone number;
2. The principal(s) of the firm and the experience and qualifications;
3. The experience and qualifications of the staff to be assigned to the project;
4. A description of the firm’s prior experience; and
5. The proposed work plan and schedule for activities to be performed.

References for recent, related work should be included.

Respondents will be evaluated according to the following factors:

1. Experience with similar projects: 25%

2. Professional qualifications of key personnel assigned to the project: 15%
3. History of the team having worked together on similar projects: 10%
4. Approach to public involvement: 15%
5. Project approach and methodology: 25%
6. Reference responses: 10%

The selection of finalists will be based on an evaluation of the written responses. Interviews will be held with the top-ranked firms (may be conducted virtually). The award will be made to the most qualified offeror whose proposal is deemed most advantageous to (Organization), all factors considered. Unsuccessful offerors will be notified as soon as possible.

Questions and responses should be directed to (Project Contact, Title, Address, Phone Number or Email). All responses must be emailed, delivered, or postmarked no later than (Date) by 5:00 P.M. Please state "RFP for (Organization or Project Description)" on the outside of the response package.

Respondents may review our Montana Historic Restoration Grant (MHPG) application, which includes a description of the proposed project, including activities, budget, schedule, and other pertinent information by contacting (Project Contact, Title, Address, Phone Number or Email).

For more information, please contact (Project Contact, Title, Address, Phone Number or Email).

#### Award:

This solicitation is being offered in accordance with state statutes governing procurement of professional services. (Organization) reserves the right to award the contract to a consultant that it deems to offer the best overall proposal. (Organization) is therefore not bound to accept a proposal on the basis of lowest price, (Organization) reserves the right to accept or reject any or all proposals received from this RFP. (Organization) has the sole discretion and reserves the right to cancel this RFP, to reject any and all proposals, to waive any and all irregularities, or to re-advertise with either the identical or revised specifications if it is deemed to be in the best interest of (Organization).

## SOLE-SOURCE FORM

Section 18-4-306, MCA, allows a contract to be awarded for a supply or service item without competition under certain circumstances. The required item must be available only from a single supplier. "Sole Source" is distinguishable from "Sole Brand" in that only one supplier is available to provide the supply or service. Circumstances which could necessitate a sole source procurement are: (1) the compatibility of current services or equipment, accessories, or replacement parts; (2) there is no existent equivalent product; or (3) only one source is acceptable or suitable for the supply or service item. Sole source procedures do not apply if the item is under \$5,000. The determination as to whether a procurement shall be made as a sole source shall be made by the State Procurement Bureau (SPB), unless specifically authorized in the agency delegation agreement (ARM 2.5.604). A request by a state agency to the SPB must be accompanied by this form and must include a signed and dated quote. The following items do not require sole source justification: (1) professional licenses; (2) dues to associations; (3) renewal of software license agreements; (4) purchase or renewal of maintenance agreements for software or hardware; and (5) publications available only from a single supplier.

1. Name of product or service:
  
2. Name of product manufacturer:
  
3. Name of "sole" product supplier or service provider:
  
4. Estimated cost of purchase:
  
5. Expected length of contract (if applicable):
  
6. What evaluation of other product suppliers or service providers was made?  
*Please provide names, addresses, and other documentation*
  
7. What makes this product or service unique and unavailable from other sources?
  
8. How did you determine that there was only one source for the product or service?
  
9. What product supplier or service provider have you used until now to satisfy similar requirements?
  
10. Attach dated quote.