

## *Procurement Planning & Advertising*

Procurement planning should focus on finding the best overall solution, using a procurement method that is legal, meets short- and long-range needs, and provides and promotes competition. Procurement planning begins with determining the type of purchase that is needed. Requirements for different types of procurements are discussed in more detail below.

Depending on the type of procurement, you will generally need to advertise an Invitation for bids (IFB), request for proposals (RFP), or request for qualifications (RFQ). Certain purchases may be exempt from the requirement to advertise.

An RFP is a solicitation by the City for specific and detailed proposals from interested professionals and consultants **to complete a specified project**. It is an effective method to use to ensure that all potential vendors receive the same information regarding the City's request to complete a specific project. Based on the proposals the City receives in response to an RFP, the City will select a proposal and award the contract to it. A RFP is used to acquire proposals for a project **greater than \$80,000.00**.

Similar to a RFP, a RFQ is a solicitation by the City for expressions of interest to **provide a professional service and/or to complete a specific project**. An RFQ is used to acquire professional services **greater than \$80,000.00**. Unlike an RFP, an RFQ may be used by staff to create a pre-approved pool of vendors. Staff can then select from the pre-qualified pool of vendors to provide services for projects on an as-needed basis. For example, if a plumbing service is needed, staff has the discretion to call any plumber who was already pre-approved by being selected after submitting a response to an RFQ.

### *Architectural, engineering, and land surveying services*

#### *Services costing over \$50,000*

The City must publicly announce requirements for architectural, engineering, and land surveying services over \$50,000 by publishing an **RFQ** and negotiate contracts for such professional services on the basis of demonstrated competence and qualifications for the type of professional services required and at fair and reasonable prices.<sup>1</sup>

The City must publish in advance its requirement for professional services. The announcement must state concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the government who can provide further details. The City may comply with this section by:

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<sup>1</sup> [18-8-201. Statement of policy, MCA](#)

1. Publishing an announcement on each occasion when professional services provided by a licensed professional are required by the City; or
2. Announcing generally to the public its projected requirement for any category or type of professional services.<sup>2</sup>

The City typically advertises these professional services for each particular project, but may also encourage firms engaged in the lawful practice of their profession to submit annually or biennially a statement of qualifications and performance data. When selecting the firm, the City evaluates current statements of qualifications and performance data on file with the City, if any, together with those that may be submitted by other firms regarding the proposed project and conducts discussions with one or more firms regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services. The City will then select the firm considered most qualified to provide the services required for the proposed project. The selection criteria must be available to the public and include at a minimum the criteria specified in 18-8- 204(2)(b) as they relate to each firm.

#### [Exception for contracts estimated to cost less than \\$50,000](#)

When architectural, engineering, and land surveying services fees are estimated not to exceed \$50,000, the City may contract for those professional services by direct negotiation.<sup>3</sup>

This does not mean the selection of an architect, engineer, or land surveyor may be made based on price; selection must still be based on qualifications. However, rather than publishing an RFQ the project manager may directly contact (for example) engineering firms the City knows to be qualified based on previous work for the City or a recent Statement of Qualifications submitted by the firm.

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<sup>2</sup> [18-8-203. Public notice of agency requirements, MCA](#)

<sup>3</sup> [18-8-205, MCA. Negotiation of Contract for Services, MCA](#)

## Writing specifications/scopes of work

Specifications establish minimum requirements, characteristics, or standards a product or service must meet to be considered. Complete and understandable specifications are the only information the prospective Vendor has on which to base a bid/proposal. Specifications also establish legal parameters for acceptability. Specifications should:

- (a) *Identify Minimum Requirements:* Specifications describe the minimum acceptable requirements of the supply or service the department needs. Minimum, in this sense, does not mean substandard; it simply means those characteristics that a product must have in order to be considered. When writing a specification, include every feature that is needed.
- (b) *Allow for Competitive Bids:* Specifications should ensure that Vendors can compete. Competition is the best way to ensure low prices and equitable treatment of Vendors. Generally, specifications based upon performance requirements will allow for more competition than a specification based upon design requirements.
- (c) *List Evaluation Criteria and Test Methods:* Specifications should state how the supply/service requested will be evaluated for award. If products will be compared, each Vendor needs to know how those comparisons will be made.
- (d) *Provide for a Fair Award at the Lowest Possible Cost:* Specifications should ensure that the department receives the supplies/services it needs at a reasonable price and that the award will be made fairly. To perform those functions, specifications should be simple and clear, identifying exactly what is needed.

## Preparing the solicitation notice; publication requirements

Based on the specifications or scope of work, the Project Manager will develop the **IFB**, **RFP**, or **RFQ**. Therefore, it is critical the Project Manager have clear, concise, and detailed specifications or scope of work. Keep in mind it is unacceptable to draft or cause to be drafted any statement of work/specifications in such a manner as to limit the competition directly or indirectly to any one Vendor.

Advertised solicitations for certain public works contracts and other non-construction services contracts over \$25,000 must include information on Montana's prevailing wage requirements.<sup>4</sup> If you're unsure whether the prevailing wage requirements apply to your solicitation, please consult with your department director or the City Attorney's Office.

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<sup>4</sup> [18-2-401, MCA](#)

The advertisement for IFBs, RFPs, and RFQs must be published as provided in 7-1-4127, MCA, and the second publication must be made not less than 5 days or more than 12 days before the consideration of bids/proposals.<sup>5</sup> For scheduling, please contact the City Clerks' Office to ensure availability at the desired time of submission date. In addition to the print advertisement, the City Clerk will post the IFB/RFP/RFQ on [\[webpage\]](#).

Examples of previously advertised IFBs, RFPs, and RFQs are available on the City's [bid postings](#) webpage.

### Questions from potential vendors

Solicitations must include contact information for the Project Manager so that prospective vendors may submit questions regarding the solicitation. Such questions and their answers must be forwarded to the City Clerks so they may be posted on the City's bid website.

### Pre-bid/proposal conferences

Pre-bid or pre-proposal conferences provide an opportunity for bidders/offerors to emphasize and clarify critical aspects of solicitations (for example, statement of work), eliminate ambiguities or misunderstandings, and permit Vendor input. Attendance at conferences or site visits may be optional or mandatory. When mandatory attendance is stipulated, only bids or proposals from those Vendors represented will be accepted. After the conference, an addendum will be issued if a modification to the solicitation is required as a result of the conference. Contact the City Clerks' Office for publication of necessary addenda.

### Bid/proposal receipt

The time and date for receipt of bids/proposals will be included in the solicitation notice. At the time of submission, all bids/proposals will be marked with a receiving date and time and signed by the City Clerk.

If bids/proposals are not submitted by the specified date, time, and location identified in the solicitation notices, the response may be deemed non-responsive and may not be considered for review/evaluation. Late bids/proposals will be marked with a receiving date and time and returned to sender.

The City reserves the right to reject any and all bids.

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<sup>5</sup> [7-5-4302\(2\), MCA](#)

## Bid/proposal mistakes

### *By the City*

If the Vendor alleges a mistake in the City's solicitation prior to opening, the bid/proposal may be corrected or withdrawn.

Solicitation amendments may be made by the issuance of an addendum prior to the time set for receipt of responses. Acknowledgement of receipt of an addendum must accompany the bid or proposal. Failure to acknowledge receipt of an addendum may be cause for rejection of the bid or proposal.

### *By the Vendor*

A bid "informality" is a minor deficiency or variation of a bid or proposal from the exact requirements of the IFB, RFP, or RFQ, which does not affect the price, quality, quantity, or delivery schedule for the commodities, goods, or services being purchased. The City Attorney's Office may waive such informalities or permit the Vendor to correct them, whichever procedure is in the best interest of the City. An example is where the Vendor fails to sign the solicitation documentation. In no instance will the absence of a Bid Bond be considered a minor defect or variation.

A Vendor may amend or withdraw a bid or proposal before the deadline if the City Clerk receives a request in writing before the due date and time. The request must be signed by a person authorized to represent the Vendor that submitted the bid or proposal.

No bid may be withdrawn after the opening of the bids or proposals without the consent of the City Council for a period of sixty (60) days after the scheduled time of receiving bids or proposals.

If you believe there is a mistake in a bid or proposal, please contact the City Attorney's Office for further assistance.

## Templates

Templates are located on [\[city webpage\]](#). Examples of previously advertised IFBs, RFPs, and RFQs are available on the [\[city webpage\]](#).