



ARP Process from Bidding to Getting Paid

August 2023

Agenda

- Introductions: John Greer and Lacey Aviles
- Procurement
- Reimbursement
- Resources and Questions



Procurement

Procurement Overview



As part of participation in the TDEC ARP grant programs, the grantee is responsible for all procurements in which they are the owner of the water infrastructure system.



When the grantee is not the project owner, the **project owner should manage the procurement** with the grantee assisting to ensure proper procurement procedures are followed.



The grantee is ultimately responsible for ensuring proper procurement for all activities in the contract



All procurements, regardless of managing party, **are required to adhere to the standards described in 2 CFR 200.318 – 200.327**



2 CFR 200.318 – 300.327 Overview

- Procurement by states (2 CFR Part 200.317)
- **General procurement standards (2 CFR Part 200.318)**
- **Competition (2 CFR Part 200.319)**
- **Methods of procurement (2 CFR Part 200.320)**
- **Contracting with small and minority businesses, women's business enterprises (MWB), and area labor surplus firms (2 CFR Part 200.321)**
- Domestic Preferences for Procurement (2 CFR Part 200.322)
- Procurement of Recovered Materials (2 CFR Part 200.323)
- **Contract Cost and Price (2 CFR Part 200.324)**
- Federal Awarding Agency or Pass-Through Entity Review (2 CFR Part 200.325)
- **Bonding Requirements (2 CFR Part 200.326)**
- **Contract Provisions (2 CFR Part 200.327 Appendix II)**

Procuring for Construction, Material and Supplies



As a grantee and a non-federal entity, your projects must adhere to the \$50,000 competitive bidding threshold

Procurement procedures should include:

- ☐ The invitation for bids, including any specifications and pertinent attachments, must define the items or services for the bidder to properly respond
- ☐ Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised
- ☐ Request for Bids must also be advertised as opportunities on Go-DBE in the dedicated section as detailed: [***Procurement Standard: Contracting MWBE Firms***](#)
- ☐ All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly

Procuring for Construction, Material and Supplies Cont.



As a grantee and a non-federal entity, your projects must adhere to the \$50,000 competitive bidding threshold

Procurement procedures should include:

- ☐ The evaluation factors must be present in the request for bids and method of conducting an evaluations should be written
- ☐ A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder
- ☐ Any or all bids may be rejected if there is a sound documented reason. If the lowest bid is not selected, justification as to why a higher bid was selected ***must be provided***

Procuring Professional (Consultant/Engineer) Services

Procurement by competitive proposals is conducted when:

- Soliciting for professional and engineering services, most commonly
- It is expected that <1 source will submit an offer
- Conditions are not appropriate for the use of sealed bids

Procurement by RFQ competitive process resulting in contracts must be:

- ✓ Fixed price
- ✓ Cost reimbursement

In using this method, you must:

- ✓ Publicize and identify all evaluation factors and their relative importance
- ✓ Post solicitations in local media outlets or wherever you normally advertise similar opportunities
- ✓ Advertise on Go-DBE (covered later in presentation)
- ✓ Proposals must be solicited from an adequate number of qualified sources

Procuring Professional (Consultant/Engineer) Services

When evaluating proposals:

- ❑ You must have a written method for conducting technical evaluations of the proposals received
- ❑ Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program

Competitive proposal procedures for qualifications-based procurement of architectural/ engineering (A/E) professional services should consider the qualifications of responders as a key evaluation criteria and the most qualified competitor is selected, without consideration of price. It cannot be used in the purchase of other services.

Contracting MWBE Firms



2 CFR Part 200.321: Must take all steps to assure that small and minority businesses, women's business enterprises, and labor surplus area firms are used when possible

- To ensure consistent compliance, applicants shall post project opportunities on the State's Governor's Office of Diversity Business Enterprise (Go-DBE) website.
- To post Request for Proposal/Request for Bid opportunities, you must:
 1. Visit: [**Governor's Office of Diversity Business Enterprise \(Go-DBE\)**](#)
 2. Follow the link to the Grant Website Posting Form
 3. Complete the form, selecting ARP as the type of grant
 4. Attach all relevant solicitation documents
 - *Solicitation documents include the Ad for Bids, Project Plans and Specifications, Drawings, etc.*
- A screen shot of the Go-DBE posting should be taken to include with supporting documentation uploaded to GMS
- The minimum time frame to leave opportunities posted is 2 weeks (14 calendar days)

Procurement and Contracting Requirements

- All contracts that are reimbursed with federal funding of \$2,000 or more are required to include all required federal contract provisions
- In addition to the required provisions, there are **required certifications that must be obtained from bidders and vendors**
 1. **Byrd Anti-Lobbying Amendment Certification:** Contractors who apply or bid for an award of \$100,000 or more shall file the required certification
 2. **Certification Regarding Equal Employment Opportunity:** Any contract that uses federal funds to pay for construction work is a “federally assisted construction contract” and must include the equal opportunity certificate
 3. **Debarment Certification:** The prospective participant certifies to the best of its knowledge and belief
 4. **Iran Divestment Act Certificate:** The contractor certifies by signature below that it is not included on the list of persons created pursuant to Tenn. Code Ann. § 12-12-106 of the Iran Divestment Act



Please see Appendix B: Required and Recommended SLFRF Contract Provisions in the ARP Non-Competitive Implementation Guide for additional information regarding all required provisions and certificates

Overview of Relevant Procurement Documents

Documents that grantees should prepare for GMS upload:

Existing Procurement Policies

Names of evaluation team

RFP/RFB Package Issued

Evaluation and scoring records

Documentation regarding the posting of the
RFP/RFB

Recommendation to award memo

Independent Cost Estimate

Contract with pricing information

Evaluation Criteria

Addenda/extensions issued and supporting
cost estimates

Copies of responses to the RFP/RFB

Copies of correspondence with bidder

Other supporting documentation as applicable

Overview of the Required Steps in Procurement Process

1

Determine the services and/or needs to complete your Water Infrastructure Approved Projects

2

Define your scope of work of services with clear, concise descriptions of the project

3

Develop the Bid/Proposal Package, which should include the Request for Bid/Proposal and the required certification forms listed on slide 11

4

Advertise the RFB/RFP in a local media outlet, your website, AND the Go-DBE website

It is recommended that solicitations be posted for 30 calendar days, but the minimum amount of time is 14 calendar days. Screenshots of the solicitation should be captured to support advertising.

Overview of the Required Steps in Procurement Process

5

Upon the conclusion of the RFP/RFP solicitation, perform an evaluation of responses received, document evaluation and make selection

6

Complete the GMS Project Activity and upload supporting procurement documents

7

The TDEC team will review supporting documentation and once the procurement package is complete, will provide an approval

**Approvals will be received as an Authority to Award (ATA)*

8

The ATA provides the required sign-off to proceed with the Pre-Construction Conference and Notice to Proceed



Reimbursement

Reimbursement Overview

What is Reimbursement?

- Repayment of an eligible cost that has been incurred for work completed on a project and determined to be reasonable and allowable with all supporting documentation provided

When do reimbursement requests happen?

- Reimbursement requests can begin once certain criteria, as outlined in the grant terms and conditions, have been met
- Up to once per month after eligible costs have been incurred for work performed and documentation has been collected, reviewed and determined to be sufficient for the financial claim



Before costs can be reimbursed, the procurement of services/construction must be approved

Reimbursement Prerequisites

Only **approved projects with approved procurements** in GMS are eligible for requesting reimbursement in GMS. All procurements and supplier contracts must be submitted for review in GMS and receive approval prior to being eligible for reimbursement. Guidance on what is required to obtain procurement approval can be found in the Procurement and Acquisitions section of the Implementation Guide.

Reimbursement Reminders

- ✓ Grantees are the **only individuals eligible** to submit a request for reimbursement.
- ✓ Grantees can only request reimbursements **once per month**. Grantees should work with partners, responsible parties and other project owners on invoicing.
- ✓ Activities and costs must be part of an **approved project and budget** in an executed grant contract and must be **tracked**.
- ✓ Activities and costs must occur in the **eligible performance period** (on or after March 3, 2021, through September 30, 2026).

Reimbursement Documentation

Grantees are required to submit the following documentation for reimbursement:

- ✓ Invoice or pay application, broken out clearly by individual project and including a detailed description of the services provided
- ✓ Supporting documentation that substantiates the items included in the invoice to aid the reviewer in confirming the allowability, accuracy and reasonableness of costs claimed.

Cost-Type-Specific Documentation Requirements:

For construction costs:	For Lump Sum Contracts that don't require requested documentation:
<ul style="list-style-type: none">— Schedule of values and/or progress estimates— Project schedules— Subcontractor invoices— Progress or inspection reports	<ul style="list-style-type: none">— Drawings or daily job and/or inspection reports for that project specific scope of work and containing the respective scope of work, equipment used and number of people in the crew— Alternatively, the basis of bid for the specific scope of work
For grant administration, engineering & other costs:	
<ul style="list-style-type: none">— Time summaries— Subcontractor invoices, where relevant	



Supporting Documentation

Grantees are encouraged to submit the following supporting documentation, where appropriate, while seeking reimbursement:



Any change orders or amendments that were not included in the original procurement review



For construction contracts, proof of retainage compliance where required



Any required deliverables stated in the grant proposal



Proof of payment consisting of cleared checks including both front and back of check showing endorsement, or alternate supporting documentation indicating the check or wire transfer has cleared (i.e., Bank Statement)

Expected Expenditures



Please note that TDEC will be reaching out to collect expected expenditures for this fiscal year.

Resources

Procurement and Reimbursement GMS Demo

August 24th, 10:00-11:30 CT

TDEC will be hosting a virtual GMS Demo to walk through the procurement and reimbursement functionalities on GMS.

Participants are encouraged to submit any questions in advance through the registration form.

Register here to receive the event link!

www.tn.gov/environment/arp/engagement-opportunities

Resources

- [ARP Implementation Guide](#)
- [GMS User Guide](#)
- [Reimbursement Quick Reference Guide](#)
- [Non-Competitive Grant FAQs](#)
- [TDEC ARP Website](#)
- tdec.arp@tn.gov

Thank You For Your Time

Questions?

