

Request for Proposal

18-703 Addendum #3

Professional Services for
Construction Contract & Construction Project Services Auditing

NIGP Commodity Code(s):

918-04 Accounting/Auditing/Budget Consulting

946-20 Auditing Services

Submit proposals (sealed) to:

Deputy City Clerk
City of Tulsa
175 E. 2ND St.
Suite 260
Tulsa, OK 74103



CITY OF
Tulsa
A New Kind of Energy.

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I. STATEMENT OF PURPOSE:

With this Request for Proposal (RFP), we are searching to secure professional services for performance and compliance audit engagements related to construction contract and construction-related processes.

We enthusiastically look forward to receiving your proposal.

II. INSTRUCTIONS FOR SUBMITTING A PROPOSAL:

A. General Requirements

1. Proposals must be received by **5:00 p.m. on Wednesday, May 02, 2018, Central Daylight Time**. Please place proposals in a sealed envelope or box clearly labeled "**RFP 18-703, Construction Contract & Construction Project Services Auditing**".
Proposals received late will be returned unopened.
2. Proposals shall be delivered sealed to:

Deputy City Clerk
City of Tulsa
175 E. 2nd St.
Suite 260
Tulsa, OK 74103
3. All interested Respondents (Sellers) are required to register with the Buyer in order to receive updates, addenda or any additional information required. The City is not responsible for any failure to register.
4. Inquiries to the Buyer requesting clarification regarding the Request for Proposal or the content therein must be made via e-mail and must be received prior to the end of the business day on **April 13, 2018**

Ashleigh Woodall, Buyer
awoodall@cityoftulsa.org

Any questions regarding this RFP will be handled as promptly and as directly as possible. If a question requires only clarification of instructions or specifications, it will be handled via e-mail. If any question results in a substantive change or addition to the RFP, the change or addition will be forwarded to all registered Respondents as quickly as possible by addendum.

5. Respondents shall designate a contact person, with appropriate contact information, to address any questions concerning a proposal. The Respondents shall also state the name and title of individuals who will make final decisions regarding contractual commitments and have legal authority to execute the contract on the Respondent's behalf.
6. Proposals will be opened on the morning after the due date, at 8:30am, at the:

Standards, Specifications, and Awards Committee Meeting
175 East 2nd Street, 2nd Floor
City Council Chamber

B. General Notifications

1. The City of Tulsa notifies all possible Respondents that no person shall be excluded from participation in, denied any benefits of, or otherwise discriminated against in connection with the award and performance of any contract on the basis of race, religious creed, color, national origin, ancestry, physical disability, sex, age, ethnicity, or on any other basis prohibited by law.
2. All Respondents shall comply with all applicable laws regarding equal employment opportunity and nondiscrimination.
3. All Respondents shall comply with the Americans with Disabilities Act (ADA) and all proposals and a subsequent contract, if any, shall include the following statement:

“The Respondent shall take the necessary actions to ensure its facilities are in compliance with the requirements of the Americans with Disabilities Act. It is understood that the program of the Respondent is not a program or activity of the City of Tulsa. The Respondent agrees that its program or activity will comply with the requirements of the ADA. Any costs of such compliance will be the responsibility of the Respondent. Under no circumstances will the Respondent conduct any activity which it deems to not be in compliance with the ADA.”
4. The City of Tulsa also notifies all Respondents that the City has the right to modify the RFP and the requirements herein, to request modified proposals from Respondents, and to negotiate with the selected Respondent on price and other contract terms, as necessary to meet the City's Objectives.
5. Although it is the City's intent to choose only the most qualified Respondents, the City reserves the right to choose any number of qualified finalists for interview and/or for final selection. At the discretion of the City, one or more Respondents may be invited to be interviewed for purposes of clarification or discussion of the proposal.
6. This Request for Proposal does not commit the City of Tulsa to pay any costs incurred in the preparation of proposals, or in submission of a proposal, or the costs incurred in making necessary studies and designs for preparation thereof, or to contract for services or supplies necessary to respond. Any expenses incurred by the Respondent(s) in appearing for an interview or in any way in providing additional information as part of the response to this Request for Proposals are solely the responsibility of the Respondent. The City of Tulsa is not liable for any costs incurred by Respondents for any work performed by the Respondent prior to the approval of an executed contract by the City of Tulsa.

III. SCOPE OF WORK

- A.** The Respondent may be engaged to 1) perform audit engagements in their entirety, 2) perform selected audit procedures related to construction contracts or processes, or 3) assist or lead in-house audit staff in performing audit engagements by providing technical assistance. The Office of the City Auditor will be responsible for assuring compliance with any applicable auditing standards.
- B.** The Respondent may perform performance and compliance audit engagements of specific capital programs, construction projects, or of individual City departments. The audits may include all facets of the construction process, commencing with the solicitation of contractor bids or proposals through project close-out.
- C.** The Respondent may perform audits of costs billed under both construction-related professional services contracts and construction contracts.
- D.** The Respondent will be expected to write and deliver a report to the Office of the City Auditor that will include any engagement findings and resulting recommendations for improvement to existing construction procedures and processes.
- E.** The Respondent may be requested to evaluate any of the following construction-related processes in connection with audit engagements:
- Change management/change order processes and controls
 - Construction schedule adherence and schedule management
 - Contingency usage
 - Contract delivery/performance
 - Contracting and contract administration.
 - Cost control
 - Cost management and cost monitoring/reporting
 - Evaluation of cost and time efficiency of project delivery
 - Job site monitoring and inspection procedures
 - Overhead rates or labor multipliers
 - Payment applications, processing and administration
 - Payroll reviews (billed hours, rates, burden rates)
 - Preparation of construction contract documents
 - Project and program management approaches and their impact on projects and project trends
 - Risk management

IV. PLANNED TIME FRAME FOR REVIEW:

The time frame for review of proposals is expected to be three (3) to six (6) weeks, but the City reserves the right to vary the period as necessary to meet its objectives. At the discretion of the City, one or more Respondents may be invited to be interviewed for purposes of clarification or discussion of their proposals.

V. DELIVERABLES:

The products, reports, and plans to be delivered to the City will include:

- 1) A detailed **work plan/ program** shall be submitted by the consultant and approved by the City Auditor and/or their designee.
- 2) Weekly throughout the engagement, detailed information on the progress on the work plan/program developed at 1), above, shall be communicated via a **weekly status report**. The consultant will be required to discuss this report with the City Auditor and/or their designee.
- 3) A complete **final report** of detailed engagement findings and recommendations for improvement will be presented to the City Auditor as the final deliverable of the engagement. **NOTE:** The form of this report will be defined in the awarded contract executed with the City of Tulsa by the successful bidder.

VI. RESPONDENT AND PROPOSAL REQUIREMENTS

To be considered, interested Respondents should submit or address the following:

- A. One (1) unbound original and five (5) bound copies of the proposal plus one (1) electronic copy.
- B. A description of the Respondent's qualifications and experience and that of key personnel assigned to this project (and that of each Respondent proposed as part of the team). It is noted that equipment, material and staff shall be provided by the Respondent.
- C. A description of previous projects that Respondent (and any others proposed as part of Respondent's team) has conducted for organizations of similar size and complexity. Provide contact names and telephone numbers of references from these organizations.
- D. To ensure that this project is completed in a timely manner, the City requires that the selected Respondent perform steps concurrently to expedite results and recommendations, as feasible.

VII. EVALUATION OF PROPOSALS:

- A. A panel consisting of not less than three City of Tulsa employees will evaluate proposals. Final selection shall be the sole determination of the City, and if a selection is made it will be to the Respondent whose proposal is determined to be in the best interests of the City. The approval of the selected Respondent will be subject to the final determination of the City and will be contingent on the successful completion of a contract between the City and the selected Respondent(s).

VIII. AWARD OF PROPOSALS:

Per Tulsa Revised Ordinances (TRO) Title 6, Chapter 4, in addition to Price, these factors may be considered in the evaluation and award of proposals:

1. The ability, capacity and skill of the Respondent to perform the contract or provide the service required,
2. Whether the Respondent can perform the contract or provide the service promptly or within the time specified, without delay or interference,
3. The character, integrity, reputation, judgment, experience and efficiency of the Respondent,
4. The quality of performance by Respondent of previous contracts or services,
5. The previous and existing compliance by the Respondent with laws and ordinances relating to the contract or service,
6. The sufficiency of the financial resources and ability of the Respondent to perform the contract or provide the service,
7. The quality, availability and adaptability of the Supplies, Services, and Information Technology Systems offered by Respondent to the particular use required,
8. The ability of the Respondent to provide future maintenance, support and service related to Respondent's offer,
9. Where an earlier delivery date would be of great benefit to the Using Department, the date and terms of delivery may be considered in the Proposal award,
10. The degree to which the Proposal submitted is complete, clear, and addresses the requirements in the Proposal specifications,
11. If a point system has been utilized in the Proposal specifications, the number of points earned by the Respondent.
12. The total cost of ownership, including the costs of supplies, materials, maintenance, and support necessary to perform the item's intended function.
13. If an evaluation committee performs the evaluation, the recommendation of such committee.

IX. MISCELLANEOUS

- A. The City expects to enter into a written Agreement (the "Agreement") with the chosen Respondent that shall incorporate this RFP and your proposal. Further, Respondent will be bound to comply with the provisions set forth in this RFP. In addition to any terms and conditions included in this RFP, the City may include in the Agreement other terms and conditions as deemed necessary. Your response to this RFP and any subsequent correspondence related to this proposal process will be considered part of the Agreement, if one is awarded to you.

- B.** All data included in this RFP, as well as any attachments, are proprietary to the City of Tulsa.
- C.** The use of the City of Tulsa's name in any way as a potential customer is strictly prohibited except as authorized in writing by the City of Tulsa.
- D.** Your proposal must clearly indicate the name of the responding organization, including the Respondent's e-mail address and web site information, if applicable, as well as the name, address, telephone number and e-mail address of the organization's primary contact for this proposal. Your proposal must include the name, address, telephone number and e-mail address of the Respondent and/or team of Respondents assigned to the City account.
- E.** The City assumes no responsibility or liability for any costs you may incur in responding to this RFP, including attending meetings or contract negotiations.
- F.** The City is bound to comply with Oklahoma's Open Records Act, and information submitted with your proposal, with few exceptions, is a matter of public record. For specifics on the Oklahoma Open Records Act, see the link below:

<https://libraries.ok.gov/law-legislative-reference/library-laws/statutes-open-records/>

The City shall not be under any obligation to return any materials submitted in response to this RFP request.

- G.** The City shall not infringe upon any intellectual property right of any Respondent, but specifically reserves the right to use any concept or methods contained in the proposal. Any desired restrictions on the use of information contained in the proposal should be clearly stated. Responses containing your proprietary data shall be safeguarded with the same degree of protection as the City's own proprietary data. All such proprietary data contained in your proposal must be clearly identified. The City shall not be under any obligation to return any materials submitted in response to this RFP.

NON-COLLUSION AFFIDAVIT

(Required by Oklahoma law, 74 O.S. §85.22-85.25)

STATE OF _____)
)ss.
COUNTY OF _____)

I, _____, of lawful age, being first duly sworn, state that:

(Seller's Authorized Agent)

1. I am the authorized agent of Seller herein for the purposes of certifying facts pertaining to the existence of collusion between and among Respondents and municipal officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the proposal to which this statement is attached.
2. I am fully aware of the facts and circumstances surrounding the making of Seller's Proposal to which this statement is attached, and I have been personally and directly involved in the proceedings leading to the submission of such proposal; and
3. Neither the Seller nor anyone subject to the Seller's direction or control has been a party:
 - a. to any collusion among Respondents in restraint of freedom of competition by agreement to respond at a fixed price or to refrain from responding,
 - b. to any collusion with any municipal official or employee as to quantity, quality, or price in the prospective contract, or as to any other terms of such prospective contract, nor
 - c. in any discussions between Respondents and any municipal official concerning exchange of money or other thing of value for special consideration in the letting of a contract.

By: _____
Signature
Title: _____

Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

Notary Commission Number: _____

The Affidavit must be signed by an authorized agent and notarized

INTEREST AFFIDAVIT

STATE OF _____)

)ss.

COUNTY OF _____)

I, _____, of lawful age, being first duly sworn, state that I am the agent authorized by Seller to submit the attached Proposal. Affiant further states that no officer or employee of the City of Tulsa either directly or indirectly owns a five percent (5%) interest or more in the Respondent's business or such a percentage that constitutes a controlling interest. Affiant further states that the following officers and/or employees of the City of Tulsa own an interest in the Respondent's business which is less than a controlling interest, either direct or indirect.

By: _____

Signature

Title: _____

Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

Notary Commission Number: _____

County & State Where Notarized: _____

The Affidavit must be signed by an authorized agent and notarized

RESPONDENT INFORMATION SHEET

Respondent's Legal Name: _____
(Must be Respondent's company name exactly as reflected on its organizational documents, filed with the state in which Respondent is organized; not simply a DBA.)

State of Organization: _____

Respondent's Type of Legal Entity: (check one)

- | | |
|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Corporation | |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Other: _____ |

Address: _____
Street City State Zip

Website Address: _____ **Email Address:** _____

Sales Contact:

Name: _____

Street: _____

City: _____

State: _____

Phone: _____

Fax: _____

Email: _____

Legal or Alternate Sales Contact:

Name: _____

Street: _____

City: _____

State: _____

Phone: _____

Fax: _____

Email: _____

Price Sheet Summary

Description	Amount
Hourly rate for approximately 1000 hours of work.	\$
All additional expenses (lot)	\$

Company Name: _____

Date: _____

Signature: _____

Name Printed: _____

Title: _____

(THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK)

City of Tulsa General Contract Terms

It is anticipated that the City of Tulsa will enter into an Agreement (contract) with the selected Respondent for an initial term ending one (1) year from the date of its execution by the City's Mayor, with four (4) one-year renewals available at the option of the City. Contracts entered into by the City of Tulsa generally include, but are not limited to, the following terms:

1. **Renewals.** Contractor understands and acknowledges that any future contracts or renewals are neither automatic nor implied by this Agreement. The continuing purchase by City of the Services set forth in this Agreement is subject to City's needs and to City's annual appropriation of sufficient funds in City's fiscal year (July 1st to June 30th) in which such Services are purchased. In the event City does not appropriate or budget sufficient funds to perform this Agreement, this Agreement shall be null and void without further action by City.
2. **No Indemnification or Arbitration by City.** Contractor understands and acknowledges that City is a municipal corporation that is funded by its taxpayers to operate for the benefit of its citizens. Accordingly, and pursuant to Oklahoma law, City shall not indemnify nor hold Contractor harmless for loss, damage, expense or liability arising from or related to this Agreement, including any attorneys' fees and costs. In addition, Contractor shall not limit its liability to City for actual loss or direct damages for any claim based on a breach of this Agreement and the documents incorporated herein. City reserves the right to pursue all legal and equitable remedies to which it may be entitled. City will not agree to binding arbitration of any disputes.
3. **Intellectual Property Indemnification by Contractor.** Contractor agrees to indemnify, defend, and save harmless City and its officers, employees and agents from all suits and actions of every nature brought against them due to the use of patented, trademarked or copyright-protected appliances, products, materials or processes provided by Contractor hereunder. Contractor shall pay all royalties and charges incident to such patents, trademarks or copyrights.
4. **General Liability.** Contractor shall hold City harmless from any loss, damage or claims arising from or related to the performance of the Agreement herein. Contractor must exercise all reasonable and customary precaution to prevent any harm or loss to all persons and property related to this Agreement.
5. **Liens.** Pursuant to City's Charter (Art. XII, §5), no lien of any kind shall exist against any property of City. Contractor agrees to indemnify and hold the City harmless from all claims, demands, causes of action or suits of whatever nature arising out of the services, labor, and material furnished by Contractor or Contractor's subcontractors under the scope of this Agreement.
6. **No Confidentiality.** Contractor understands and acknowledges that City is subject to the Oklahoma Open Records Act (51 O.S. §24A.1 *et seq.*) and therefore cannot assure the confidentiality of contract terms or other information provided by Contractor pursuant to this Agreement that would be inconsistent with City's compliance with its statutory requirements there under.
7. **Compliance with Laws.** Contractor shall be responsible for complying with all applicable federal, state and local laws. Contractor is responsible for any costs of such compliance. Contractor shall take the necessary actions to ensure its operations in performance of this contract and employment practices are in compliance with the requirements of the Americans with Disabilities Act. Contractor certifies that it and all of its subcontractors to be

used in the performance of this agreement are in compliance with 25 O.S. Sec. 1313 and participate in the Status Verification System. The Status Verification System is defined in 25 O.S. Sec. 1313 and includes, but is not limited to, the free Employee Verification Program (E-Verify) available at www.dhs.gov/E-Verify.

8. **Right to Audit.** The parties agree that books, records, documents, accounting procedures, practices, price lists or any other items related to the Services provided hereunder are subject to inspection, examination, and copying by City or its designees. Contractor shall retain all records related to this Agreement for the duration of the contract term and a period of three years following completion and/or termination of the contract. If an audit, litigation or other action involving such records begins before the end of the three year period, the records shall be maintained for three years from the date that all issues arising out of the action are resolved or until the end of the three year retention period, whichever is later.
9. **Governing Law and Venue.** This Agreement is executed in and shall be governed by and construed in accordance with the laws of the State of Oklahoma without regard to its choice of law principles, which shall be the forum for any lawsuits arising under this Agreement or incident thereto. The parties stipulate that venue is proper in a court of competent jurisdiction in Tulsa County, Oklahoma and each party waives any objection to such venue.
10. **No Waiver.** A waiver of any breach of any provision of this Agreement shall not constitute or operate as a waiver of any other provision, nor shall any failure to enforce any provision hereof operate as a waiver of the enforcement of such provision or any other provision.
11. **Entire Agreement/No Assignment.** This Agreement and any documents incorporated herein constitute the entire agreement of the parties and supersede any and all prior agreements, oral or otherwise, relating to the subject matter of this Agreement. This Agreement may only be modified or amended in writing and signed by both parties. Notwithstanding anything to the contrary herein, the City does not agree to the terms of any future agreements, revisions or modifications that may be required under this Agreement unless such terms, revisions or modifications have been reduced to writing and signed by both parties. Contractor may not assign this Agreement or use subcontractors to provide the Goods and/or Services without City's prior written consent. Contractor shall not be entitled to any claim for extras of any kind or nature.
12. **Equal Employment Opportunity.** Contractor shall comply with all applicable laws regarding equal employment opportunity and nondiscrimination.

The undersigned Respondent agrees to the inclusion of the above provisions, among others, in any contract with the City of Tulsa.

Company Name: _____

Date: _____

Signature: _____

Name Printed: _____

Title: _____

04/24/2018

Addendum #3

Please note the following changes which have been made for clarification to this Request for Proposal.

QUESTIONS/CLARIFICATION/CHANGES:

1. Based on the title it appears the City is only looking at construction and construction processes. However, looking a page 3 it is difficult to determine if the performance and compliance audit engagements of specific capital programs and/or departments is more focused on process work. Is this RFP designed to be around a capital project or the actual process or both?
The scope of the project is not determined at this time. Scope will be determined after discussion with the selected contractor.
2. Can you better define the job site monitoring, project and program management approaches, evaluation of cost and time efficiency of project delivery, and contract delivery/performance? These types of items are a different scope than a standard construction audit on a specific project.
The scope of the project is not determined at this time. Scope will be determined after discussion with the selected contractor.
3. Would any of the projects to be audited have self-performance by the Contractor/Construction Manager?
No
4. For the projects to be audited, will the delivery method all be under the guise of a reimbursable Contract (i.e. cost plus, GMP, CMAA, etc)?
Most likely the contracts selected for audit will be lump sum because most of our population is made up of this type of contract. However, scope will be determined after discussion with the selected contractor.
5. Does the City allow any Subcontractors to utilize a reimbursable Subcontract with the Contractor/Construction Manager?
No
6. Do you require any specific certifications of our professional resources?
No, but please include all such certifications possessed by the team which you will assign to this work.
7. What is approximate average lead time from your notification of support need to audit start?
We plan no more than 60 days out from initial selection.
8. Is the 1000 hours for RFP benchmarking purposes, or is that the anticipated budget hours for the year?
1000 hours is the maximum number of hours we will purchase. Actual hours will be determined based on what we have budgeted for project costs and on the scope determined for the project.
9. Do you have an estimate of the number of unique audit events you will need to have supported over the year?
This is our initial experience using this approach for this scope area; we do not have a specific numbers of audit projects in mind/estimated at this point.

10. It appears you are considering whether you are looking for us to provide audit oversight/review or provide resources to perform testing under your leadership or both. Our hourly rate would be dependent on the level of role and experience required for the situation. How would you like that portrayed in the bid as your price sheet only listed one hourly rate?
You may include in the proposal hourly rates for different classifications of staff levels who may be engaged on the project.
11. You note the requirement to provide a report. Will the report you are requested need to be a Yellow Book qualified audit report?
No
12. Do you have a specified format for the report or are you looking for the provider to develop the report format/content?
We will provide a specified format for the report.
13. Is this a standard periodic audit for the City with an established audit plan/testing methodology that should be followed?
No
14. It appears (and I suspect) that all of the attachments in the back of the RFP must be either signed or signed and notarized and included in the response, but it is not clear. Can you confirm?
Yes, the forms will need to be completed/signed/notarized respectively.
15. Does the City have a standard boilerplate Contract they use for each construction project? If so, can you please share it?
The base of the boilerplate contract is the RFP packet.

04/20/2018

Addendum #2

Please note the following changes which have been made for clarification to this Request for Proposal.

QUESTIONS/CLARIFICATION/CHANGES:

1. Proposals must be received by 5:00 p.m. on Wednesday, May 02, 2018, Central Daylight Time.

04/03/2018

Addendum #1

Please note the following changes which have been made for clarification to this Request for Proposal.

QUESTIONS/CLARIFICATION/CHANGES:

16. Has a dollar budget been established for this service?
Yes, a budget has been established. However, the budgeted amount will not be disclosed.
17. Will the respondent be auditing the City processes or the contractor(s) processes?
City processes
18. Does the City have a list of projects which will be subject to audit?
“Capital Projects/Construction Contract Administration.” This project is planned to not exceed 1000 hours, including both internal staff and consultant hours. We estimate the work to be provided by the consultant will be 75-80% of total work. Overall scope of work and final number of hours required will be determined based on discussion with and advice from the consultant. In addition, the consultant will provide assistance on a related project entitled, “Vendor and Contract Risk.” Assistance on this project is not expected to exceed 200 hours.
19. The “Pricing Sheet Summary” includes “hourly rate for approximately 1,000 hours of work.” Is the City looking for respondents to include a blended hourly rate (\$170/hr) or a total amount (\$170,000) on the proposal attachment?
Provide an hourly rate. A total amount is not required.
20. Is the City able to provide an estimated required number of trips to Tulsa?
We prefer all the work be completed in one trip. Some work may be completed remotely, such as report writing and clearing review notes.
21. What would be the overall duration of the contract if awarded the engagement? Are the 1,000 estimated hours all intended to be incurred in 2018 or over a longer period?
This will depend on the scope of work and resources the consultant can assign to the projects. We expect the work can all be completed in calendar 2018, but no later than 6/30/19.