

# Chatham County Purchasing and Contracting

1117 Eisenhower Drive - Suite C. - Savannah, Georgia 31406

P. O. Box 15180 Savannah, Georgia 31416

[www.chathamcounty.org](http://www.chathamcounty.org)



March 23, 2010

To: All Interested Companies

RE: Request of Interest for Bond Alternative Risk Management, Surety Bond and Local and Minority Participation Support Services for Chatham County.

Potential Consultants:

Chatham County seeks interest from potential service providers ("Suppliers") for a Local, Minority, Female and Small Business Bond Alternative Program, Project Funds Control Services, local MWBE/SBE participation monitoring, and M/W/SBE Participation Support Services ("Services"). Chatham County is seeking an innovative and complete proposal from Suppliers who can demonstrate that they possess the organizational and technical capabilities to perform the Services and meet or exceed the Service levels.

Lack of ability to procure traditional surety bonding has been widely recognized as a barrier to otherwise qualified MWBE and SBE firms participating in large scale construction projects. In order to minimize or remove this potential barrier to the maximum participation of local MWBE and SBE firms in the Project, the County would like to procure a subcontractor bonding alternative program, with complementary services, to develop and strengthen local MWBE and SBE firms.

Attached to this letter is the Scope of Work and Requirements that will be used for this project.

Letters responding to the Request of Interest shall be submitted to Robert Marshall, Senior Procurement Specialist, Chatham County Purchasing & Contracting Department, 1117 Eisenhower Drive, Suite C, Savannah, Ga. 31406 or faxed to 912-790-1627 or e-mail [rmarshal@chathamcounty.org](mailto:rmarshal@chathamcounty.org) no later than 2pm, April 5, 2010.

Respectfully,

William R. Parson, CPPO

Purchasing Agent

Chatham County, Georgia

Bond Alternative Risk Management, Surety Bond and  
Local and Minority Participation Support Services;

**Scope of Work and Requirements**

Date  
March 15, 2010

## **1. EXECUTIVE SUMMARY**

### **1.1. About the Project**

Chatham County, Georgia intends expand and renovate the Chatham County Detention Center with 340,000 square feet of new construction and renovation, the provision of 852 additional inmate beds, video visitation areas, court holding rooms, and expanded laundry, kitchen and medical facilities among others (the "Project").

The Chatham County Board of Commissioners and taxpayers of Chatham County desire that this project have the strongest possible impact on our local economy. Therefore, Chatham County wishes to maximize the levels of local business participation and local workforce utilization in this project, with an emphasis on the participation of local minority and women-owned business enterprises (MWBEs) and local small business enterprises (SBEs), which employ local residents and otherwise support the local economy.

Lack of ability to procure traditional surety bonding has been widely recognized as a barrier to otherwise qualified MWBE and SBE firms participating in large scale construction projects. In order to minimize or remove this potential barrier to the maximum participation of local MWBE and SBE firms in the Project, the County would like to procure a subcontractor bonding alternative program, with complementary services, to develop and strengthen local MWBE and SBE firms.

### **1.2. Request for Interest**

Chatham County seeks proposals from potential service providers ("Suppliers") with information and firm bids for a Local, Minority, Female and Small Business Bond Alternative Program, Project Funds Control Services, local MWBE/SBE participation monitoring, and M/W/SBE Participation Support Services ("Services").

Chatham County is seeking an innovative and complete proposal from Suppliers who can demonstrate that they possess the organizational and technical capabilities to perform the Services and meet or exceed the Service levels.

## **2.RFI GUIDELINES**

### **2.1. Mandatory Criteria**

The selected Supplier must meet the following requirements.

- A proven track record in providing contract surety bonds to minority, female owned, and small businesses in the construction industry, not as agent or managing general agent; and
- Must be part of a Treasury Listed organization licensed to issue contract surety bonds in the state of Georgia with an A.M. Best rating of A- or better; and
- Must possess a project funds control division that meets the following criteria:



- Extensive experience in providing construction project funds control and project disbursement services in the state of Georgia;
  - Extensive experience in provide funds control services on publicly funded projects at the federal, state and local levels;
  - Minimum \$10 million errors and omissions insurance coverage;
  - Minimum \$5 million fidelity crime and dishonesty bond;
  - Demonstrated experience in providing project funds control on projects in excess of \$110 million;
  - Must be able to demonstrate that its funds control operations utilizes non-interest bearing, project funds controls accounts, specific to each individual project and that funds are not co-mingled with other projects;
  - Must be able to demonstrate that project funds control accounts under Supplier's control are 100% collateralized. and
- Must be able to demonstrate minimum ten (10) years experience in formally evaluating contractor capability as a service offering to third party clients; and
  - Must show history of formally training M/W/SBE construction businesses, specifically with respect to obtaining surety bond credit and experience in designing and implementing such programs for local, state or federal governmental agencies; and
  - Must be part of an organization that provides program or project management with extensive experience in project controls and owner's representative services; and
  - Demonstrated experience in evaluating and drafting construction contracts to protect owner interests on projects in excess of \$110 million; and
  - Must be able to provide online access to client reports, project accounting and project funds control disbursement information; and
  - Supplier or its affiliates must have a physical office located in the state of Georgia.

## **10. PROJECT SUMMARY**

### **10.1. Scope of Work**

**BOND ALTERNATIVE SERVICES**

**SURETY BONDS**

**LOCAL AND SMALL BUSINESS PARTICPATION**

Chatham County seeks consultant to manage and support participation of local and minority businesses on the Project and act as Owner's Representative with respect to the overall Project work through the below services. The Supplier shall perform the following services:

- Design, draft and implement a proactive construction performance and payment risk management plan for M/W/SBE participants on the Project including:
  - Project funds and disbursement controls:
    - Subcontractor line item costs oversight;
    - Subcontractor cost verification and monitoring;
    - Lien waiver and release tracking;
    - Contractor and subcontract contract and purchase order management;
    - Where funds control is utilized maintain separate, segregated non-interest bearing account for each subcontract in the program;

(This funds control service can also be utilized with respect to the general contractor's payments, but should be set forth in the IFB documents)

- Subcontract capability analysis;
  - Real time subcontractor mentorship and support;
  - Obtain copies of construction contracts, subcontracts, budgets, plans, specifications and schedules.
  - Evaluate subcontractor capabilities and financial analysis, including analysis of contractor and subcontractor work history, financial statements, State license board and Better Business Bureau search and major sub-contractor reference check.
- Support Chatham County in designing and implementing an M/W/SBE plan for designing criteria and overseeing performance of the performing contractor with respect to M/W/SBE participation on the project;
  - Oversee the performing contractor's compliance with M/W/SBE participation mandates and provide written report to Chatham County;
  - Design, implement and oversee and Subcontractor – Contractor dispute resolution plan;
  - Provide site inspections and report performance and the general contractor and subcontractors to Chatham County on a monthly basis;
  - Design and implement an M/W/SBE surety bond training program for local contractors in Chatham County;
  - Design and implement plan to support local and small businesses working for the selected general contractor to maximize opportunity for these businesses to complete their respective scope's of work;
  - Support Chatham County in defining possible pool of M/W/SBE contractors;



- Support Chatham County in analyzing bid proposals from prospective general contractors and specifically with regard to each proposed local and minority participation plan and provide written comments and proposed solutions to Chatham County regarding the same;
- Work with Chatham County and the selected general contractor to execute a plan that maximizes M/W/SBE participation on the Project;
- To the extent necessary, establish a team of advisors and service providers (CPAs, insurance brokers, etc.) to assist contractors and subcontractors in the qualification process.
- Refer contractors and subcontractors to qualified resources such as bankers, accountants, insurance brokers, business consultants, economic development advisors, attorneys and Chatham County resources;
- Utilize existing Chatham County resources that aid in the development of the contractors' and subcontractors' ability to participate on the Project;
- At the conclusion of the Program, prepare a closeout report documenting performing contractor's M/W/SBE performance.

#### **OPTIONAL OWNER'S REPRESENTATIVE SERVICES**

- Support Owner in drafting contract templates, formats and key clauses to ensure Owner protection and maximize small and local business participation.
- Oversee and report to Owner with respect to schedule and critical path;
- Evaluate bid process for consistency with project budgets and goals;
- Support Owner in prequalifying all contractors by performing a detailed prequalification evaluating respective capabilities for project relevant experience, financial stability, business capacity, ability to perform, in house means and methods philosophies, technical ability and small/local business participation plan;
- Monitor overall project activities & milestones;
- Monitor productivity and update budget and cost to complete analysis;
- Assist Owner and OE in evaluating and respond to all Requests for Information ("RFI's");
- Support Owner in reviewing change orders and present recommendations regarding change order requests to Owner;
- Support owner in evaluating and resolving claims and disputes which may arise through the course of construction;
- Coordinate weekly project meetings;
- Verify that a Project safety program is in place;
- Manage and coordinate project punch list in conjunction with OE;
- Review contractor's monthly reports for compliance;

- Project funds administration services, including payment application review, lien waiver monitoring and collection, disbursement services, subcontractor cost monitoring if cost plus method is selected, and online access to project cost data;
- Generate monthly project status report covering procurement, schedule, productivity, a summary tracking all project issues identified and the status of resolution and a full project accounting;
- Maintain and provide owner access to all project documentation and accounting records online through secure web server;
- Construction service deliverables include monthly status reports, a current master CPM project schedule, detailed current project accounting and budgeting and updated access to project documents and records via online.

## LEGAL NOTICE

CC NO. 164116

**Letters of Interest** will be received until **2:00 P.M. on April 5, 2010** by the Chatham County Purchasing and Contracting Department, **1117 Eisenhower Drive, Suite C, Savannah, Georgia** for: **RFI 10-17-4 Bond Alternative Risk Management, Surety Bond and Local and Minority Participation Support Services.**

Chatham County seeks interest from potential service providers ("Suppliers") for a Local, Minority, Female and Small Business Bond Alternative Program, Project Funds Control Services, local MWBE/SBE participation monitoring, and M/W/SBE Participation Support Services ("Services"). Chatham County is seeking an innovative and complete proposal from Suppliers who can demonstrate that they possess the organizational and technical capabilities to perform the Services and meet or exceed the Service levels.

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CHATHAM COUNTY RESERVES THE RIGHT TO REJECT ANY/AND OR ALL PROPOSALS AND TO WAIVE ALL FORMALITIES. THIS WILL BE THE ONLY SOLICITATION FOR THIS PROJECT. ONLY THOSE FIRMS RESPONDING TO THE QBS WILL BE ALLOWED TO PARTICIPATE IN THE PROJECT.

"CHATHAM COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER, M/F/H, ALL PROPOSERS ARE TO BE EQUAL OPPORTUNITY EMPLOYERS"



WILLIAM R. PARSON, CPPO, PURCHASING AGENT

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SAVANNAH N/P INSERT: Mar.26, 2010

Please send affidavit to:

Chatham County Purchasing Department

P.O. Box 15180

Savannah, GA 31406

912-790-1622