

QUESTION:

With an RFQ, final proposal, two proprietary meetings and one interview, it appears the GC/CM selection process has been thought out to select the most qualified and best partner for DSHS, the design team and all stakeholders. Many public agencies utilize RCW 39.10.360 in different ways as it pertains to how fees/bids are taken into consideration from a scoring perspective. The two most common are to a) judge stand alone fee amounts ($\% \text{ Fee} \times \text{MACC} = \text{Fee } \$$) or b) judge the fee amount in addition to the MACC ($\% \text{ Fee} \times \text{MACC} = \text{Fee } \$ + \text{MACC}$). An Example:

\$100M MACC - Two firms compete, one at 2% fee and one at 4% fee with the overall points available being 15 points;

Options A: $2\% \times 100\text{M} = \2M (15 points) vs $4\% \times 100\text{M} = \4M (7.5 points)

Options B: $2\% \times 100\text{M} = \$2\text{M} + \$100\text{M} = \102M (15 points) vs $4\% \times 100\text{M} = \$4\text{M} + \$100\text{M} = \104M (14.7 points)

Both options are acceptable per RCW 39.10.360.

The benefit of option A is that the lowest fee has the best chance to win, specifically if they are substantially lower. The potential challenge is that a team with the lowest proprietary and interview score wins purely based off of the lowest fee. In that scenario, the time spent by the selection committee to confirm the most qualified team with the best chemistry has the potential to get substantially less points if any individual firm has a lower than industry standard proposed fee. Additionally, the lowest fee may end up having more change orders, hidden fee enhancements, etc to get back to an industry standard fee that can impact the project in the long-run.

The benefit of option B is that fee is still a factor per the RCW, but the team that the selection committee feels is best fit for the project has the best chance to become part of the team.

The final proposal in the WSH RFQ documents has both a "fee" line (fee % and fee \$) and total bid (fee + MACC). Please confirm if the Fee (Fee % and Fee \$ -Option A above) or the Total Bid (fee + MACC - Option B above) is going to be evaluated to receive the 15 points, as both are acceptable per RCW 39.10.360. Option B is what appears to be the desired outcome based on the spirit of this selection process and the associated three interview/proprietary meetings being held.

ANSWER:

The scoring for the final proposal will remain as written in the RFQ/RFP.