

**RFP 2021-3003;
ESTIMATING SERVICES
ATTACHMENT A: SCOPE OF WORK**



1.0 Background

Consultants shall provide third—party estimating services. This will include reviewing and/or performing estimates on construction projects to validate architect and engineer estimates.

2.0 Cost Estimate Levels

Provide construction cost estimation services in the scope defined by American Society of Professional Estimators (ASPE) for the following levels:

- 2.1** Level 1: Order of Magnitude - The Order of Magnitude estimation is an extremely rough estimate created before the project is well defined. It is based solely on expert judgment and previous costs of similar projects. The typical range in this level is from -25% – 75%.
- 2.2** Level 2: Intermediate Estimate - The primary purpose of the intermediate estimate is to determine project feasibility from the concept of the general project. Large-scale commercial projects develop this type of estimate because they use the information to decide whether to carry out or abandon the project.
- 2.3** Level 3: Preliminary Estimate - This estimate uses a somewhat detailed scope to consolidate unit costs. It is accurate enough to be used as a basis for project financing, and sometimes, project budgets are authorized solely on the preliminary estimate. Therefore, it is essential to be as accurate as possible to differentiate between alternatives.
- 2.4** Level 4: Substantive Estimate - The substantive estimate is based on estimated unit costs. The estimate is created by analyzing reasonably finalized project designs, objectives, and deliverables that are established by the company. Additionally, it used to control project expenditures to stay within the budget.
- 2.5** Level 5: Definitive Estimate - This estimate is the most accurate and reliable because it occurs when costs are known. It is used to create bids, tenders, and cost baselines. All estimates are calculated by assumptions and can be susceptible to change when costs are updated.

3.0 Direct and Indirect Costs

- 3.1** The cost estimate level will be determined by CMHA on a project basis and shall include all direct and indirect costs related and necessary to complete the project per drawing and specifications taking into consideration location, construction schedule and foreseeable market conditions.

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- 3.2** Some of the direct costs are costs and expenses that are accountable directly for a specific activity in construction work like:
- Materials
 - Field workers (aka labor)
 - Equipment
- 3.3** Indirect costs or Overhead costs are expenses of items that are not allocated directly for specific construction activities like:
- Quality control
 - Security costs
 - Utilities
 - Administrative costs
 - Temporary structures
 - Legal fees & permits
- 4.0** CMHA will provide the following:
- Scope of the project
 - Time duration
 - Size of the project
 - Building systems
 - Overall construction budget
- 5.0 Deliverables**
- 5.1** The contractor shall provide the estimate via a lump sum breakdown in HUD form 92328, included and a working excel format file.
- 6.0 Pool of Contractors**
- 6.2** CMHA intends to create a “pool” of Contractors to provide these Services. The Pool will consist of various Contractors which will be available on an as-needed basis to provide moving and/or relocation services. The actual number of Pool participants chosen will depend on the number of qualified proposals received.
- 6.3** Proposers selected to participate in the Pool will be assigned work at the discretion of CMHA based on quality of work, availability, manpower and timeliness and will serve in the Pool for a period of one (1) year with the option, at CMHA’s sole discretion, to extend the contract for up to an additional four years for a maximum total of five years. CMHA will attempt to match each assignment to the Pool Participant best suited for a given task. CMHA will also determine the number of assignments any contractor will be assigned at any given time or duration. Selection as a participant of the Pool is not a guaranty of the type or number of tasks for which a participant may be selected. Time is of the essence with regard to Pool Participants' availability for and performance of the assignments.

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6.4 If a Pool Participant is selected to perform one or more work assignments, CMHA will formally request the Pool Participant to perform such services by executing a purchase order. The Contractor will be notified by CMHA when services are needed. CMHA will provide the scope of work to the contractor before work is to begin. Once the Contractor is notified, the work will be scheduled with CMHA. The purchase orders may be issued at any time during the term of the Pool Agreement and the assignment of work projects will be made solely at the discretion of CMHA.

7.0 Performance Standards

- 7.1** For each time the Contractor violates any of the clauses in the Scope of Work or resulting contract, the Contractor’s fee may be reduced 10% for that service.
- 7.2** The Contractor(s) shall be obligated to pay CMHA the sum of twenty-five and no/100 dollars (\$25.00) per day for each day after the due date that the Contractor(s) fails to complete the estimate and deliver it to CMHA unless conditions beyond the control of the Contractor(s) exist and mutual agreement with CMHA has been obtained.
- 7.3** Acceptable margin of error will be agreed upon per project based on, but not limited to market conditions and scope of work.
- 7.4** Failure to comply with all of the requirements above may result in a reduction of the Contractor’s fee by 10% for that service.
- 7.5** Invoices are to be submitted within two weeks after completion of the service (see *Invoicing* in the General Terms and Conditions). If invoices are submitted late, the amount to be paid shall be reduced:

Number of days to submit invoice to CMHA after completion of work or receipt by CMHA in Yardi (whichever is later)	Performance Deduction from Invoice
<30	0%
>30	30%
>60	50%
>90	75%
>120	100% (No payment)

7.6 CMHA may waive the fee reductions at its discretion after discussing extenuating circumstances with the Contractor. Such waiver shall be in writing at the time of the service.

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8.0 Contract Terms

8.1 Contract Term

8.1.1 The Authority intends to enter into a one year contract with the option, at the Authority's sole discretion, to extend four one-year contracts with the successful offeror(s) selected to provide the services.

8.2 Indefinite Quantities Contract (IQC) CMHA does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this RFP, but will reserve the right to award work on an as-needed basis.

8.2.1 Guaranteed Contract Minimum Amount and Not-to-exceed Maximum Amount: As may be further detailed herein, as the ensuing contract will be an Indefinite Quantities Contract (IQC), which, pursuant to HUD regulation, requires CMHA to award the responsive and responsible contractor a Guaranteed Contract Minimum Amount (GCMA) and Not-to-exceed Maximum Contract Amount (NMCA) of work, those required minimum and maximum contract levels are: (a) GCMA: \$100; (b) NMCA: \$100,000 annually. CMHA reserves the right to adjust these amounts, if in its best interest to do so, prior to contract approval.