

Guidelines for Using Task Orders for Public Works/Construction Projects

When used properly, a Task Order contract can be an efficient and cost-effective project delivery method that ensures a project is completed in a timely manner.

The Task Order contracting delivery method allows the Using Agency to acquire the services of a pre-qualified contractor on an as-needed basis without having to advertise each specific project. The scope of work may include construction, maintenance, repair, or work in a specific specialty.

A Using Agency may use a Task Order in lieu of the standard advertisement and bidding process only after determining that a Task Order will be beneficial and in the best interest of the Using Agency, the USG, and the public. The Using Agency may meet this requirement by establishing any of the following:

1. Reduction in total lead-time.
2. Cost transparency for construction.
3. Collaboration opportunity for complex logistical situations or construction phasing.
4. Continuity by involving the same contractor who may have unique knowledge of the challenges associated with the mission of the Using Agency based on previous work executed in those spaces with that Using Agency customer, (i.e., housing).
5. Collaboration opportunity for cost-saving measures with constructability reviews by the task order contractor during the design phase.
6. Increased efficiencies of Using Agency resources.

A Using Agency must carefully consider the use of a Task Order as negotiating a project can sometimes be more costly than bidding. Task Order Master contracts shall only be awarded through a competitive process using the Request for Qualified Contractors ("RFQC") with contractors chosen based on both their qualifications (Step 1) and the overhead & profit (fee) mark ups they provide (Step 2) in their RFQC response.

Definitions

Contract Term:	Task Order Master Contracts may be executed for an initial term. All extensions will extend the terms of the original Master Contract, except as modified by the language of the Amendment to renew the original Master Contract. The Using Agency and the Contractor must mutually agree to a contract extension.
Task Order Master Contract:	Contract agreement between Using Agency and contractor for a defined period of time. Being awarded a Task Order Master Contract is not a guarantee of work.
Task Order Contractor:	The contractor awarded a Task Order Master Contract with the Using Agency.
Task Order Assignment:	A specific scope of work and collection of associated documents that are defined and assigned to the Task Order Contractor under the contractor's Task Order Master Contract.
Value:	The maximum dollar amount that may be awarded under a Task Order Assignment <u>is contingent on the delegated authority level of the Using Agency</u> and is renewed each year commensurate with extension of the Master Contract.

I. Solicitations Unlike other delivery methods, Task Order RFQC's are publicly advertised before any specific projects are identified. Prior to posting the solicitation, the Using Agency must decide on a pricing methodology, format, and acceptable overhead & profit percentages to negotiate with the approved Contractors as a means of evaluating pricing for each project-specific opportunity. In all cases,

it is important that pricing is determined via agreed to labor, materials, equipment costs or competitive bid between subcontractors.

The Using Agency shall make every effort to right size firms (small, medium, and large firms grouped) in the evaluation process and when issuing Task Order Assignments.

The Using Agency should consider whether to advertise for and conduct a mandatory pre-submittal conference for all interested parties in the Task Order solicitation.

Forms

RFQC

Task Order Master Contract

Task Order Assignment

Green Solutions

USG Real Estate and Facilities encourages Using Agencies to utilize electronic solutions / digital media, (CADD files in PDF, AutoCad, Autoview or equivalent) whenever possible. Qualification packages are to be submitted by the consultants in one of the following methods:

- Uploaded to a secure, cloud-based platform, (i.e., Egnyte, Microsoft One Drive)
- Emailed
- Fee proposals are to be sent in a password protected file.

II. Evaluation

The Using Agency reviews and scores all RFQCs. The Task Order is offered to the most qualified respondents as determined by the Using Agency's appointed Selection Committee.

- For an initial Task Order advertisement, it is recommended that a minimum of one (1) and a maximum of five (5) separate Task Order Contractors may be selected per solicitation. Using Agencies may adjust the recommended minimums as their project workload dictates with the understanding that opportunity and consideration will be encouraged for new, qualified applicants to be considered for a Task Order Master Contract.

III. Contracting

The Maximum of all Task Order Assignments issued in conjunction with a Task Order Master Contract including change orders, shall not exceed the Design Professional Contracts and Construction Contracts delegated authority limits of the Using Agency.

IV. Project Scope of Work

Once a project has been identified by the Using Agency, the Using Agency will set up a pre-pricing, site visit/meeting with the Task Order Contractor(s), and Designer (if any) to discuss the scope of work, view the site, and answer any questions. The Using Agency has the discretion to bid Task Order Contractors against each other with full disclosure to the participating Task Order Contractors.

V. Pricing

A Task Order Contractor is expected to provide quantity surveys, budget estimates, unit pricing, and subcontractor bids to identify overall cost (including general conditions) and all overhead and profit for a proposed total contract cost.

For Task Order subcontracted scopes where cost is \$50K or above, a Contractor is to provide Using Agency with a minimum of three (3) qualified bids for each trade, unless this requirement is specifically waived by the Using Agency (for reasons of convenience or if work is to be self-performed by the Task Order Contractor). This requirement can be waived by the Using Agency if the contractor has previously demonstrated to Using Agency an earnest effort to solicit additional bids.

The Using Agency has the option to utilize a negotiated rate in lieu of an hourly rate method.

Each Using Agency should prepare a list of documents and a Using Agency specific format for each type of engagement that might include, for example:

- A. Detailed quantity survey and budget estimate by the Task Order contractor.
- B. Project Schedule from procurement through closeout.
- C. Bid Trade Analysis Sheets for each scope indicating compared subcontractor bids to budget estimate (applies only to Task Order) with subcontractor bids attached per trade.
- D. List of bid documents.
- E. Any other documents the Using Agency deems necessary for a complete Task Order proposal to be complete for contracting as a Task Order Assignment.

VI. Evaluation & Price Review

Unlike other forms of construction delivery methods including low bid, the Using Agency and Task Order Contractor must negotiate the specific cost of work. The Using Agency must review the Task Order Contractor's proposal, including analyzing the prices line by line and verifying appropriate items and quantities against the project scope. The Using Agency negotiates with the Task Order Contractor and adjustments are made to the proposal as needed until the scope and proposal are in sync and the Using Agency and Task Order Contractor agree on cost and schedule duration.

VII. Notice to Proceed

Once the Task Order representative approves the Task Order proposal in its entirety and has received all other required documentation including but not limited to: immigration forms, certificate of insurance, payment and performance bonds for contracts \$100K and above, a Task Order Assignment is executed and a Notice to Proceed can be issued.

Frequently Asked Questions About Task Orders



Are overhead fees and rates established when the Task Order Master Contract is signed?

No. Overhead fees and rates are set on a project-by-project basis and directly correlate to the size of the task order award.

Overhead fees are *in addition to* the construction fee and should be itemized separately.

Depending on the delivery method of the task order (CM, DB, or DBB), the contractor is required to follow those guidelines for rates and fees.

Example: Contractor ABC signs the base Task Order Master Contract. The institution requests a quote for Residence Hall 1 Renovation (CM Delivery, estimated value of \$700K). Staffing requirements and related expenses will be negotiated by the USG Institution and Contractor ABC for that specific project. Contractor ABC would then be required to sign off on the project assignment and follow the requirements of the USG CM-at-Risk Agreement.



Do USG Task Orders fall under the State of Georgia Purchasing Act?

No. Task Order Contracts for facilities-related work such as construction, maintenance, repairs, inspections, or specialty work are exempt from the State Purchasing Act and subject to the USG's purchasing policies for public works/public construction.



We asked three (3) task order contractors to provide a quote for a project. Contractor ABC offered a reduced rate but did not meet our proposed fee schedule. What is the next step?

Notify Contractor ABC that you cannot accept their reduced rate and move to the next task order contractor. If choosing a task order contractor for the project at a higher rate, ensure that you justify the higher fee in the documentation for auditing purposes before proceeding with award.



We wish to renew a Task Order Master Agreement that had an initial value of \$500K and has an \$80K balance remaining. Can we add the \$80K balance to the task order renewal (i.e. \$580K)?

No. Remaining balances from prior years are not permitted to roll over as the ultimate intent is to not exceed the delegated contracting authority of the USG institution.

Renewals will reset the contractor's annual limit back to the contracting authority of the USG Institution (in the example above, a \$500K level).



Are we required to use USG pay applications for task orders?

Yes, the pay application template included in the delivery method being applied (DB, CM, or DBB) to the project should be utilized.