

Government Contract Pricing



Matthew Burrell, USAF (ret)

Procurement Counselor

Monroe County Finger Lakes PTAC

matthewburrell@monroecounty.gov

(585)753-2015



50 W. Main Street, Ste. 1150, Rochester, NY 14622 | monroecountyfingerlakesptac.org | 585-753-2015



<https://www.linkedin.com/in/mcflptac/>

Presentation Overview

- Overview of PTAC services
- Contract Terminology
- Contract Pricing
- Q&A

About PTAP

A **P**rocurement **T**echnical **A**ssistance **P**rogram of the DoD, PTA Centers serve as a resource for businesses pursuing and performing under government contracts.

Military | Federal | State | Local Contracts

- All Businesses
- Government Prime Contractors
- Government Agencies
- Military
- Partner Organizations

Nationwide **NETWORK**
providing free assistance



93 PTACs Nationwide + Territories



550,000 jobs created or retained



\$26 Billion in Contracts

Find your local PTAC

<https://www.aptac-us.org/> or <https://www.dla.mil/SmallBusiness/PTAP/>



50 W. Main Street, Ste. 1150, Rochester, NY 14622 | monroecountyfingerlakesptac.org | 585-753-2015



<https://www.linkedin.com/in/mcflptac/>

PTAC - Free Services Overview

Providing government contract counseling through

- Training Workshops / Webinars
- G2B Matchmakers
- One-on-one counseling
 - Assessment of the business potential to do business with the government
 - Assistance in identifying subcontracting opportunities
 - Assistance in solicitation/bid preparation/grants
 - Assistance with Federal and State registrations & certifications; ie: SAM
 - Clarification on technical information/document specifications/standards
 - Guidance on government markets/government marketing roadmap
 - Notice of upcoming opportunities "Bid Match" service
 - Post-award performance assistance



50 W. Main Street, Ste. 1150, Rochester, NY 14622 | monroecountyfingerlakesptac.org | 585-753-2015



<https://www.linkedin.com/in/mcflptac/>

Contract Terminology

- Request for Quote (RFQ)
- Request for Proposal (RFP)
- Invitation For Bid (IFB) – Sealed Bid
- Sources Sought/Request for Information

Common Contract Types

- Firm Fixed Price
- Cost Reimbursement
- Time & Materials Contracts
- Indefinite Delivery/Indefinite Quantity (IDIQ)

Pricing award criteria

- Lowest Price - Lowest Responsive and Responsible Bidder
- Best Value - Contract is awarded using multiple evaluation factors
 - ❑ Solution, Value Add, Price etc.....

Are you a Responsible Contractor?

Whether a business entity is "responsible" is a question of fact to be determined on a case-by-case basis. Based upon existing legal precedents, responsibility determinations can and should involve a review of the following four major categories:

1. Does the business entity possess the integrity to perform the contract? Factors to be considered include criminal indictments, criminal convictions, civil fines and injunctions imposed by government entities, anti-trust investigations, ethical violations, tax delinquencies, debarment or suspension by a government entity, prior determinations of integrity-related non-responsibility, etc.
2. Has the business entity performed at acceptable levels on other government contracts? Factors to be considered include reports of less than satisfactory performance, early contract termination for cause, contract abandonment, court determinations of breach of contract, etc.
3. Is the business entity legally capable of performing the contract? Factors to be considered include authority to do business in New York State, licensing (e.g. with the Education Department or Department of State), debarment by the State Labor Department due to a prevailing wage violation, etc.
4. Is the business entity financially and organizationally capable of performing the contract? Factors to be considered include assets, liabilities, recent bankruptcies, equipment, facilities, personnel resources and expertise, availability in consideration of other business commitments, existence of appropriate accounting and auditing procedures for control of property and funds, etc.

Pricing Factors

- Understand exactly what the requirements call for, especially with labor categories, materials, and required timeframes

If something is unclear, ask!

- Prevailing Wage/Fair Labor Standards Act/Davis-Bacon Act
- Materials – Brand Name or Generic – Quality Factors
- Know your internal costs:
 - ✓ Labor
 - ✓ G&A/Overhead
 - ✓ Insurance
 - ✓ Supplies
 - ✓ Profit
 - ✓ Indirect Costs
 - ✓ PPE (if required)

Pricing Factors

- Attend Pre-bid meetings/site visits (Even if they are not mandatory)
- Shipping Cost (F.O.B. Origin or Destination?)
- Subcontractor/Supplier Pricing
- Travel for contract performance
- Use an estimator for construction work
- Conduct pricing research

Pricing Research

- Previous bids you've submitted for similar requirements
- Past Commercial Sales
- Pre-existing Contracts – i.e. GSA Schedules/NYS OGS Centralized Contracts
- If the solicitation is a re-compete; check the previous scope/award.
- Review the award price of similar requirements:
 - NYS Requirements; <https://www.openbooknewyork.com/> , <https://www.nyscr.ny.gov/>
 - Federal Requirements: <https://fpds.gov> , <https://usaspending.gov>, <https://beta.sam.gov>
- Research reasonable profit margins in your industry.
- Review your suppliers and their prices.

Pricing Research – Case Study

Professional Land Surveying Services Original solicitation can be found at <https://www.nyscr.ny.gov>

Town of Greenburgh, NY

Award Date: 04/22/2020

The Town of Greenburgh is interested in retaining a Consultant to perform professional land surveying services for North Washington Avenue from West Hartsdale Avenue to Laurel Street within the Town of Greenburgh.

All survey work must be completed and all deliverables must be received within thirty (30) days from the date of authorization to proceed.

C.T. Male Associates Engineering, Surveying, Architecture, Landscape Architecture & Geology, D.P.C.	\$12,950.00
Badey & Watson Surveying & Engineering, P.C.	\$14,250.00
Chazen Engineering, Land Surveying, Landscape Architecture & Geology Co., D.P.C.	\$15,930.00
Paulus, Sokolowski and Sartor Engineering, PC	\$17,000.00
Creighton Manning Engineering, LLP	\$17,500.00
WSP USA Buildings Inc.	\$18,840.00
American Engineering & Land Surveying, P.C.	\$19,750.00
Maser Consulting	\$31,200.00
KC Engineering and Land Surveying, P.C.	\$59,723.91

Awardee

Pricing Research – Examples

(Original solicitations can be found at <https://www.nyscr.ny.gov/>)

WESTERN DDSOO RFQ 040120 RFQ for 2020 Campus Tree Removal Services in Erie County

C. Mays Tree Experts Inc	Barden Tree Service	Natural Restorations by Linda J. & Co, Inc.	Schneck's Tree Removal Inc.	Tree Care of New York LLC	The Tree Doctor Inc.	Natures Pride LLC	Terrys Tree Service LLC
\$44,350.00	\$48,950.00	\$49,017.00	\$51,222.22	\$53,900.00	\$66,200.00	\$96,300.00	\$139,950.00

Economic Development Strategy

Place Dynamics	Bae Urban Economics	Hone Strategic	Hamman Consulting	SWBR	Hunt Engineers
\$44,000	\$51,730	\$40,000	\$30,000	\$35,000	\$30,000

Drones- Accessories

Adorama Inc.	Drone Up LLC	Mechanical Testing, Inc.	Benchmark Tool and Supply, LLC	Camrise LLC	Rmus, LLC	Forensic Mapping Solutions Inc.
\$384,801	\$373,393.94	390,678.90	\$414,862.63	\$424,720.00	\$425,844.00	\$452,360.86

Final Pricing Review

- Did you research your pricing and compare it to the incumbent or other contracts?
- Did you correctly bid the amount of time/materials/labor and other costs?
- Did you include other indirect costs?
- Did you use competitively priced supplier/sub-contractors
- Is this work prevailing wage and did you propose the correct categories?
- Is your profit margin reasonable?
- Is your price realistic?

Ask for a Debrief

- You can ask for a post award debrief from the contract officer (CO)
 - There are time limits to request a debrief that vary by agency level.
 - Debriefs can be via phone, in person or written as determined by the CO.
 - Discussions can give you insight into the strengths and weaknesses of your bid.
 - Can be very helpful in improving your process for future bids.
 - This is not the forum to argue/dispute the agency's decision.
- Ask open ended questions aimed at how you can improve.
- Be receptive to both positive and negative feedback.
- Again, don't argue! Use this opportunity to develop the relationship!

Questions?



Matthew Burrell, USAF (Ret)
Procurement Counselor
matthewburrell@monroecounty.gov
(585)753-2015

Anna Vulaj Fitzsimmons
Program Director
avulaj@monroecounty.gov
(585)753-2017

[MCFL PTAC Membership Link](#)