



2025

ANNUAL TRAINING CONFERENCE

SEPTEMBER 22 – 26 | CHICAGO, IL

Competitive Negotiated
Proposals: An Innovative
Approach to WX Contractor
Procurement

"Amplifying Our Impact"





COMPETITIVE NEGOTIATED PROPOSALS:

*An Innovative Approach to WX
Contractor Procurement*

Presented By:
Mick Prince
Ebony Buchanan





Mick Prince

Weatherization Program Manager



- Started in energy efficiency as a crew leader at a local agency
- Moved on to the state level as a technical training specialist
- Now works as the State Manager for the Illinois Weatherization Program



Types of Procurement

1

Sealed Bid

2

**Competitive
Procurement**

3

**Competitive
Negotiated
Proposal**



Which Method Should I Use?

The specific method used depends on the complexity of the procurement and whether price or other factors (like experience or technical approach) are more important. However, OCA prefers the use of competitive negotiated procurement.





Sealed Bid Procurement

What is it?

Best for:

Construction or services where price is the main factor, and detailed specs can be clearly defined. In weatherization, it is best for material acquisition, where price is the most important factor.

Key Features:

- A complete Invitation for Bids (IFB) is publicly advertised.
- Vendors submit sealed bids (confidential until opening).
- Bids are opened at a publicly announced time.
- Contract is awarded to the lowest responsive and responsible bidder (must meet all technical requirements and qualifications).
- No negotiation after bids are opened.



Competitive Procurement

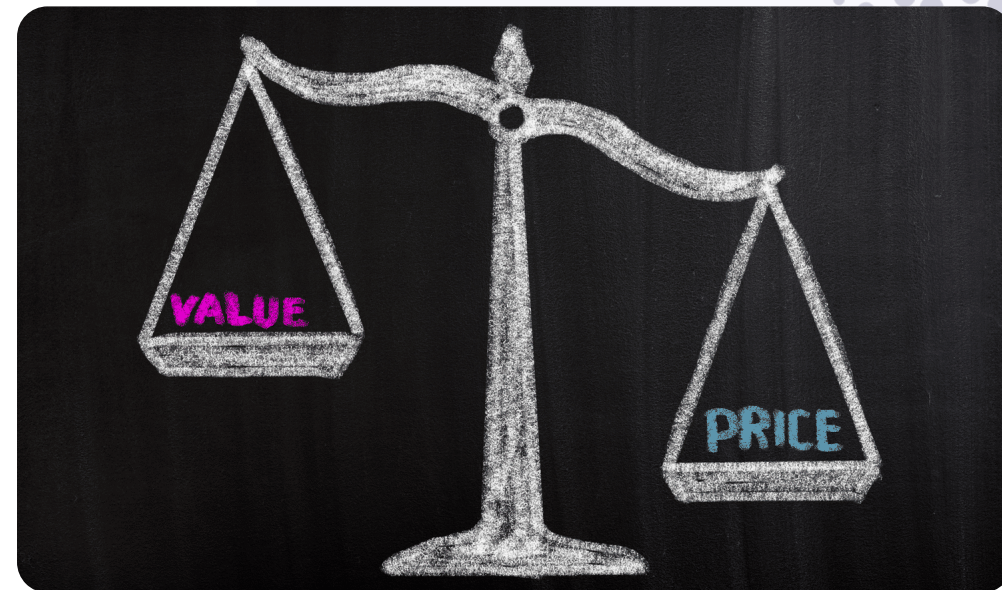
What is it?

Best for:

Projects where price matters, but other factors like experience, capacity, certifications, and business status (e.g., minority- or women-owned) are also important in selecting the best vendor.

Key Features:

- A detailed Request for Proposal (RFP) is issued.
- Vendors submit proposals including technical qualifications, approach, and price.
- Proposals are scored using a weighted system - price typically carries the most weight (e.g., 60%), but other factors (e.g., 40%) may include past performance, experience, financial stability, or labor surplus area status.
- Award goes to the best value, not necessarily the lowest bidder.
- Some negotiation may occur before the final award.





Competitive Negotiated Proposal

What is it?

Best for:

Creating a prequalified pool of contractors for ongoing, flexible work where the scope, volume, and pricing vary over time, and experience and capacity are more critical than price during selection. The competition is found in the prequalification stage, rather than in the price of the proposals.

Key Features:

- Begins with a prequalification process - vendors do not submit prices at this stage.
- Scored based on experience, certifications, capacity, minority/women-owned status, financials, and other qualifications.
- Vendors who meet the minimum score are added to a prequalified pool.
- A market analysis is conducted by the agency to establish baseline pricing.
- All prequalified contractors are presented with the same pricing structure, and line-by-line price negotiations take place as a group.
- Contractors must provide documentation to justify any proposed pricing changes.
- Once pricing is finalized, contracts are executed with any vendors who agree to the negotiated terms.
- New contractors can be added later if they complete prequalification and accept existing prices.

Creating the Competitive Negotiated Proposal Method

- **Worked with DOE in the 80s**
 - "Negotiated Bid" procurement
- **2012**
 - DOE said there was no "competition" in that method
 - Susceptible to bid rigging by contractors
- **Switched to RFP style of procurement**
 - "Winner take all" situation
 - Lost a significant amount of contractor pool
- **2 CFR 200**
 - Rewrite Procurement manual
 - Opportunity to create new methodology
 - Collaboration with WIPFLI
- **Competitive Negotiated Proposals**
 - Market analysis and baseline pricing eliminated the bid rigging
 - Competition found in prequalification of contractors
 - Meets 2 CFR 200 procurement standards
 - Best practice for a program like weatherization, according to WIPFLI



WIPFLi



CEDA

Competitive Negotiated Proposal Requirements

1. Must be publicized
2. Include all evaluation factors and their relative importance
3. Any response will be considered to the maximum extent possible
4. Must be solicited from a number of qualified sources
5. Must have a method for conducting the technical evaluation
6. Must be awarded to the proposers who are deemed qualified



Competitive Negotiated Proposal Process



Prequalify Contractors

Screen for minimum qualifications.

01



Market Analysis

Know your local costs.

02



Evaluation & Scoring

Score proposals fairly.

03



Negotiations

Finalize fair terms.

04



Contract Execution

Set expectations and sign contracts.

05



Post-Award Considerations

Monitor and manage performance.

06



Screen for Minimum Qualifications

Prequalify Contractors

Scoring:

- Score contractors based on various qualifications

Qualifications:

- While not an exhaustive list, here are a few qualifications to consider:
 - Minority-, female-, or veteran-owned
 - Licensed to do the work
 - Willing to buy the right tools
 - Proper insurance
 - Weatherization experience
 - BPI and safety certifications
 - Estimated annual project capacity



THE IHWAP

MARKET ANALYSIS:

*Helping Agencies Make Informed
Procurement Decisions*





Ebony Buchanan

Pricing and Market Analyst



- Annual market analysis for IHWAP Network
- Development and implementation of pricing strategies for market analysis
- Stay current on labor rates, time-on-task data, material pricing, and supply chain dynamics
- Project tracking, invoice processing, and cost validation





What is a Market Analysis?

A way to collect and evaluate current market conditions, including pricing trends, labor rates, regional cost factors, and material expenses within a specific industry or geographic area.





What is a Market Analysis?

Conducted By:

- Office of Community Assistance (OCA) annually

Focus Area:

- Most commonly used weatherization services and materials across the network

How Agencies Use It:

- Guide pricing decisions and procurement negotiations
- Agencies may use OCA's tool or create their own, but it must be:
 - Equally detailed
 - Adhere to the same high-quality standards





Why Conduct a Market Analysis?

The IHWAP Market Analysis tool helps the 29 Community Action Agencies evaluate contractor and vendor prices. By presenting average costs for common weatherization services across the IHWAP Network, it supports consistent and informed decision-making.



Why Conduct a Market Analysis?



**1. ENSURE FAIR
PRICING**

**2. ENHANCE
TRANSPARENCY**

**3. PLAN FOR
COST CHANGES**





How We Conduct the IHWAP Market Analysis



Material Comps



Labor Comps





Material Comps

- Fields for comparing prices of materials
- Master list of material comparisons
 - CEDA SharePoint site
 - Supplemental resources such as screenshots, URLs, and notes.








Material Comps

Data Collection Guidelines

- Collect up to five material price comparisons for each of the 656 line items.
- For each comparison:
 - Verify the item is programmatically compliant.
 - Confirm the price is accurate.
 - Capture a screenshot showing both the price and product description.
 - Copy the URL.
 - Add any relevant notes, such as: Energy Star certification, Minimum SEER rating requirements, other specific details or qualifications.



Material Comps

Measure Description	Package	WW Category	Unit
LED- 60W Equiv (Std)		BASE	Each
Price 1	Source 1	Screencap 1	URL 1
1.57	Walmart		https://www.walmart.com
Price 2	Source 2	Screencap 2	URL 2
1	Ace		https://www.acehardware
Price 3	Source 3	Screencap 3	URL 3
1.99	Home Depot		https://www.homedepot

Comments ▾



Be the first one to add a comment





Labor Comps

Labor Pricing:

- RS Means, Craftsman, and Xactimate
- National averages and regional cost adjustments
 - Labor costs reflect real market conditions





Labor Comps

Key Features Include:

- Selection of up to two worker classifications per task
- Specification of Time on Task (TOT) for accurate labor estimates
- Sourced directly from the software's estimating catalogs
- Regional factors for location-specific costs





Labor Comps

Material / Measure			Craftsman											Notes
WW Category	Measure Description	Unit	Worker Classification 1					Worker Classification 2					Craftsman TOTAL	
			Worker Class. 1	No. of Worker Class. 1	Rate	Time on Task	Worker Class. 1 Subtotal	Worker Class. 2	No. of Worker Class. 2	Rate	Time on Task	Worker Class. 2 Subtotal		
BASE	Advanced Power Strip - 7 Plug Unit	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	Not in Craftsman System - used PY24 LED light bulb labor price
BASE	Ceiling Fan w/ Lights (Energy Star)	Each	Electrician	1	\$73.02	1.500	\$109.54			\$0.00		\$0.00	\$109.54	
BASE	Ceiling Fan w/o Lights (Energy Star)	Each	Electrician	1	\$73.02	1.500	\$109.54			\$0.00		\$0.00	\$109.54	
BASE	Chest Freezer - 5 Cubic Feet (Energy Star)	Each	Laborer	1	\$51.20	2.000	\$102.40	Plumber	1	\$74.95	2.000	\$149.91	\$252.31	
BASE	Chest Freezer - 7 Cubic Feet (Energy Star)	Each	Laborer	1	\$51.20	2.000	\$102.40	Plumber	1	\$74.95	2.000	\$149.91	\$252.31	
BASE	Chest Freezer - 9-10 Cubic Feet (Energy Star)	Each	Laborer	1	\$51.20	2.000	\$102.40	Plumber	1	\$74.95	2.000	\$149.91	\$252.31	
BASE	Chest Freezer - 15-16 Cubic Feet (Energy Star)	Each	Laborer	1	\$51.20	2.000	\$102.40	Plumber	1	\$74.95	2.000	\$149.91	\$252.31	
BASE	Chest Freezer - 21-22 Cubic Feet (Energy Star)	Each	Laborer	1	\$51.20	2.000	\$102.40	Plumber	1	\$74.95	2.000	\$149.91	\$252.31	
BASE	Dome Light Fixture w/ pull chain - Energy Star Rated	Each	Electrician	1	\$73.02	0.500	\$36.51			\$0.00	0.000	\$0.00	\$36.51	
BASE	Faucet Aerator - Kitchen (Swivel, 1.5 gpm)	Each	P1 - Plumber /Helper	1	\$87.33	0.108	\$9.43			\$0.00		\$0.00	\$9.43	Not in Craftsman System - used showerhead installation labor amounts
BASE	Faucet Aerator (1.5 gpm)	Each	P1 - Plumber /Helper	1	\$87.33	0.108	\$9.43			\$0.00		\$0.00	\$9.43	Not in Craftsman System - used showerhead installation labor amounts
BASE	Hand Held Low Flow Showerhead (2.0 gpm)	Each	P1 - Plumber /Helper	1	\$87.33	0.108	\$9.43			\$0.00		\$0.00	\$9.43	
BASE	LED- 25W Equiv Cand	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 25W Equiv Cand (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 40W Equiv (Globe)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 40W Equiv (Std)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 40W Equiv Cand	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 40W Equiv Std (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 60W Equiv (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 60W Equiv (Std)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 65W Equiv Flood	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 65W Equiv Flood (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 75W Equiv (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 75W Equiv (Std)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 85W Equiv Flood	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED- 85W Equiv Flood (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED-100W Equiv (Std)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED-120W Equiv Flood	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	
BASE	LED-120W Equiv Flood (Dim)	Each	Electrician	1	\$73.02	0.035	\$2.56			\$0.00		\$0.00	\$2.56	





Creating Labor Comps



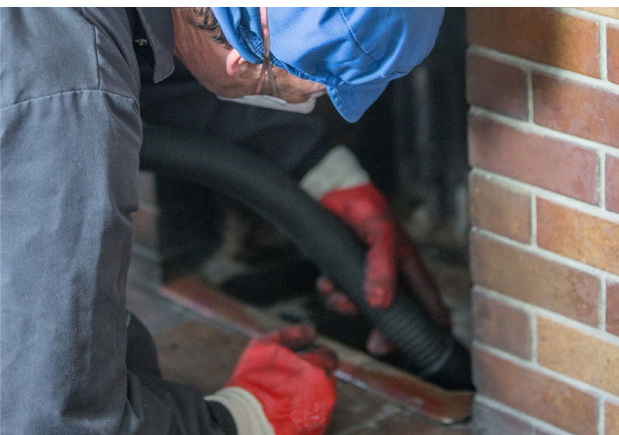
- Data Collection Process:
 - Identify the worker classification and time on task for as many of the line items as possible
- Custom Time on Task (TOT):
 - Dataset developed from experienced state technicians
 - Improves accuracy for WX-specific measures





Labor-Only Comps

- 64 labor-only comps
 - Tasks that involve no materials, only contractor labor
- E.g., chimney clean-out, removal and reinstallation of existing storm/security doors, etc.





Standard Wage

Standard Wage vs Prevailing Wage

Standard Wage:

- Primarily used for owner-occupied single-family housing
- Represents combined average labor cost for a specific task
- Based on data from three pricing software tools





Prevailing Wage

Standard Wage vs Prevailing Wage

Prevailing Wage:

- Minimum wage rate that must be paid to workers on public works or government-funded construction projects
- Usually used in non-owner-occupied single-family housing and multifamily units
- Based on wages and benefits paid to workers doing similar work in the same geographic area





Prevailing Wage

- Sourced from the Current Prevailing Rates published by the IL Department of Labor
- Wage classifications are captured for each county and region
 - The dataset includes 1,427 line items
 - 102 counties
 - 14 different trades



Delivering the Market Analysis to the Network

Bundling the final product involves creating separate Standard Wage and Prevailing Wage workbooks for each region. Each workbook includes the Regional Map, Regional Summary, and all Package tabs.

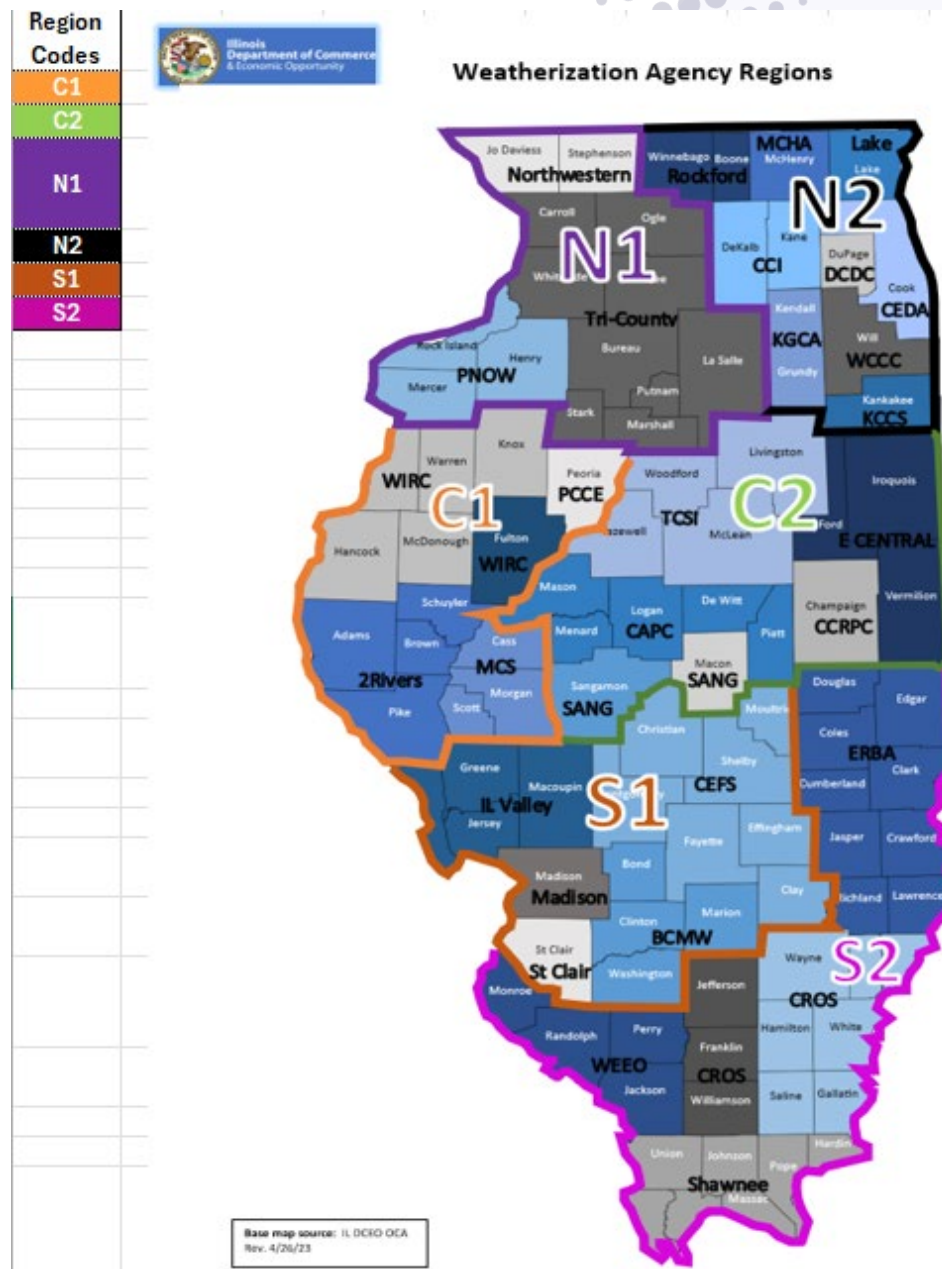
File Home Insert Share Page Layout Formulas Data Review View Automate Help Draw														Comments		Catch up		Editing		Share	
M22																					
	A	B	C	D	E	F	G	H	I	J	K	L	M								
1																					
2	REGION	Pricing Summary Review Worksheet - Version 5/29/25				STANDARD WAGES ACTIVE			Pricing			Select Your Agency Name from Dropdown									
3	N1	<-- See 'Map' Tab for Reference	Measure / Package		Fully Loaded (Rounded to the nearest 10 cents to			Line Item + Ancillary Components See PKG			Line Items Added Since PY25										
4	Package	Category	Description	Unit	Material	Labor	Total	Material	Labor	Total			Agency Review Notes								
5	No	BASE	Advanced Power Strip - 7 Plug Unit	Each	\$23.90	\$3.00	\$26.90	--	--	--											
6	No	BASE	Ceiling Fan w/ Lights (Energy Star)	Each	\$202.80	\$133.00	\$335.80	--	--	--											
7	No	BASE	Ceiling Fan w/o Lights (Energy Star)	Each	\$224.20	\$115.80	\$340.00	--	--	--											
8	No	BASE	Chest Freezer - 5 Cubic Feet (Energy Star)	Each	\$443.30	\$182.90	\$626.20	--	--	--											
9	No	BASE	Chest Freezer - 7 Cubic Feet (Energy Star)	Each	\$367.00	\$182.90	\$549.90	--	--	--											
10	No	BASE	Chest Freezer - 9-10 Cubic Feet (Energy Star)	Each	\$955.00	\$182.90	\$1,137.90	--	--	--											
11	No	BASE	Chest Freezer - 15-16 Cubic Feet (Energy Star)	Each	\$1,151.50	\$182.90	\$1,334.40	--	--	--											
12	No	BASE	Chest Freezer - 21-22 Cubic Feet (Energy Star)	Each	\$1,323.10	\$182.90	\$1,506.00	--	--	--											
13	No	BASE	Dome Light Fixture w/ pull chain - Energy Star Rated	Each	\$40.90	\$23.70	\$64.60	--	--	--	Yes										
14	No	BASE	Faucet Aerator - Kitchen (Swivel, 1.5 gpm)	Each	\$13.20	\$21.90	\$35.10	--	--	--											
15	No	BASE	Faucet Aerator (1.5 gpm)	Each	\$6.20	\$19.90	\$26.10	--	--	--											
16	No	BASE	Hand Held Low Flow Showerhead (2.0 gpm)	Each	\$30.20	\$34.60	\$64.80	--	--	--											
17	No	BASE	LED- 25W Equiv Cand	Each	\$3.20	\$4.30	\$7.50	--	--	--											
18	No	BASE	LED- 25W Equiv Cand (Dim)	Each	\$3.60	\$4.30	\$7.90	--	--	--											
19	No	BASE	LED- 40W Equiv (Globe)	Each	\$5.30	\$4.30	\$9.60	--	--	--											
20	No	BASE	LED- 40W Equiv (Std)	Each	\$2.90	\$4.30	\$7.20	--	--	--											
Workbook Statistics																					
< > MAP Regional Summary Regional Worker Wages FAF PKGs Heat Pump PKGs Boiler PKGs CAC PKGs ASHRAE PKGs HWT +																					



Delivering the Market Analysis to the Network

Regional Map

Identifies agencies by region (N1, N2, C1, C2, S1, S2)



Delivering the Market Analysis to the Network

Regional Summary

- Comprehensive breakdown of all **material-only** and **labor-only** line items
- Data is organized by:
 - **6 defined regions** across the state
 - **Wage type:** *Prevailing Wage* or *Standard Wage*
- Quick reference for key details:
 - Whether an item is part of a package
 - The category of each item
 - The unit of measure
 - All-in pricing, separated by:
 - Material costs
 - Labor costs
 - Package pricing, also separated by:
 - Material costs
 - Labor costs



Delivering the Market Analysis to the Network

REGION N1	Pricing Summary Review Worksheet - Version 5/30/25			PREVAILING WAGES ACTIVE					
	<-- See 'Map' Tab for Reference	Measure / Package		Line Item Only Pricing Fully Loaded <small>(Rounded to the nearest 10 cents to eliminate half cent rounding issue when splitting measures 50/50 with utilities)</small>			Package Pricing Line Item + Ancillary Components See PKG tabs for Details		
				Material	Labor	Total	Material	Labor	Total
No	BASE	Advanced Power Strip - 7 Plug Unit	Each	\$23.90	\$5.90	\$29.80	--	--	--
No	BASE	Ceiling Fan w/ Lights (Energy Star)	Each	\$202.80	\$271.60	\$474.40	--	--	--
No	BASE	Ceiling Fan w/o Lights (Energy Star)	Each	\$224.20	\$242.20	\$466.40	--	--	--
No	BASE	Chest Freezer - 5 Cubic Feet (Energy Star)	Each	\$443.30	\$399.20	\$842.50	--	--	--
No	BASE	Chest Freezer - 7 Cubic Feet (Energy Star)	Each	\$367.00	\$399.20	\$766.20	--	--	--
No	BASE	Chest Freezer - 9-10 Cubic Feet (Energy Star)	Each	\$955.00	\$399.20	\$1,354.20	--	--	--
No	BASE	Chest Freezer - 15-16 Cubic Feet (Energy Star)	Each	\$1,151.50	\$399.20	\$1,550.70	--	--	--
No	BASE	Chest Freezer - 21-22 Cubic Feet (Energy Star)	Each	\$1,323.10	\$399.20	\$1,722.30	--	--	--
No	BASE	Dome Light Fixture w/ pull chain - Energy Star Rated	Each	\$40.90	\$50.80	\$91.70	--	--	--
No	BASE	Faucet Aerator - Kitchen (Swivel, 1.5 gpm)	Each	\$13.20	\$46.00	\$59.20	--	--	--
No	BASE	Faucet Aerator (1.5 gpm)	Each	\$6.20	\$40.80	\$47.00	--	--	--
No	BASE	Hand Held Low Flow Showerhead (2.0 gpm)	Each	\$30.20	\$64.90	\$95.10	--	--	--
No	BASE	LED- 25W Equiv Cand	Each	\$3.20	\$9.00	\$12.20	--	--	--
No	BASE	LED- 25W Equiv Cand (Dim)	Each	\$3.60	\$9.00	\$12.60	--	--	--
No	BASE	LED- 40W Equiv (Globe)	Each	\$5.30	\$9.00	\$14.30	--	--	--
No	BASE	LED- 40W Equiv (Std)	Each	\$2.90	\$9.00	\$11.90	--	--	--
No	BASE	LED- 40W Equiv Cand	Each	\$4.40	\$9.00	\$13.40	--	--	--
No	BASE	LED- 40W Equiv Std (Dim)	Each	\$3.50	\$9.00	\$12.50	--	--	--
No	BASE	LED- 60W Equiv (Dim)	Each	\$2.90	\$9.00	\$11.90	--	--	--
No	BASE	LED- 60W Equiv (Std)	Each	\$1.90	\$9.00	\$10.90	--	--	--
No	BASE	LED- 65W Equiv Flood	Each	\$4.50	\$9.00	\$13.50	--	--	--
No	BASE	LED- 65W Equiv Flood (Dim)	Each	\$4.90	\$9.00	\$13.90	--	--	--
No	BASE	LED- 75W Equiv (Dim)	Each	\$4.00	\$9.00	\$13.00	--	--	--
No	BASE	LED- 75W Equiv (Std)	Each	\$3.00	\$9.00	\$12.00	--	--	--
No	BASE	LED- 85W Equiv Flood	Each	\$13.60	\$9.00	\$22.60	--	--	--
No	BASE	LED- 85W Equiv Flood (Dim)	Each	\$10.10	\$9.00	\$19.10	--	--	--
No	BASE	LED-100W Equiv (Std)	Each	\$4.10	\$9.00	\$13.10	--	--	--
No	BASE	LED-120W Equiv Flood	Each	\$12.80	\$9.00	\$21.80	--	--	--
No	BASE	LED-120W Equiv Flood (Dim)	Each	\$10.70	\$9.00	\$19.70	--	--	--



Delivering the Market Analysis to the Network

Packages Tabs

- **Packages:** Pre-assembled sets of materials and labor focused on a primary item, along with supporting components
- Adjustable for agency needs
- Tailored to meet the unique goals and requirements of each project
- **Package Overview:**
 - 8 package categories, encompassing 105 distinct packages:
 - Furnace
 - Heat Pump
 - Boiler
 - Central Air Conditioning (AC)
 - ASHRAE Compliance Measures
 - Hot Water Tanks
 - Build, Insulate, and Seal—New Attic Access
 - Insulate and Seal—Existing Attic Access



Delivering the Market Analysis to the Network

Packages Tabs

Central Air Conditioner Packages

Packages below are provided as examples only. These are general references and may not represent exact components required for every situation. Not all elements are necessary for building a package, and specific components should be included or excluded based on unique needs and objectives of your project or use case.

Central Air Conditioners (CAC)							
Ancillary Components	Material	Labor	Unit	Quantity	TOTAL material	TOTAL Labor	Subtotal (L&M)
A/C Line Set - 3/4" x 50'	\$375.66	\$500.10	Each	1	\$375.66	\$500.10	\$875.75
A/C Condenser Pad	\$74.52	\$85.07	Each	1	\$74.52	\$85.07	\$159.59
Evaporator Coil	\$461.00	\$846.31	Each	1	\$461.00	\$846.31	\$1,307.30
A/C Whip	\$36.70	\$36.66	Each	1	\$36.70	\$36.66	\$73.36
A/C Disconnect (fused)	\$29.59	\$136.78	Each	1	\$29.59	\$136.78	\$166.36
Ancillary components Total					\$977.45	\$1,604.91	\$2,582.37
CENTRAL AIR CONDITIONER TYPE	CAC Only Pricing				TOTAL PACKAGE - CAC + Ancillary		
	Material	Labor	Subtotal		Material	Labor	M&L TOTAL
Central A/C - 1.5 ton (Energy Star)	\$ 2,315.81	\$ 2,362.62	\$ 4,678.43		\$ 3,293.26	\$ 3,967.53	\$ 7,260.79
Central A/C - 2 ton (Energy Star)	\$ 2,503.51	\$ 2,445.72	\$ 4,949.23		\$ 3,480.97	\$ 4,050.63	\$ 7,531.60
Central A/C - 2.5 ton (Energy Star)	\$ 2,497.81	\$ 2,757.37	\$ 5,255.18		\$ 3,475.26	\$ 4,362.29	\$ 7,837.55
Central A/C - 3 ton (Energy Star)	\$ 2,766.65	\$ 2,954.79	\$ 5,721.45		\$ 3,744.10	\$ 4,559.71	\$ 8,303.81
Central A/C - 3.5 ton (Energy Star)	\$ 2,688.72	\$ 3,138.95	\$ 5,827.67		\$ 3,666.17	\$ 4,743.87	\$ 8,410.04
Central A/C - 4 ton (Energy Star)	\$ 2,944.08	\$ 3,359.35	\$ 6,303.43		\$ 3,921.53	\$ 4,964.26	\$ 8,885.79
M. H. Central AC 14 Seer 1.5 Ton	\$ 2,315.81	\$ 2,216.76	\$ 4,532.57		\$ 3,293.26	\$ 3,821.67	\$ 7,114.93
M. H. Central AC 14 Seer 3.5 Ton	\$ 2,688.72	\$ 2,976.42	\$ 5,665.14		\$ 3,666.17	\$ 4,581.33	\$ 8,247.50

Package Count:

8





Impact of the Market Analysis

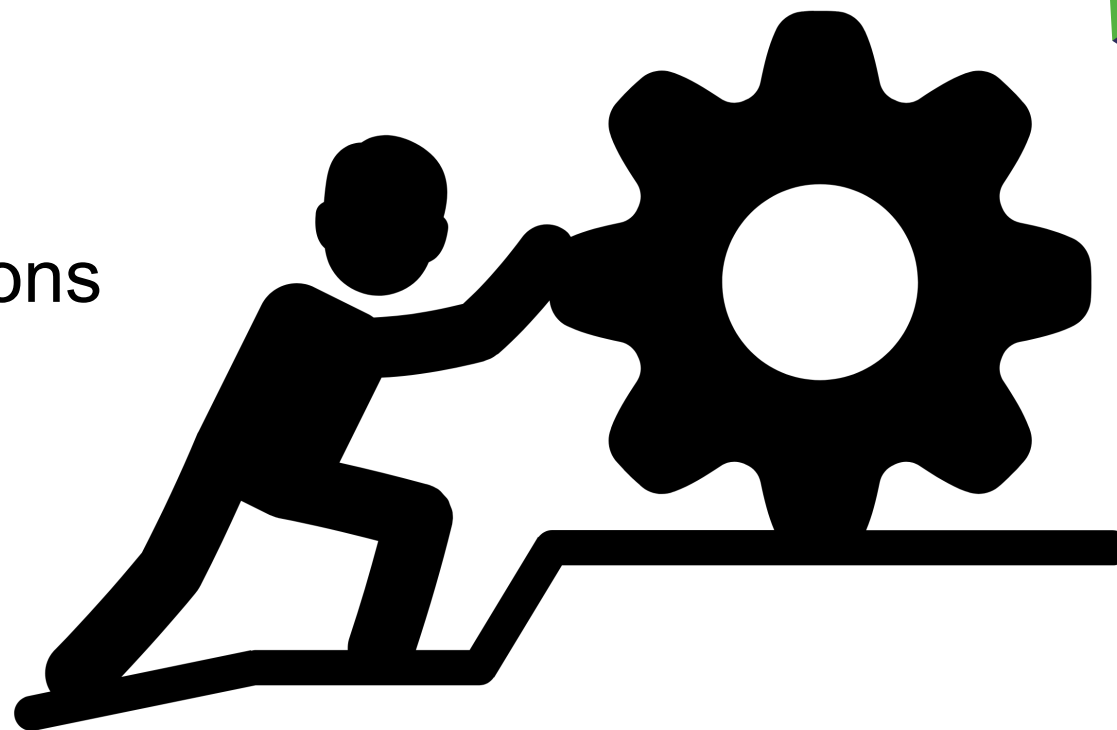
- **Efficiency and Time Savings:**
 - Eliminates redundancy
 - Saves time and labor
- **Consistency and Standardization:**
 - Ensures uniform pricing benchmarks
 - Promotes fairness in contractor/vendor selection
 - Consistent methodologies and standardized reliable results
- **Equity Across Regions:**
 - Same level of market insight
 - Regional cost variations
 - Fair and equitable pricing structures



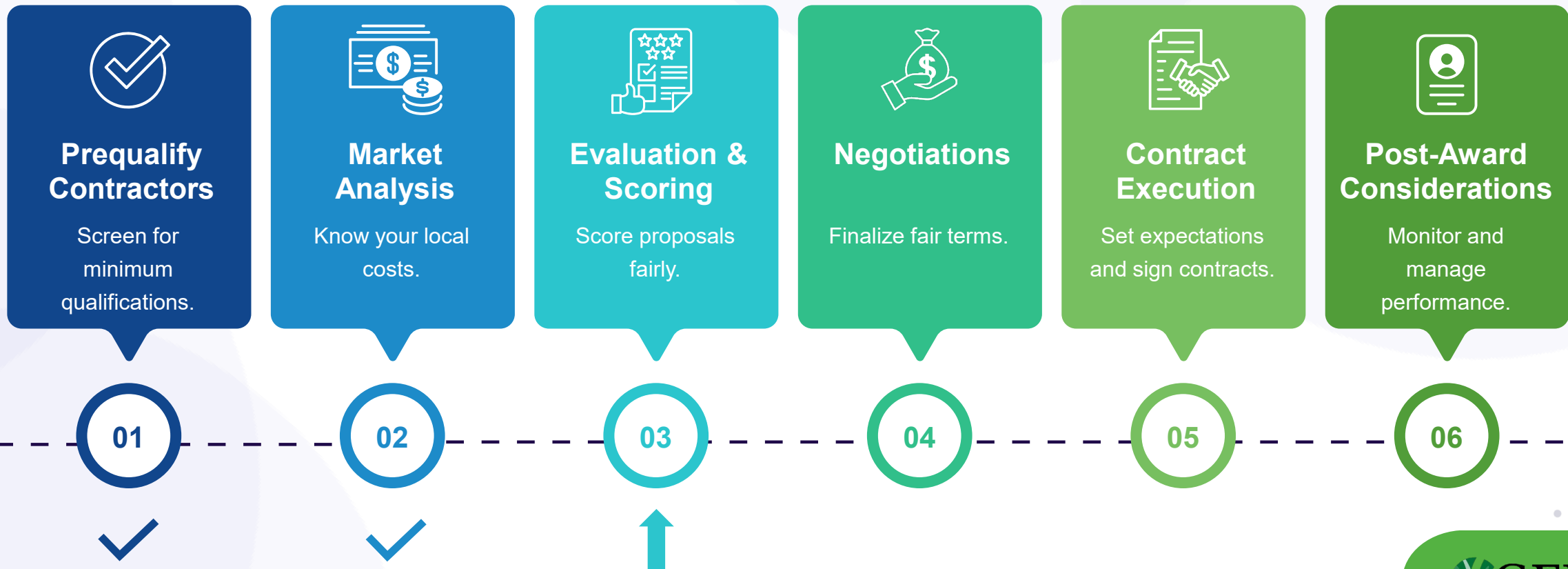


Challenges

- Time involved
- Scope of project
- Changing market conditions



Competitive Negotiated Proposal Process



Score Proposals Fairly

Evaluation and Scoring



Remember:

- Contractors have already been prequalified based on qualifications and the market analysis is complete.

Evaluation:

- Pre-Evaluation
- Proposal Evaluation
- Selection and Award
- Fairness and Impartiality

Scoring:

- Based on weighted evaluation criteria to ensure fair and consistent contractor selection



Finalize Fair Terms

Negotiation



1. Negotiation Process:

- Know the program requirements
- Understand market conditions
- Keep it collaborative

2. Negotiation Preparation Checklist:

- Review contractor's full proposal and budget breakdown
- Identify items needing clarification or negotiation
- Gather supporting documentation
- Define target rates and acceptable ranges
- Establish priorities and potential deal-breakers
- Draft a list of key questions or discussion points
- Prepare internal team



Negotiation Cont.



3. Documentation:

- Program guidelines
- Contractor proposal
- Market price research
- Past project data
- Cost breakdown

4. Baseline Adjustments:

- Adjustments must be justified and documented
- Compare against market rates
- Apply to specific line items only
- Keep detailed records
- Ensure adjustments stay within program limits





Contract Execution

Essential Contract Elements:

- Performance-based language
- Price adjustment clauses
- 10 CFR 440 Appendix A compliance
- Term lengths and extensions

Contract Management Process Overview (5-Phase Framework)





5-Phase Framework



1 Pre-Contract Management

- Final contract review
- Pre-performance meeting
- Performance guarantees

2 Contract Monitoring

- Project management plans
- Site visits
- Progress reports
- QA inspections
- Recordkeeping

3 Performance Evaluation

- Metrics (timeliness, quality, customer satisfaction)
- Regular evaluations
- Feedback and corrective actions

4 Contract Administration

- Payment validation
- Change orders
- Dispute resolution
- Termination (if needed)

5 Post-Contract Management

- Final inspection
- Final performance review
- Final documentation and reporting





Post-Award Considerations

01

Ongoing Prequalification Process

- Ongoing process that helps programs maintain a reliable, capable pool of contractors

02

Onboarding New Contractors

- Sets expectations, ensures compliance, and prepares contractors for successful performance
- Onboarding checklist

03

Mid-Contract Pricing Reviews

- Ensure that contractor rates remain fair, competitive, and aligned with current conditions

04

Sampling Market Prices

- Key step in deciding whether a full pricing review is necessary



Ensuring Fairness:

- Conflict of interest policy
- Documentation and record keeping
- Appeal process
- Training and monitoring





Conclusion

The competitive negotiated proposal system is a solution we created specifically to address a gap in the IHWAP network. It offers the flexibility needed for weatherization projects and removes the limitation of a small contractor pool.

Our new market analysis process represents an equally significant step forward. We've replaced a patchwork of agency-by-agency reports with one consistent, impartial system that cannot be influenced. It reflects Illinois's varied population, geography, and cost of living, ensuring more accurate, equitable results—while also streamlining the entire process.





Thank You!

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Competitive Negotiated Proposals: An Innovative Approach to WAP Contractor Procurement



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