

Legislative-Citizen Commission on Minnesota Resources

MEMO: Agenda Item # 6

DATE: April 28, 2025

SUBJECT: Proposal evaluation and recommendation process – Part 1

Summary

Members will receive proposals for evaluation in early May. Before evaluations begin, the commission needs to confirm the evaluation and recommendation process it wishes to use for the 2026 RFP cycle.

At a high level, the evaluation and recommendation process includes the following steps:

1. Staff review all proposals for completeness and eligibility issues and score all proposals.
2. Commission members evaluate all proposals (Evaluation #1).
3. The commission selects proposals for further consideration based on the results from Evaluation #1 (First Cut).
4. Selected proposals present before the commission.
5. Commission members provide additional evaluation (Evaluation #2).
6. The commission selects proposals for recommendation to the Legislature based on the results from Evaluation #2 (Second Cut).

This memo describes in more detail the process from staff evaluation through proposal presentations and includes staff recommendations for modifications. Staff request the commission take three actions today as described below. Discussion of the last two steps in the evaluation and recommendation process will be held for the June 11 LCCMR meeting.

Action #1: Presentation of Staff Scores

The commission needs to confirm how it would like staff to present the results of its review.

Staff review each proposal received for completeness and eligibility issues and evaluate them based on the LCCMR-adopted evaluation and selection criteria. The results of the staff evaluation are provided to members as part of their Evaluation #1 materials and serve as another data point for member evaluations. Staff have traditionally presented the results of their review as a score from 0-100. (See attached example of last year's member scoring sheet.)

Staff have recently reviewed their scoring process and how it is presented to members. While presenting scores from 0-100 provides a clear value and ranking to each proposal, it may overemphasize small differences between highly comparable proposals. For example, the difference between a proposal that scores 72 and a proposal that scores 75 may not be highly significant and be within the margin of error of the scoring process. In addition, scoring from 0-100 may imply that proposals below a certain score are not good proposals. For example, that a score below 60 is a "failing" grade.

Legislative-Citizen Commission on Minnesota Resources

Another option would be for staff to place proposals into certain categories based on the results from staff evaluations. For example, staff could place proposals into categories like the following:

- Category 1 – Outstanding
- Category 2 – Very Good
- Category 3 – Good
- Category 4 – Average
- Category 5 – Below Average
- Category 6 – Not Ideally Suited or Ready for LCCMR Funding

Categories would eliminate the issue with scoring differences that may not be highly significant and within the margin of error. It may also provide members greater clarity on what staff's evaluations concluded regarding the quality and fit of a proposal. Finally, members could also use the same categories in their evaluation which may be a simpler and faster method to score and classify proposals. The drawback would be that categories may overemphasize the relative difference between proposals that fall near the breakpoints between categories. For example, categories may overemphasize the difference between the weakest proposal in a certain category and the strongest proposal in the next category below.

Staff would appreciate guidance from the commission on which of the following options would be most helpful to them in their evaluation process.

Option 1: Present results of staff proposal evaluation as a score from 0-100.

Option 2: Place proposals into categories based on the results of staff proposal evaluation.

Sample motion: Member _____ moves to adopt option __ to present the results of staff proposal evaluation to the commission.

Action #2: Evaluation #1 and Selecting Proposals for Presentation (First Cut)

The commission needs to confirm – or specify any modifications to – the following approach for Evaluation #1 and selection of proposals for presentation.

1. Members receive proposals along with staff scores and comments related to the proposals' fit with RFP priorities, law, policy, and the LCCMR-adopted evaluation and selection criteria.
2. Members individually evaluate and select the top 40% of proposals (160 proposals) to move forward to presentation (Evaluation #1).

This would be a modification from past years when members selected their top third of proposals. A higher number selected by each member may make it clearer where members have broad agreement on proposals that should move forward.

3. Staff aggregate members' selections and sort proposals in high to low order by number of members selecting.

Legislative-Citizen Commission on Minnesota Resources

4. The initial selection of proposals invited for presentation and additional consideration for funding will be created by going down the list of compiled Evaluation #1 results, ranked high to low, until the total amount requested is 125% of the amount of funds available. If the cut-off falls in the middle of a group of proposals selected by the same number of members, the cut-off is moved up or down to either fully include or fully exclude the group, whichever results in a number closer to 125% of the amount of funds available.

This would be a modification from previous years when members predetermined a set number of proposals to move forward.

For the 2025 RFP cycle, members predetermined that the top 91 proposals would be invited for presentation. In the end, these requests totaled only 75% of the funding available, and members needed to decide how to add more than 30 additional proposals to the invite list.

For the 2023 and 2024 RFP cycles, the total amount requested by the proposals selected to move forward for presentation closely matched the total amount available for recommendation. This meant that nearly all those proposals that advanced after the first evaluation were recommended for funding.

Basing the initial selection on a percentage of the funding available may simplify the commission's selection of proposals to move forward to presentation and ensure that the process remains competitive through Evaluation #2.

5. The House, Senate, and Citizen member groups each select up to three (3) additional proposals for presentation, resulting in possibly nine (9) more proposals being added to presentations.

Sample motion: Member _____ moves to adopt the Evaluation #1 and presentation selection process as described in the staff memo.

Action #3: Presentations Format and Timing

The commission needs to confirm – or specify any modifications to – the following plan for presentations.

Presentations will be held via Zoom for presenters to save time, provide flexibility, and make participation easier for proposers. Members would have the option to attend in person or remotely; however, the chair would be in-person. Six members (including the chair) would need to attend in person for the meeting to be hybrid.

To avoid technical issues and reduce transition times, no PowerPoints will be used. Presentations will be 15 minutes each: 5 minutes for presentation and 10 minutes for questions and answers, with discretion to go over this time allotment if needed, especially for proposals requesting over \$1 million. 30-minute lunch breaks will be provided. This would allow for approximately 30 presentations per day.

Six days are currently reserved for presentations; the exact timing and schedule of presentations will be determined once we know how many presentations will take place. Last year, 5 presentation days were used.

Legislative-Citizen Commission on Minnesota Resources

Possible modification: For the 2025 RFP cycle, the commission reduced the presentation time to 8 minutes for small projects selected by 6 or more members in Evaluation #1. If members would like to reduce the presentation time for certain proposals, staff would recommend reducing them to 10 minutes: 5 minutes for presentation and 5 minutes for questions and answers.

Sample motion: Member _____ moves to adopt the presentation format and timing as described in the staff memo.

Attachment