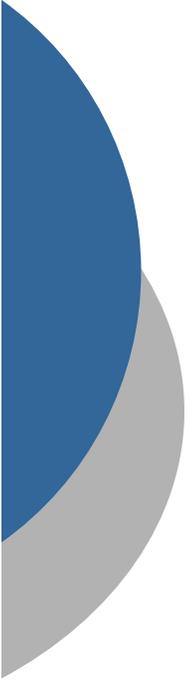


CONTRACT & LAND MANAGEMENT

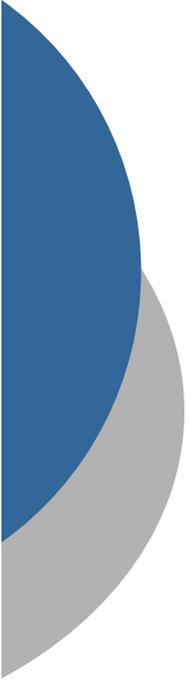
CITY OF AUSTIN

Alternative Project Delivery



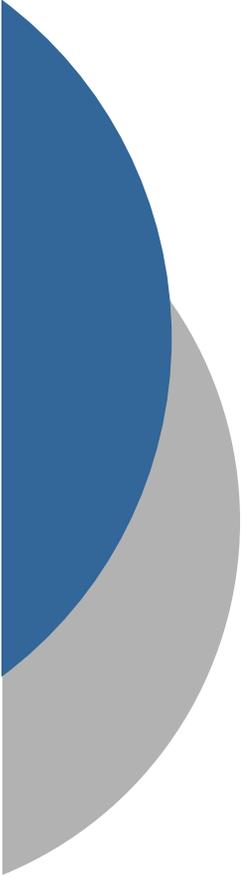
PURPOSE

- To provide an overview of Alternative Project Delivery Methods for Capital Improvement Program (CIP) projects
- To enable participants to recognize potential contracting opportunities

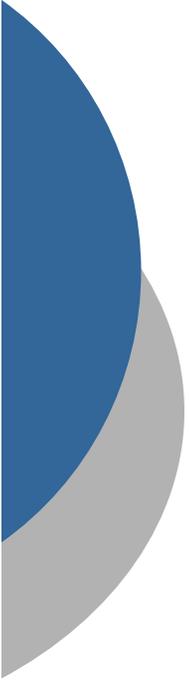


Capital Program

There are a variety of contracting methods for design and construction services.



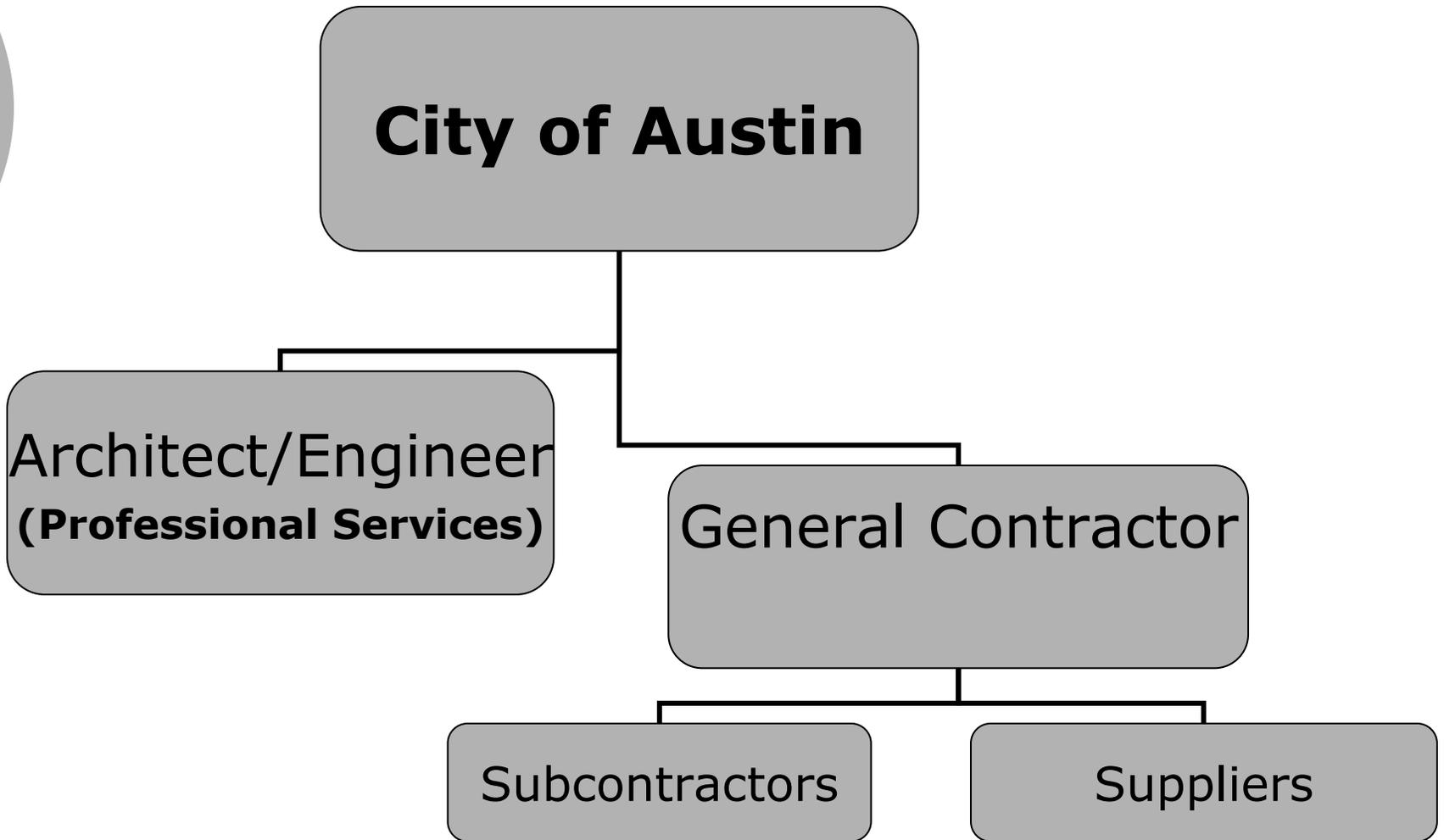
MOST COMMON METHOD

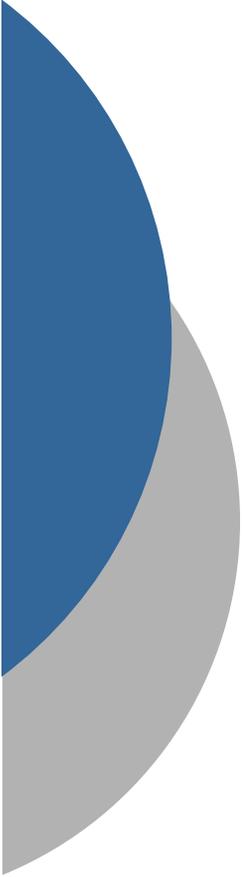


“Traditional” Project Delivery Method a.k.a. Design / Bid / Build

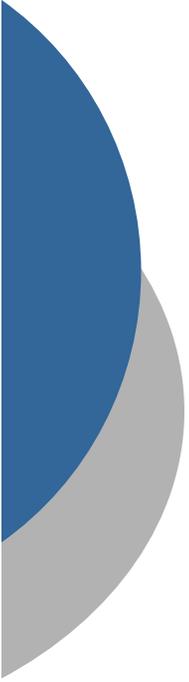
- Commonly used and more familiar to most. Also called, “low bid” method.
- City contracts with an Architect/Engineer (Professional Services) to complete design and produce a project specifications manual.
- City advertises for construction work and Contractor bids on completed design and specifications.
- City awards a contract with the lowest responsive responsible bidder.

Design-Bid-Build Structure



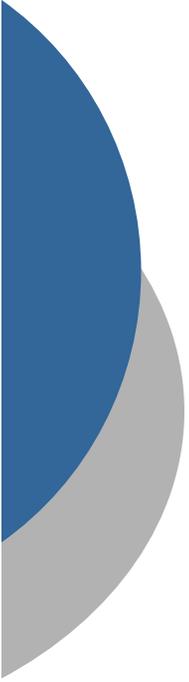


ALTERNATIVE METHOD



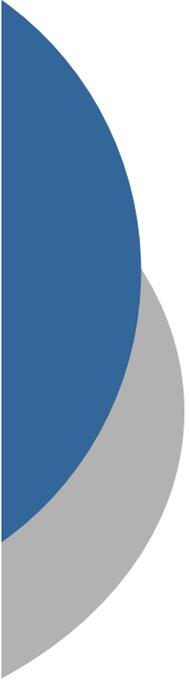
Legislative Authorization

- In 2001, the Texas Legislature authorized the use of alternative project delivery methods to municipalities for facilities, “vertical” construction
- In 2007, authority was expanded to include civil engineering construction such as water treatment plants, streets/ highways, and other “horizontal” construction



“Alternative” Project Delivery

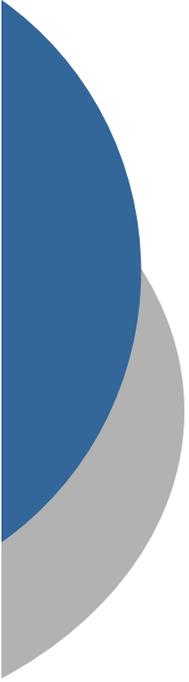
- Called “alternative” because the solicitation, evaluation, selection, contracting and project delivery methods varies from the most traditional design/bid/build competitive “low bid” method.
- Award is made to the firm who provides the “**BEST VALUE**” to the City of Austin
- Best Value is determined by scored and ranked weighted criteria published in the solicitation.



Advantages to the City of Austin

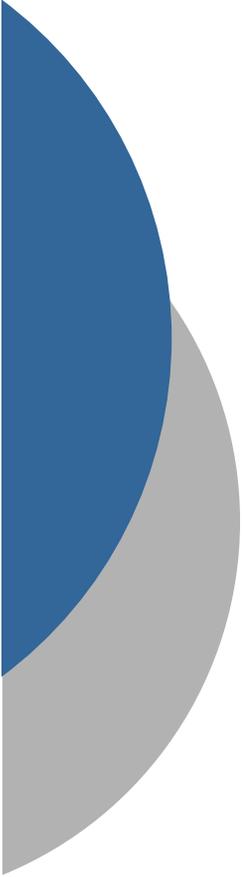
The most qualified firm is selected providing the “BEST VALUE” to the City of Austin

- ❑ Promotes collaboration / cohesiveness / partnering throughout project
- ❑ Allows City to establish relevant meaningful criteria such as (but not limited to):
 - Past relationships / past projects with the City
 - Relevant technical experience
 - Price
 - Experience with Austin Issues and environmental Issues
 - Sustainability Practices
 - Local Business Presence
 - MBE/WBE Program Participation
 - Quality Assurance/Quality Control

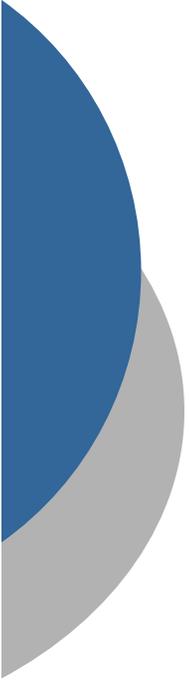


Considerations in Determining Best Project Delivery Method

- Work complexity
- Project size
- Scope definition
- Need for constructability reviews
- Technical expertise
- Time-sensitive
- Funding constraints
- Fast-tracking of work
- Recurring need of repairs/improvements
- Contracting opportunities

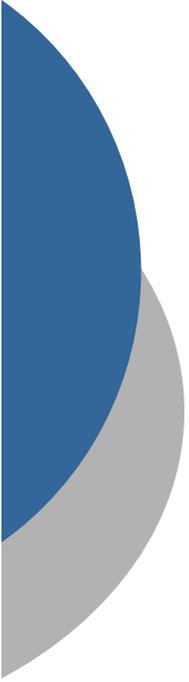


ALTERNATIVE TYPES AND STRUCTURE



Types of Alternative Delivery

- Competitive Sealed Proposal (CSP)
- Construction Manager-at-Risk (CM@R)
- Design-Build (D-B)
- Job Order Contracting (JOC)
- Construction Manager-Agent (rarely used by City)



Competitive Sealed Proposal (CSP)

LGC 271.116: Authority

City selects contractor to perform construction services based on qualifications, experience, price and other factors including local business presence, i.e., “BEST VALUE” to the City.

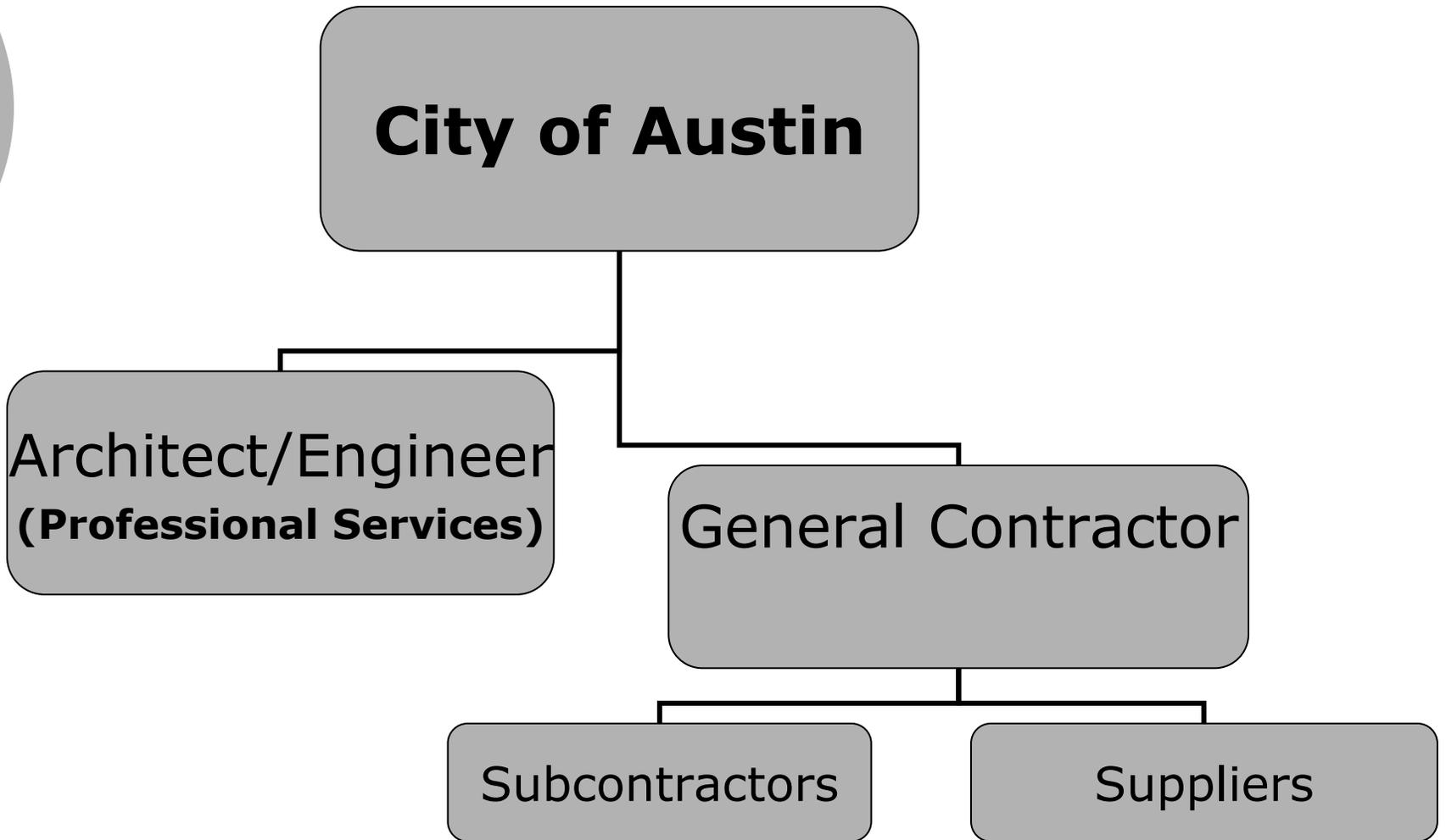
Benefits:

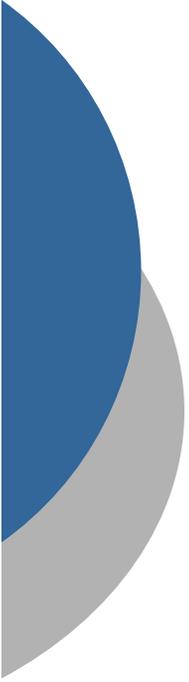
- ✓✓ Most similar to traditional D/B/B
- ✓✓ Familiar to the contracting community
- ✓✓ Best for straightforward work
- ✓✓ Contract is negotiable

Considerations:

- ✓✓ From solicitation to evaluation/ranking to Council approval to contract execution = 4-6 months
- ✓✓ Scope must be well defined
- ✓✓ Not good for schedule-sensitive work

CSP Structure





Construction Manager-at-Risk (CM@R)

LGC 271.118: Authority

City selects a CM based on qualifications, experience, price and other factors including local business presence, i.e., “BEST VALUE” to the City.

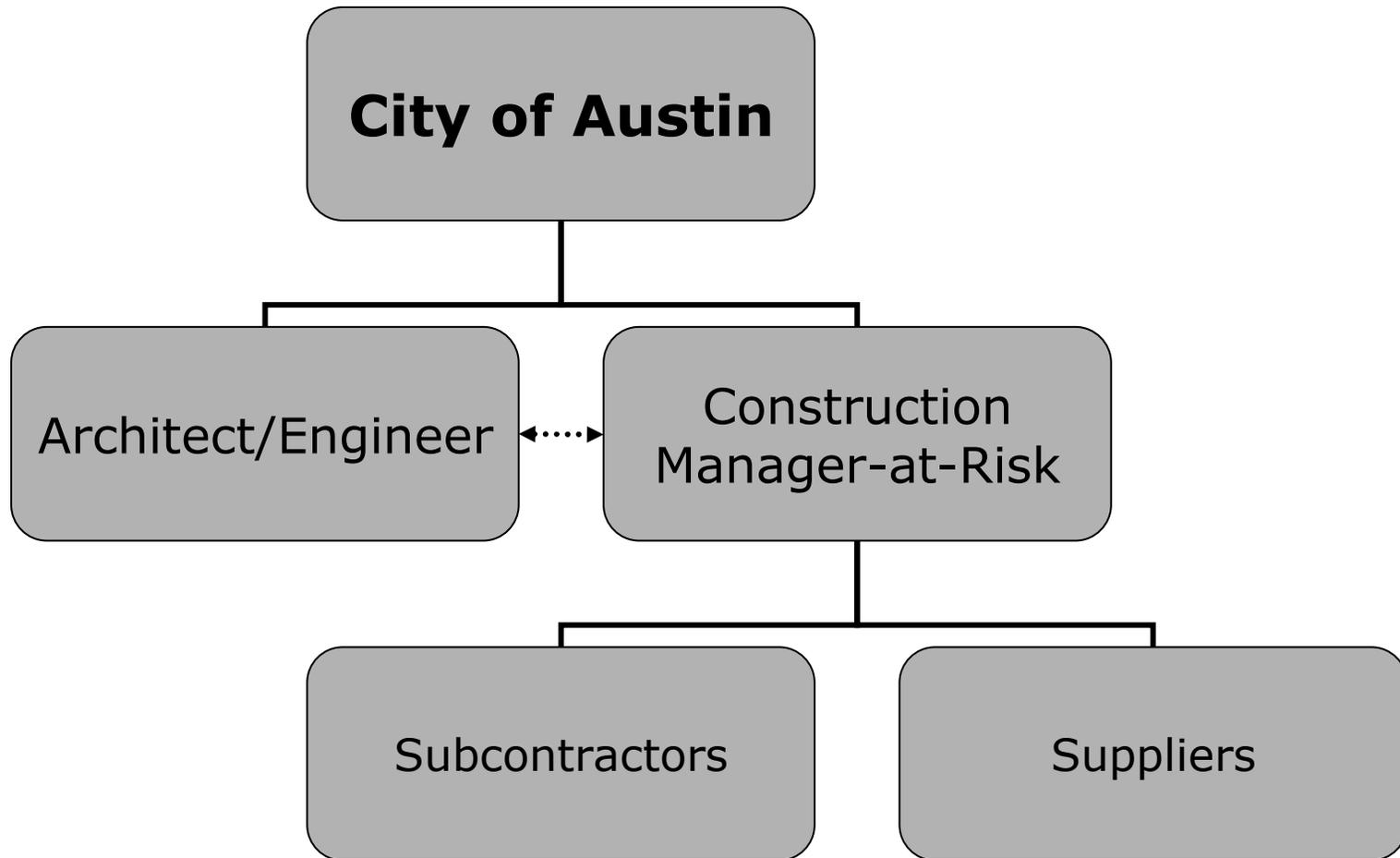
Benefits:

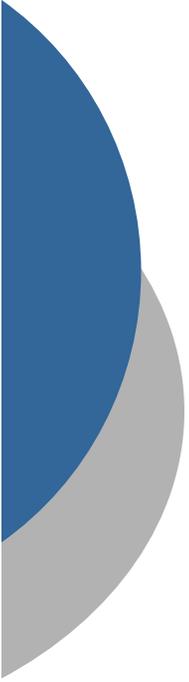
- ✓✓ CM is on-board during design phase to collaborate with City team and design team on constructability and cost savings
- ✓✓ CM is responsible for construction
- ✓✓ Open book method – City reviews CM’s processes (especially necessary during CM’s bidding process)
- ✓✓ Good for larger complex projects with sensitive design/construction schedules

Considerations:

- ✓✓ Two-step Selection Process – from issuance of RFQ to shortlists for RFP to evaluation/ranking of Proposals to Council approval to Contract Execution = 9 months
- ✓✓ Complex contract components (Preconstruction Phase Services, General Conditions, GMP-Construction Phase Services)

CM@R Team Structure





Design-Build (D-B)

LGC 271, Subchapter H: Authority for facilities “vertical” construction

LGC 271, Subchapter J: Authority for civil “horizontal” construction

City selects Design-Builder based on qualifications, experience, and other factors as determined to be the “BEST VALUE” to the City.

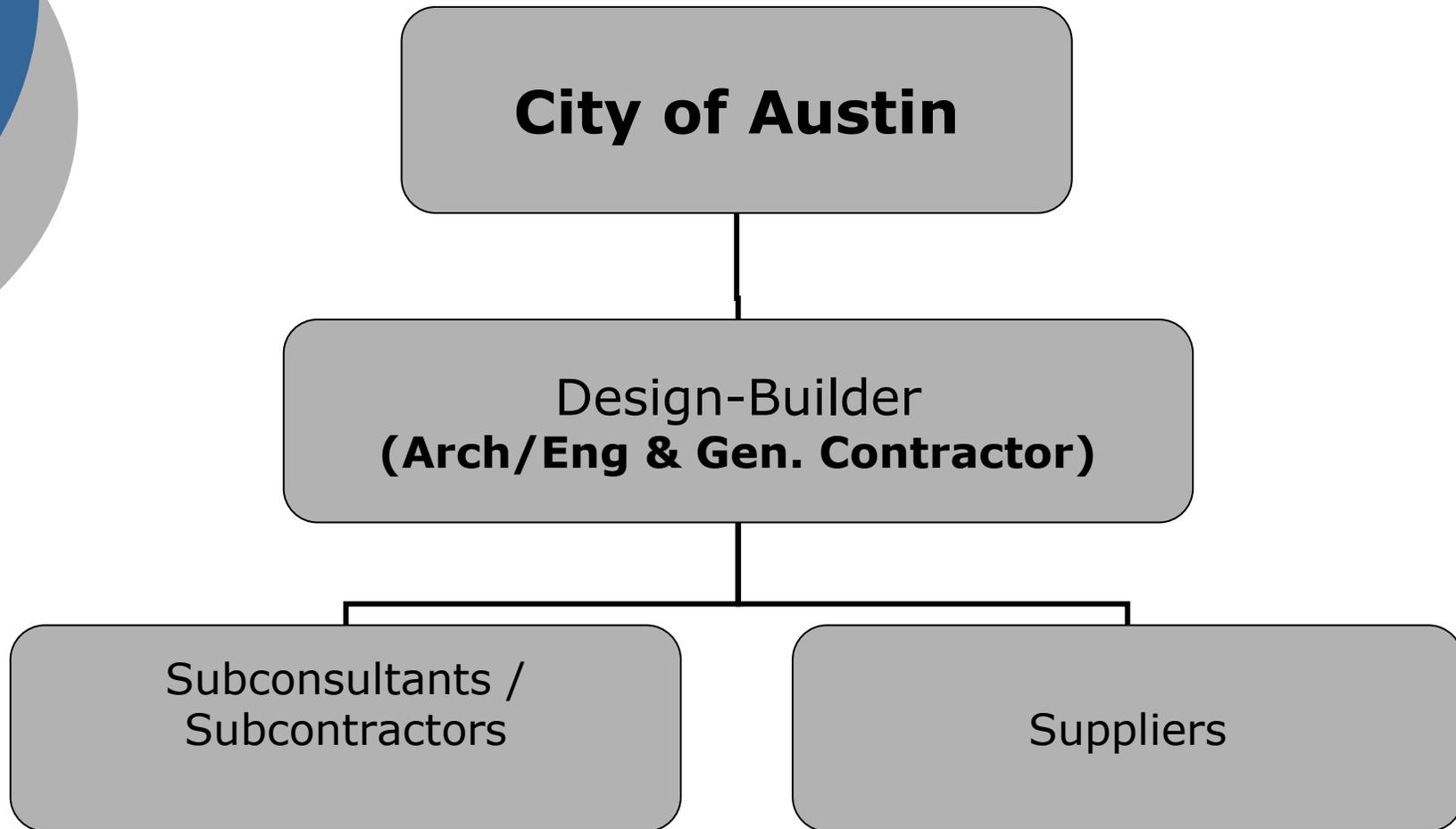
Benefits:

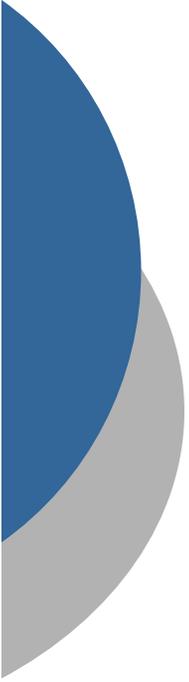
- ✓✓ Design-Builder is a single firm to perform both design and construction services
- ✓✓ D-B starts construction before design is complete
- ✓✓ Good for faster delivery of construction

Considerations:

- ✓✓ From solicitation to evaluation to short listing to interviews to ranking to Council approval to contract execution = 9 months
- ✓✓ Complex contract components (Preliminary Design, Design, General Conditions, GMP-Construction)

Design-Build Team Structure





Job Order Contracting (JOC)

LGC 271.120: Authority for Job Order Contracting for minor construction, repair, rehab, and alterations for facilities

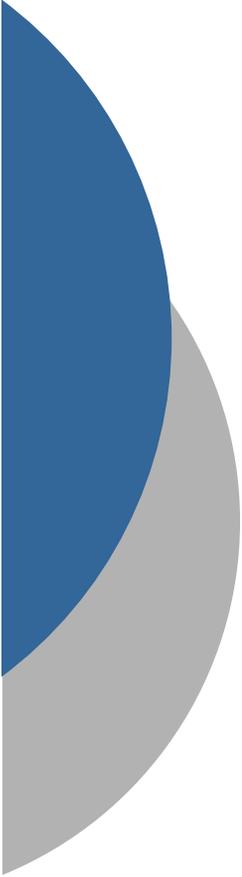
City selects Contractor(s) based on qualifications, experience, price, and other factors including local business presence, i.e., “BEST VALUE” to the City.

Benefits:

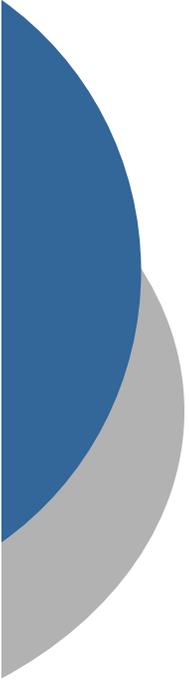
- ✓✓ City selects contractor(s) to perform construction services on an “on call” basis for indefinite delivery/indefinite quantity
- ✓✓ Contract has established pre-priced unit pricing
- ✓✓ Good for schedule-sensitive minor work
- ✓✓ Multiple Job Order Assignments going at one time

Considerations:

- ✓✓ RFP process to contract execution can take 9 months
- ✓✓ Requires knowledgeable trained staff to administer base contract and individual job orders

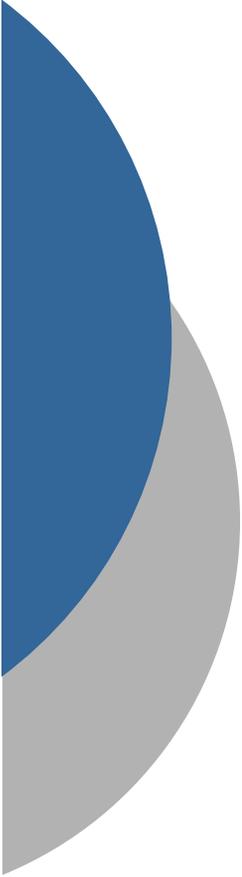


CITY COUNCIL'S ROLE

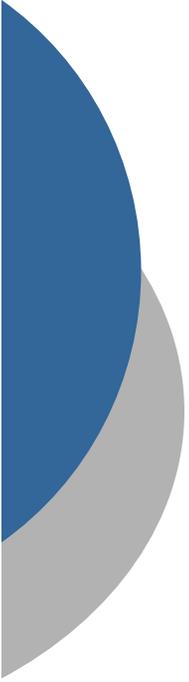


Austin City Council's Role on Alternative Project Delivery Projects

- Authorize use of Alternative Project Delivery Method
- Approve award and authorize negotiations with top-ranked firm
- Approve contract amendments, i.e., construction phase GMP for CM@Risk and design phase and construction phase GMP for Design-Build

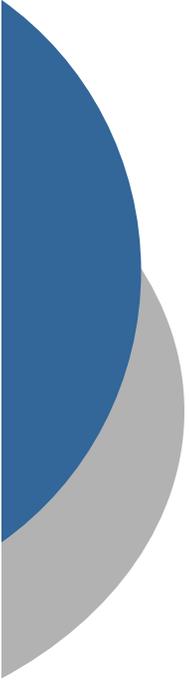


WHY NOT USE ALTERNATE DELIVERY METHOD ON ALL PROJECTS?



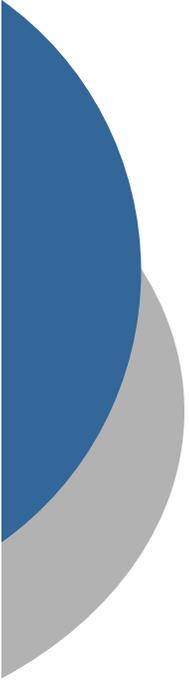
Reasons why . . .

- Time commitment:
 - Solicitation process is lengthy due to evaluation process
- Requires greater resource commitment during solicitation and award:
 - Evaluation and selection process
 - Contract negotiations due to complex contract components
- Contract/Project Management:
 - Complex contractual relationships and components
 - Higher level of city resources to oversee and manage the project
- Cost considerations:
 - Alternative Delivery is focused on Best Value, not price alone
- Work considerations:
 - Actual work may not warrant extended solicitation process
 - Type of work may be best suited for traditional bid method
- Commonly used – Familiar to most:
 - Traditional D-B-B remains common practice for governmental entities
 - D-B-B is familiar to the majority of the Contractor community



Current Alt Delivery Projects

- WTP4 – under contract
- Austin Energy New System Control Center CMR – under contract
- Municipal Court DB – under contract
- PARD Aquatic Pools Complex Improvements DB – under contract
- Asian American Resource Center DB – under contract
- New Central Library CMR – under contract
- African American Cultural Center CSP – in solicitation
- Street Reconstruction, Group B CSP – in solicitation
- Holly Street Power Plant Decommissioning CSP – in solicitation
- Public Safety Training Facility DB – recently had ribbon cutting



QUESTIONS?

Contact Information:
Contract and Land Management Department
512-974-7181

- 
- How do you fit in?
 - City is likely to do more Alternate Delivery Method Projects
-
- SMBR and Prime Firm will hold meet and greets
 - Local Business Presence
 - Business HQ - administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located.
 - Business Branch office = smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.
 - Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors.
 - Evaluation of the Team's Percentage of Local Business Presence will be based on the allocation of work as reflected in the Offeror's MBE/WBE Compliance Plan.