



2019 Consultant & Construction Contractor Symposium Contracting Methods

City of Austin





Presenters

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Purpose

Overview of the City's construction project delivery and contracting methods

Understanding the City's construction delivery method selection process

Gain insight on how to become a successful bidder/proposer on City construction projects



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Public Works Department
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Project Delivery Method

- Is a comprehensive process that includes planning, design and construction required to execute and complete a project
- Construction project delivery method consist of different ways to organize those services in order to execute a project
- No one-size-fits-all delivery method
 - Important to “match” the appropriate method to the project it is to deliver



Project Delivery Method

Strategic Approach to Delivering Capital Projects

- Variety of project delivery methods available
- Decisions are based on a number of factors, such as budget, schedule, project complexity, etc.
- Selecting the appropriate method determines the success of the capital project



Delivery Method Types

- Invitation for Bid (IFB)
 - Design/Bid/Build
- Indefinite Delivery/Indefinite Quantity (IDIQ)
- Alternative Delivery Methods
 - Competitive Sealed Proposal (CSP)
 - Job Order Contracting (JOC)
 - Construction Manager at Risk (CMAR)
 - Design Build (DB)



Selecting the Delivery Method

Selection based on several criteria including:

- Owner control
- Owner relationships
- Project budget
- Project schedule
- Project complexity
- Owner risk
- Project team composition
- Project goals
- Technical expertise

Garrett Cox

**Capital Contracting Office,
Construction Division**



Contracting Capital Improvement Projects

- No single contracting method is appropriate to deliver every project.
- Important to “match” the appropriate contracting method to the project it is to deliver.

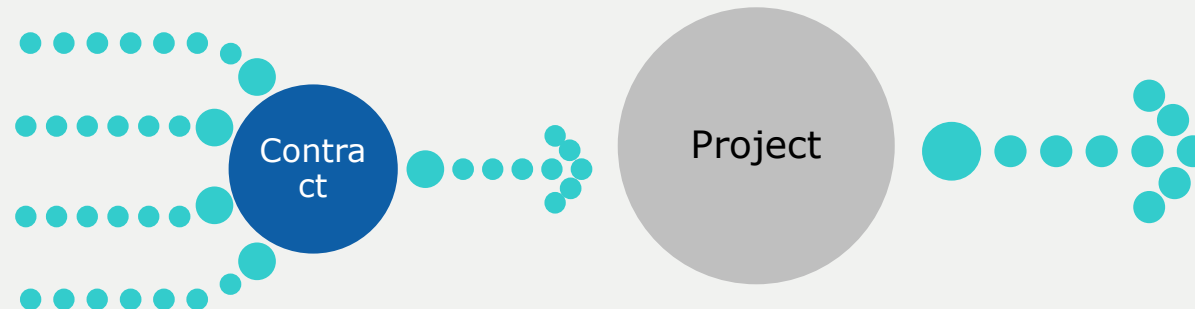




When & How City chooses...

Contract Selection Criteria:

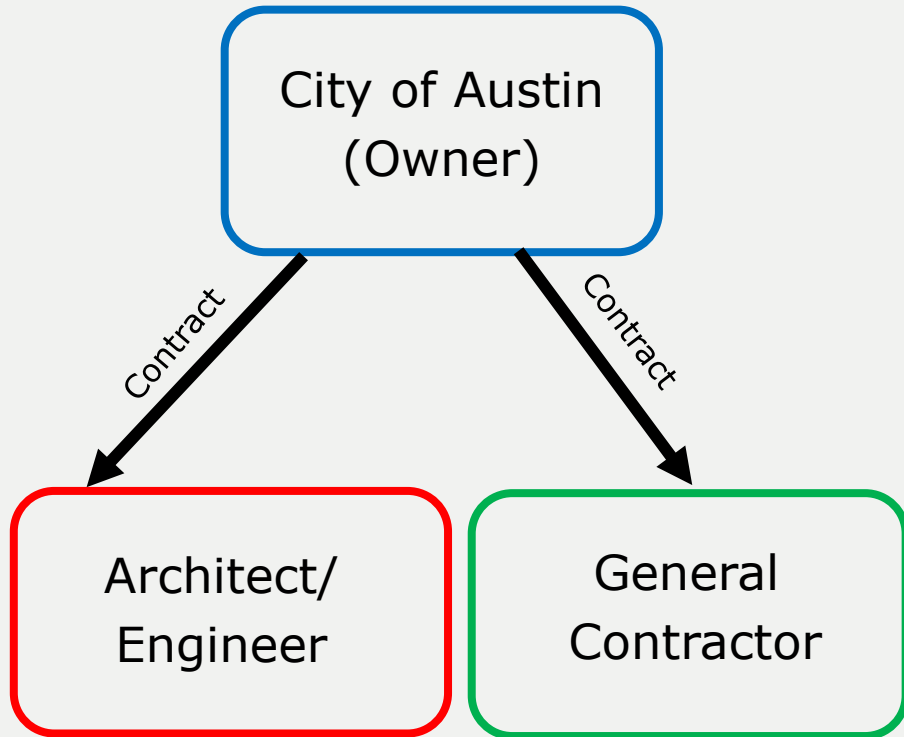
- Work complexity
- Project size and duration
- Project scope
- Project Budget
- Technical expertise
- Schedule sensitive
- Recurring need of repairs/improvements
- Subcontracting opportunities
- Sufficient Internal Resources



Promotes collaboration, cohesiveness, and partnering throughout the project.



Invitation for Bid



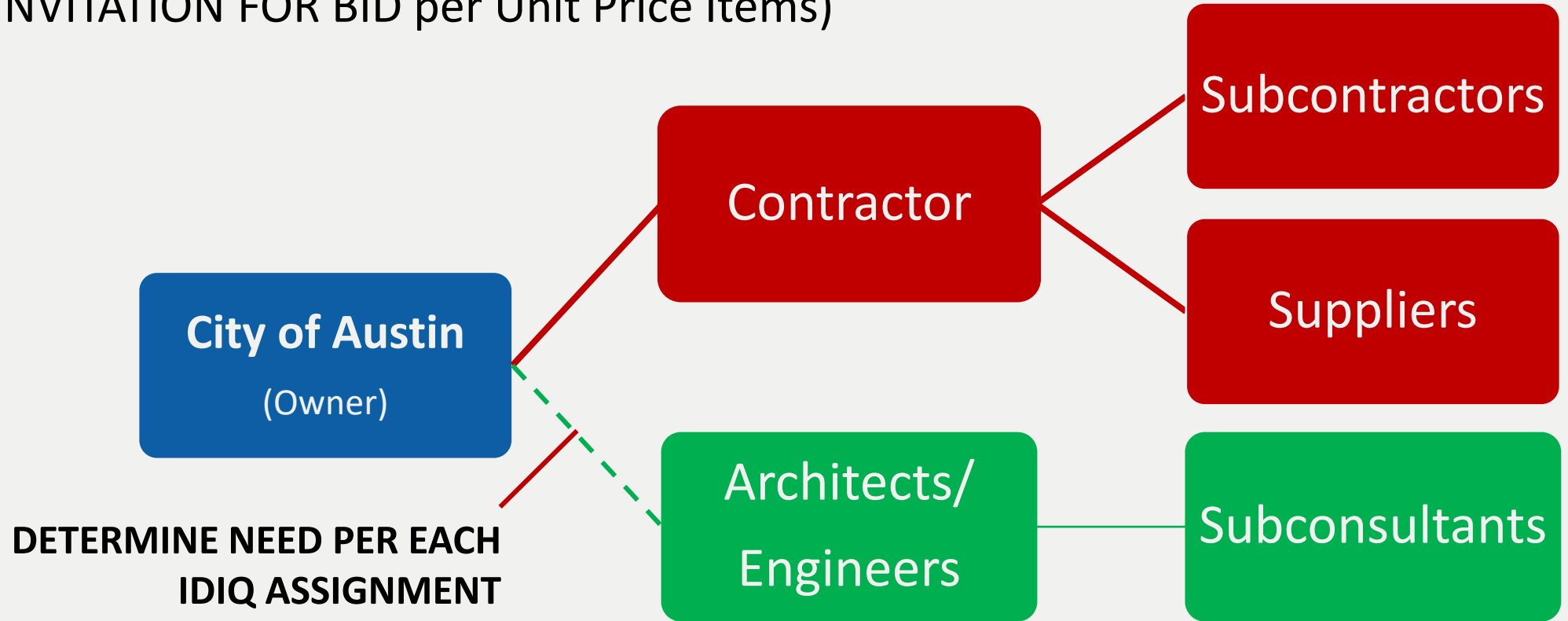
Most commonly used Lowest Responsive and Responsible Bidder Awarded

- Bid guaranty/Bid Bond
- Bidder's experience (comparable projects completed, PM and Superintendent experience, specific technical experience, available equipment and workforce, available equipment and workforce)
- Safety experience (Workers' Comp. EMR, Regulatory Notice and Citation History, Injury and Illness Incidence Rate)



Indefinite Delivery/Indefinite Quantity (IDIQ)

(INVITATION FOR BID per Unit Price Items)



Current projects:

- Asphalt & Concrete Repair IDIQ
- ADA Sidewalks & Ramp Improvements IDIQ
- Waterline On-Call Services IDIQ

INDEFINITE DELIVERY/ INDEFINITE QUANTITY (IDIQ)

Invitation for Bid per Unit Price Items

Why:

- Helps streamline the contract process and service delivery
- Allows the City flexibility to assign work as needs arise or change

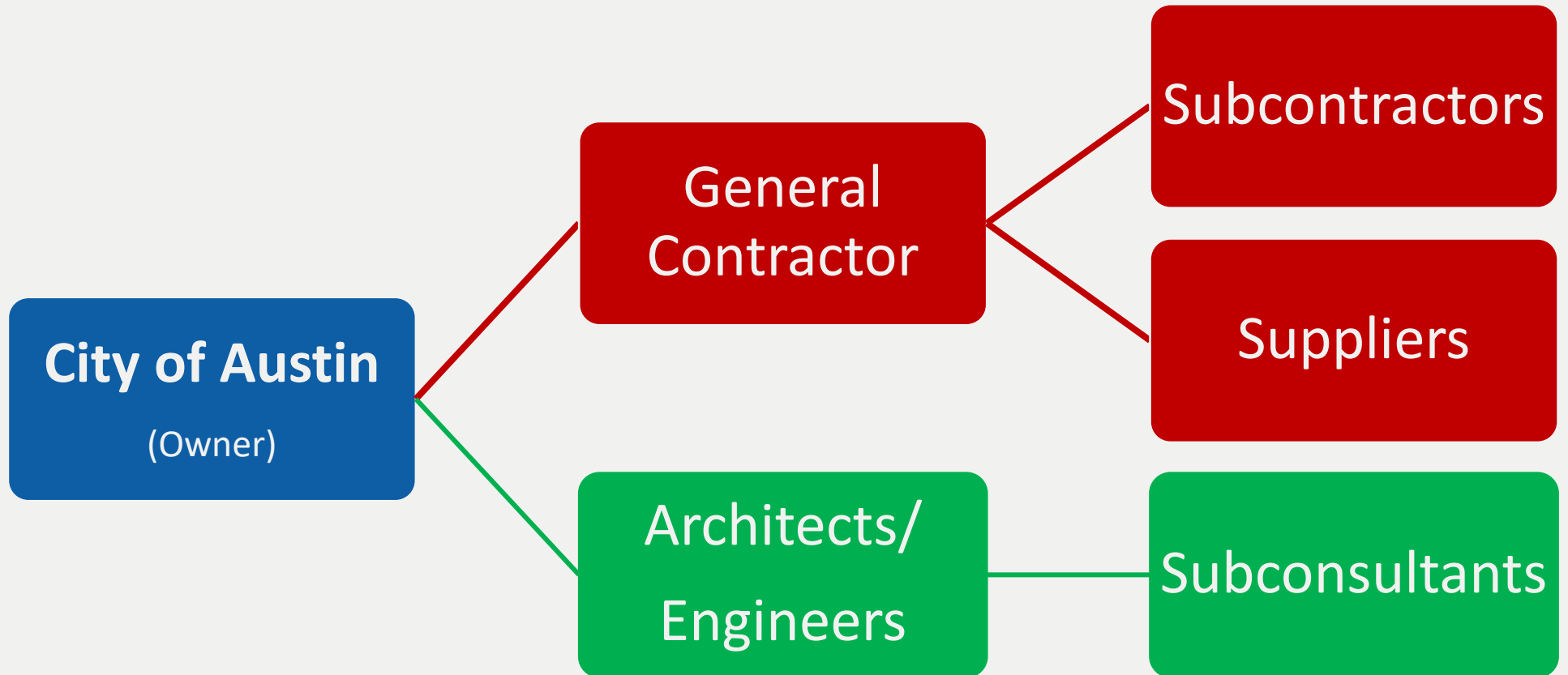
When:

- Precise quantities of supplies or services cannot be determined





Competitive Sealed Proposal (CSP)



Current projects:

- Montopolis Recreation and community center
- ABIA Consolidated Maintenance Facility
- EMS Bay Expansion & Women's Locker Rooms
- Faulk Library Roof Replacement

COMPETITIVE SEALED PROPOSAL (CSP)

Why:

- Best Value determined by an evaluation panel, based on weighted evaluation criteria in addition to price
- Cost proposals can be negotiated (Clarified)
- Typical Project is under \$20M

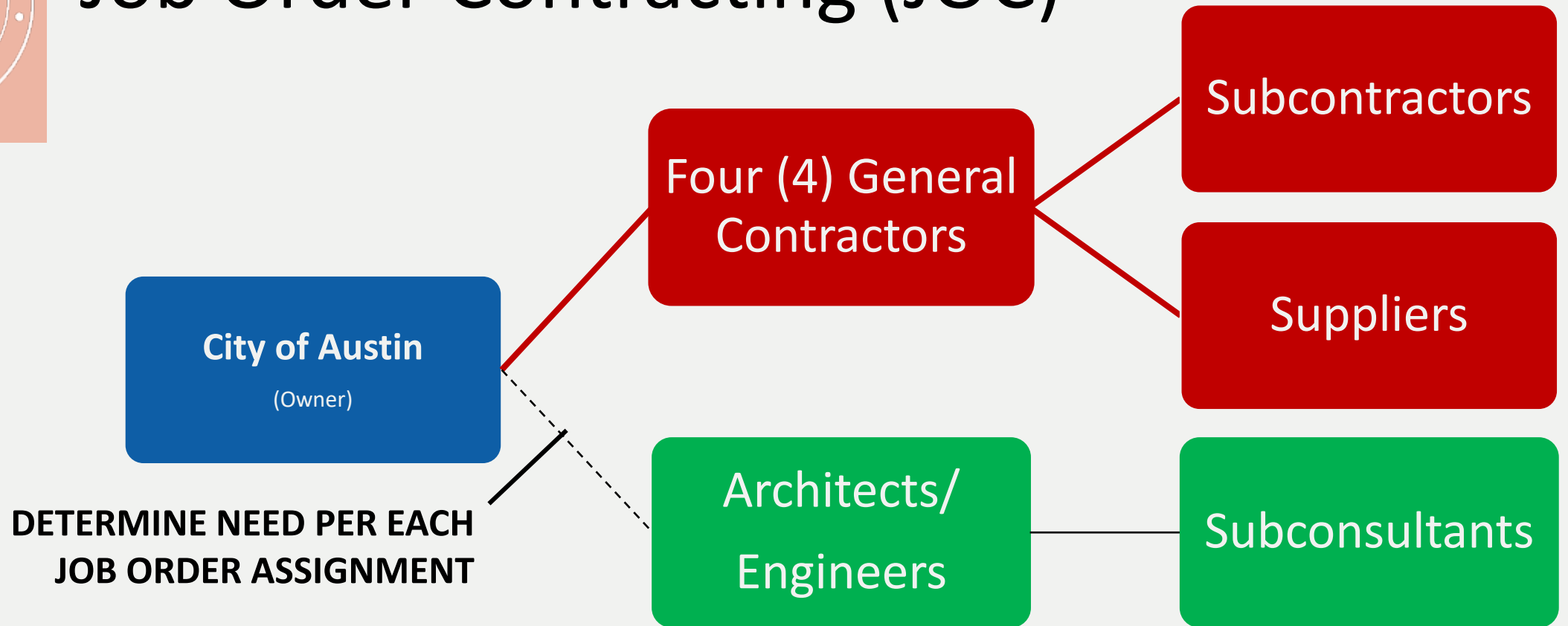
When:

- Historical Projects
- Specialty Build Projects
- Projects with special requirements concerning the Contractor and/or performance





Job Order Contracting (JOC)



Current JOC status:

- 2012 JOC (\$6M) complete
- 2013 JOC (\$12M) complete
- 2017 (\$27M) Ongoing

JOB ORDER CONTRACTING (JOC)



Why:

- Multiple Contractor on a Rotation List
- Contract can extend to multiple terms
- Unit Price Book (Catalog of Construction Items) for cost control
- Multiple Job Orders performed simultaneously

When:

- Projects with budgets \$300K or less
- Recommended for time-sensitive minor construction, renovation or repair work
- Must be associated to Facilities/Vertical Construction projects

Vincent M. LeMond

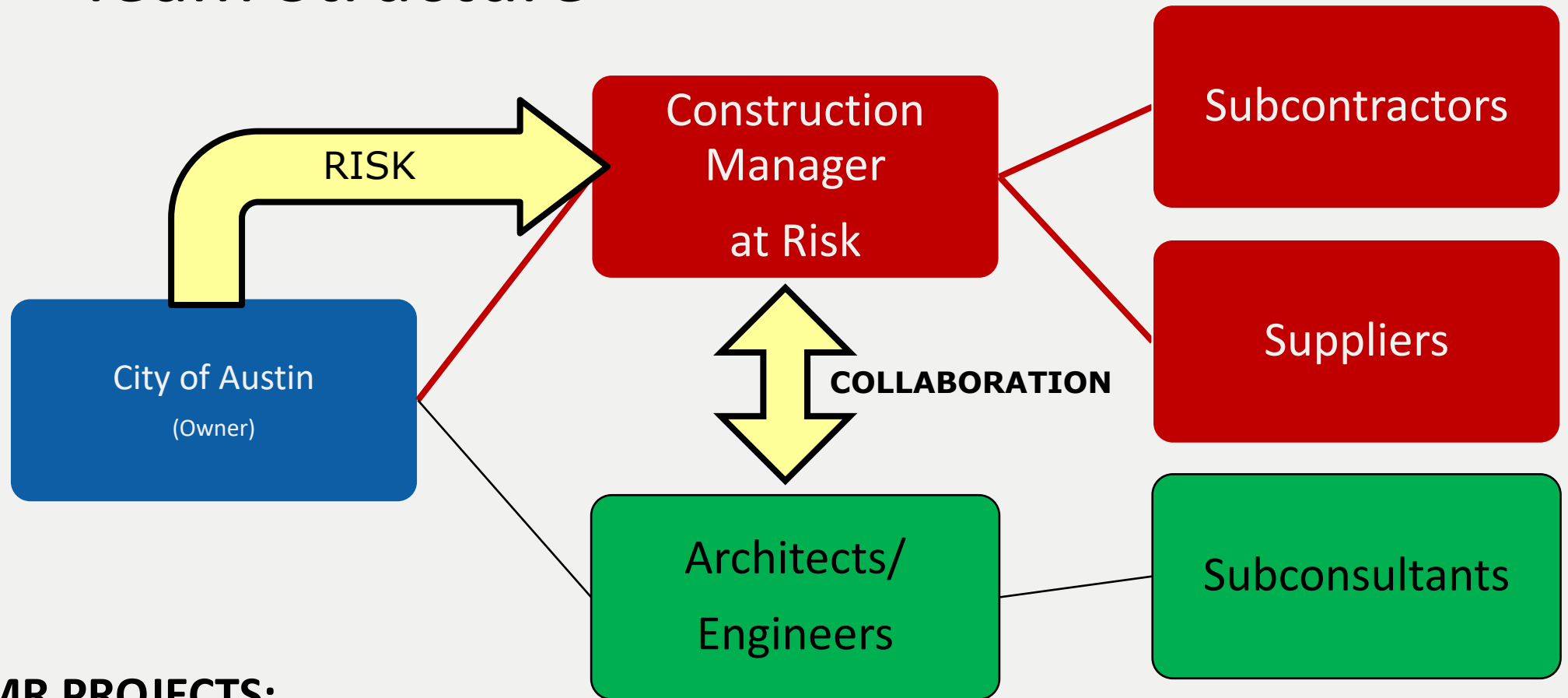
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Construction Manager at Risk (CMR) Team Structure



CURRENT CMR PROJECTS:

- ABIA Terminal and Apron expansion
- ABIA new parking structure & administration building
- Alliance Children's Garden

CONSTRUCTION MANAGER AT RISK (CMR)

Why:

- Construction Manager (CM) is on-board during design phase to collaborate on constructability and cost savings
- CM is responsible for construction (Minimizing need for change orders)
- City reviews CM's processes – *“Open Book Method”*

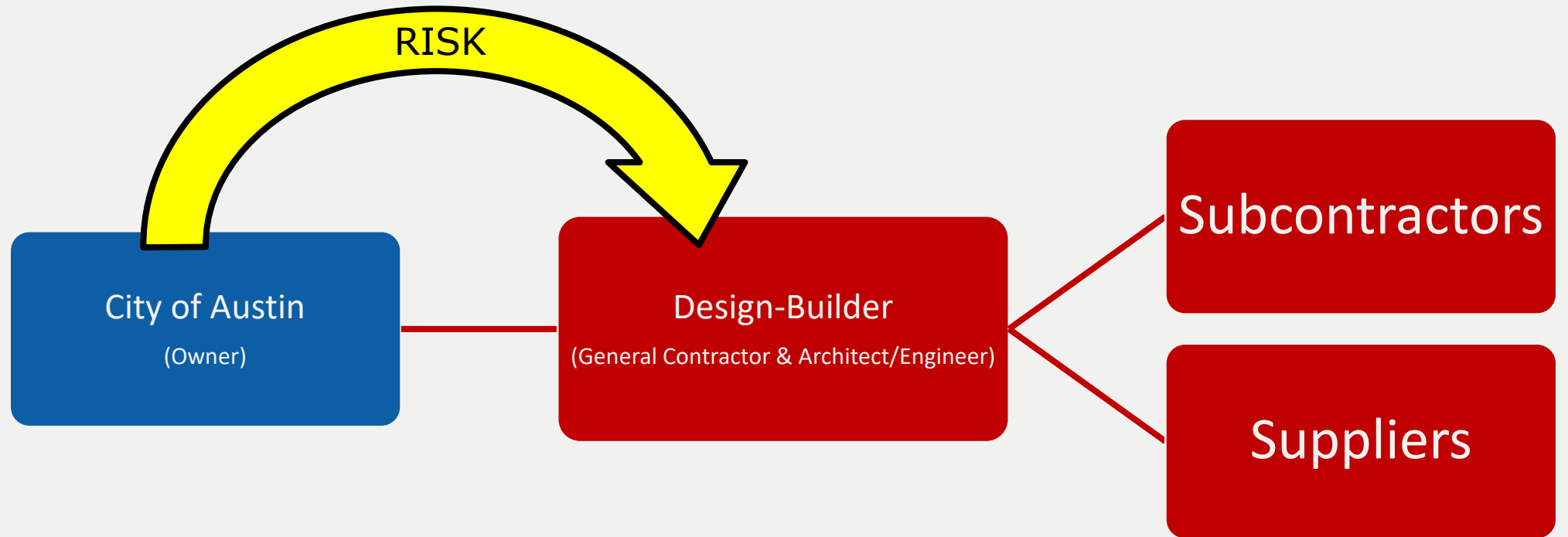
When:

- Recommended for larger complex projects with time sensitive schedules
- Complex contract components [i.e. Phasing, Guaranteed Maximum Price (GMP)]
- Projects \$20M or greater





Design-Build (DB) Team Structure



CURRENT DB PROJECTS:

- Animal Center Kennel Addition and Campus Infrastructure
- ABIA Terminal East Infill
- Downtown Chiller Capacity Addition
- New Fire/EMS Stations

DESIGN-BUILD (DB)

Why:

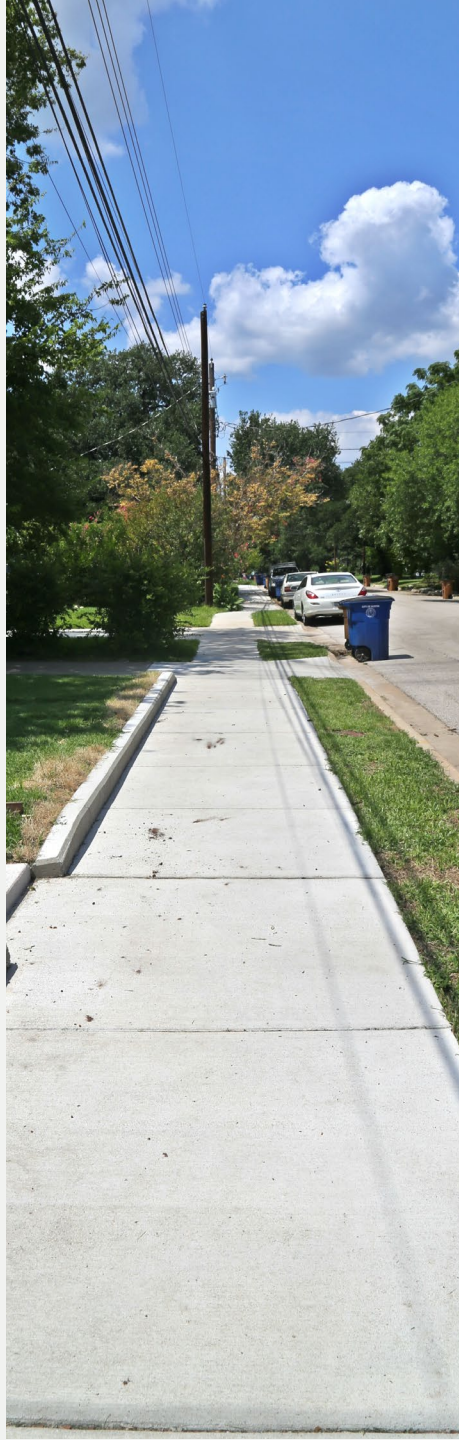
- Design-Builder is a single firm to perform both design and construction services
- Construction can start before design is complete
- Project Budget and/or Time restrictions

When:

- Recommended for time sensitive projects
- New Construction or Large Renovations
- Projects \$20M or greater



How to Submit a Bid or Proposal Successfully



- **Read ALL solicitations documents, carefully**
 - Ask Questions.....until issues are clear.
- **Allow adequate time for proposal preparations**
 - Four to Six weeks is never enough
- **Know your Gate Keepers**
 - M/WBE or DBE Goals Procurement Program
 - Leading category for disqualifying Proposers
 - Lack of Proposer Interaction
 - Safety Record
 - Financial Capability
 - Acceptable Documentation
 - Checklist of REQUIRED documents for submission

How to Submit a Bid/Proposal **Successfully** (continued)

- **Understand evaluation criteria, respond thoroughly and respond concisely**
 - Experience of Offeror
 - Empierce of Key Personal
 - Experience of Key Subconsultants/Subcontractors
 - Organizational Structure and Business Practices
 - Work Approach and Delivery Schedule
 - Service Disabled Veteran Business Enterprise (SDVBE)
 - Past performance on City projects



- **Interviews should be treated like job interviews**
- **Assume no one has ever heard of your company**
- **Limit the amount of marketing material and use your words well.**
- **Know the deadline for submission of proposal**