

# Take My Money!

Municipal Capital Delivery Methods

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Lockwood, Andrews  
& Newnam, Inc.  
A LEO A DALY COMPANY

# Definitions

## Statutory procurement methods

\$50k trigger, City may have lower limit

## Conventional Delivery

- **Design-bid-build**
- **Low bid**
- **A+B Bidding**

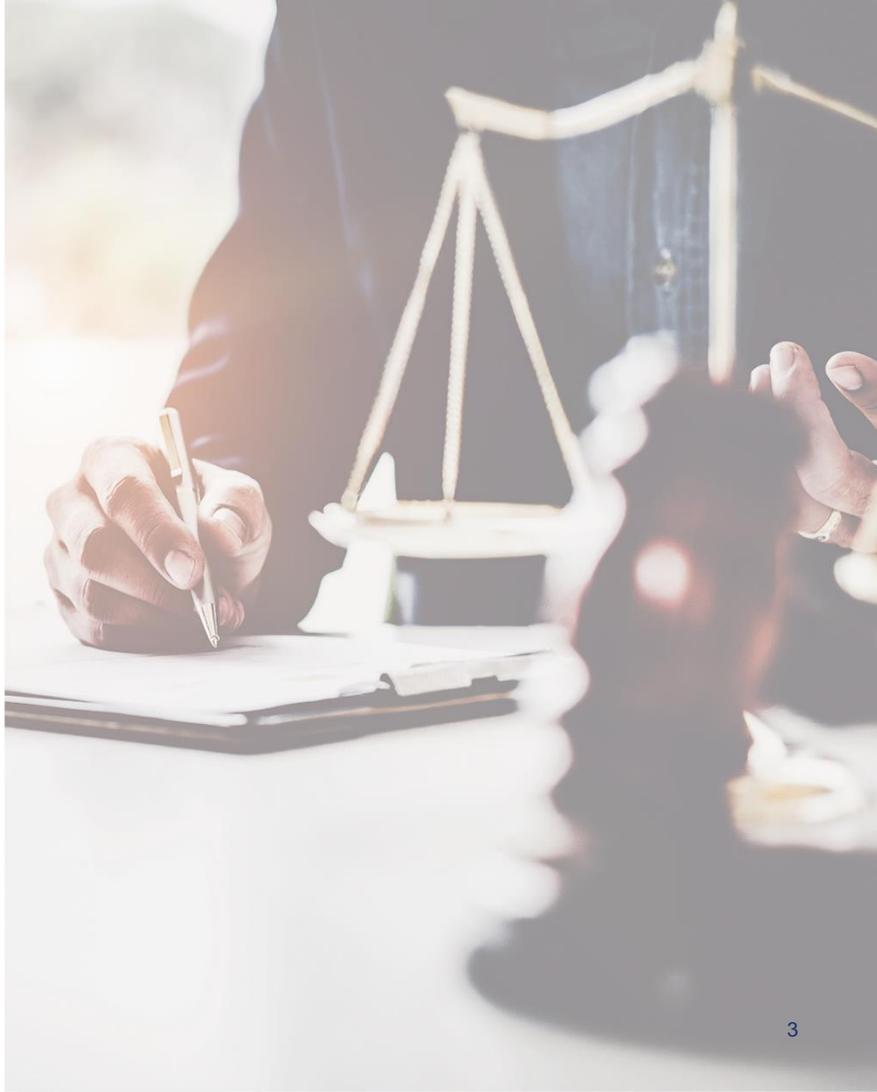
## Alternative Delivery

- **Best-value**
- **Competitive Sealed Proposal (CSP)**
- **Design-build**
- **Construction Management Agent**
- **Construction Management at Risk (CMAR or CM@R)**
- **Job Order Contracting**

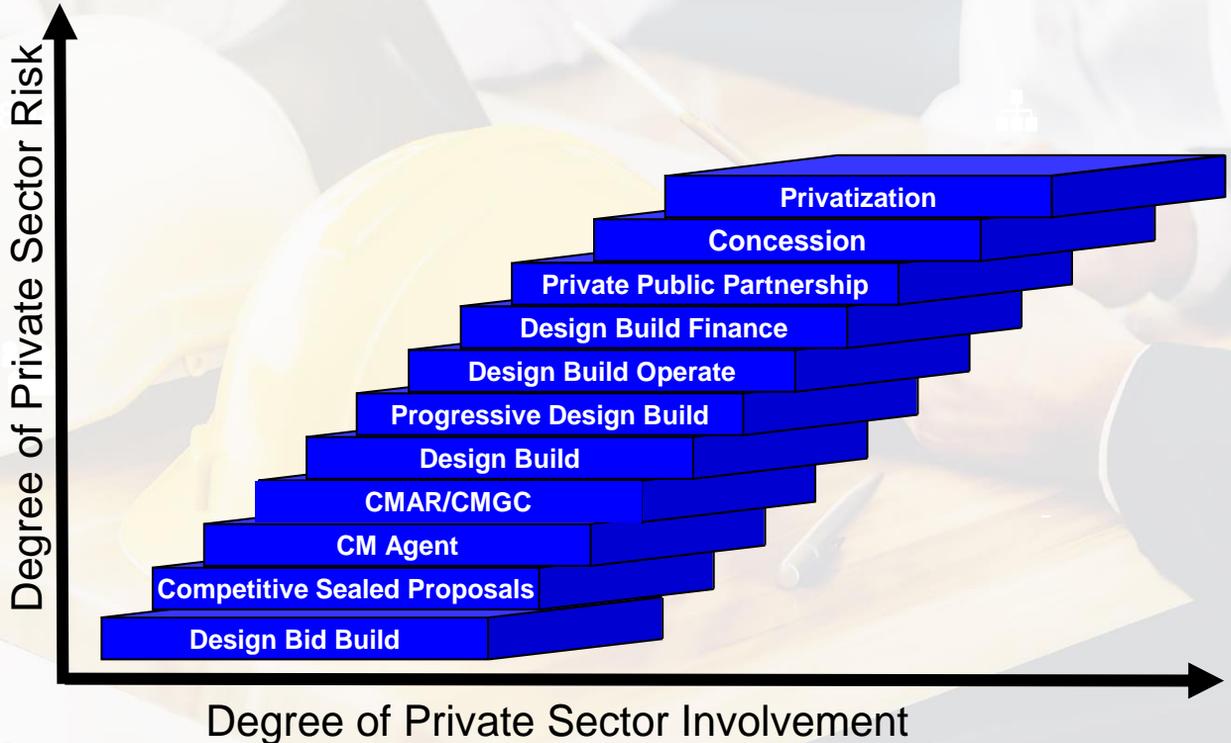
## Other Purchasing Cooperatives (such as NCTCOG SHARE)

# Legal Authority

- LGC Chapter 252
  - Low-bid
  - CSP
- LGC Chapter 2269
  - Alternative methods
- GC Chapter 791
  - ILAs / purchasing cooperatives
- TML Procurement Made Easy

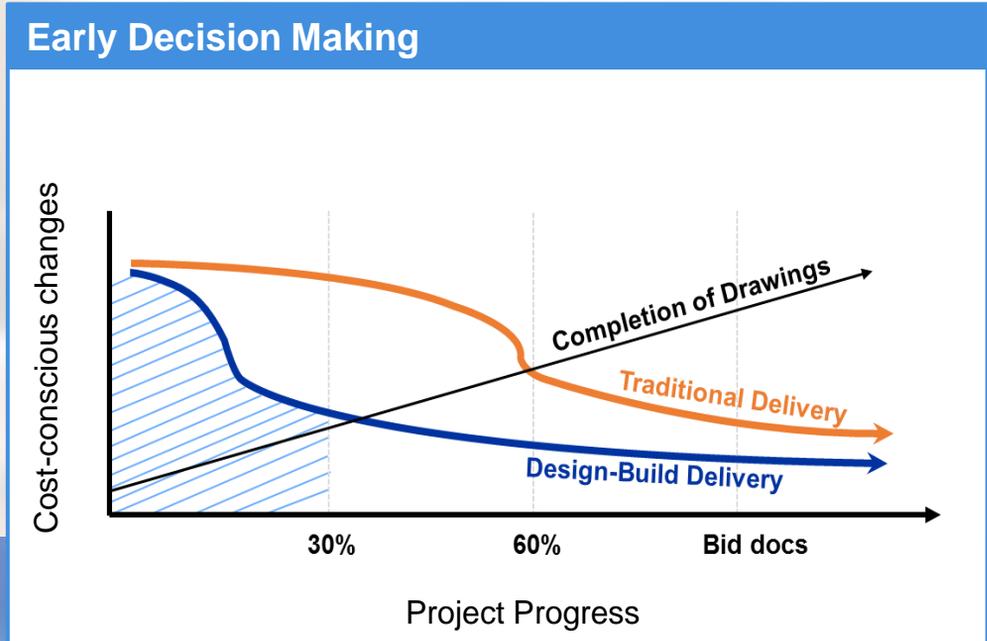


# Conventional vs. Alternative Delivery



# Conventional vs. Alternative Delivery

- Same amount of work
- Decision making shifts
- Front end loaded



# Low-bid

- Engineering projects:  
Design-bid-build
- Also used for sundries
- One criterion: price
- Simple process, well-known
- Takes 15 days to bid plus design time



# A+B Bidding

- Also called Cost Plus Time Bidding
- Contractor bids cost and days to construct
- Days are assigned a cost (TxDOT method)
- Awarded on A+B
  - Contractor is paid A



# Best Value

→ Bids can be evaluated using additional criteria:

- Price
- Experience and reputation
- Quality of goods or services
- HUB
- Safety record (EMR)
- Proposed personnel
- “right-sized”
- Any other *relevant* factor **specifically listed**

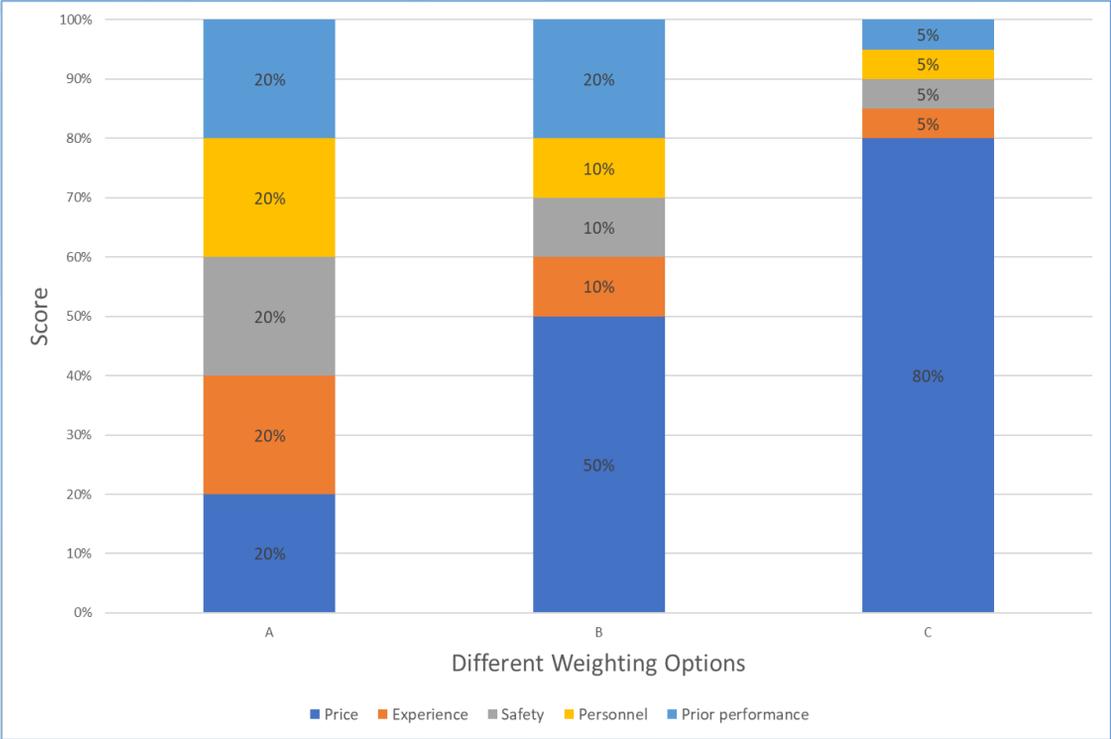


# CSP

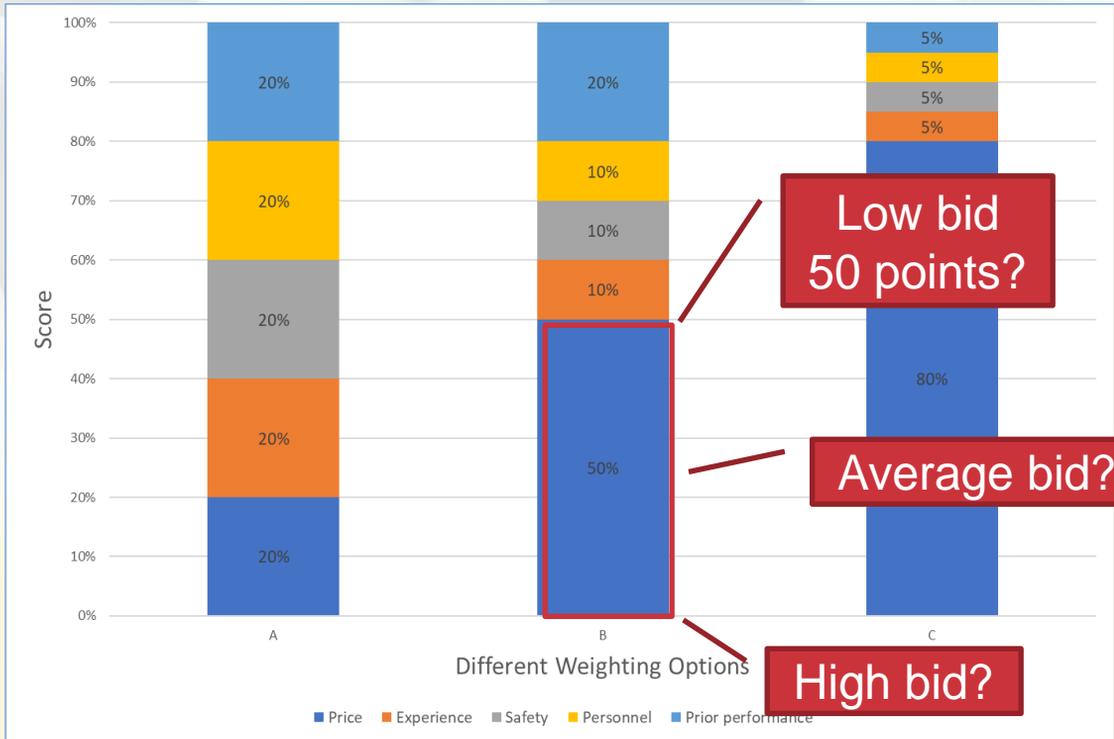
- Similar to Best Value Method
- Proposals are evaluated and ranked
  - Weight of factors is important
- Allows for negotiation after ranking and selection
  - Scope, schedule, & price can be modified



# Category Weight – Lesson Learned



# Category Weight – Lesson Learned



# Design-Build

- Compress schedule by overlapping design and construction
- High burden on review staff
- Design-builder assumes responsibility for design and construction



# Construction Manager – Agent

- Third-party acting on behalf of the City through Procurement and Construction
- City must also hire design professional



# Construction Manager at Risk

- Similar to a General Contractor
  - Provides input to City during and after design
- Shifts some cost risk to CMAR
  - CMAR cannot be Engineer
- Based on qualifications and pricing
- Evaluation and ranking based on published criteria



# Job Order Contracting

- Can be used for recurring work of an indefinite quantity
- Can be used for up to 5 years
- Can be awarded to multiple contractors



# Interlocal Agreements and Purchasing Cooperatives

- Can be used to leverage other Cities' contracts
- Can purchase goods or services that have already been through the procurement process



# Relative Comparison

	Cost	Schedule	Quality	Logistics
Low Bid	++	-	-	-
A+B	+	+	-	-
Best Value	-	-	++	+
CSP	+	-	++	+
Job Order	+	N/A	+	+
Coop.	-	++	++	+

# Questions

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