



Memorandum

Date: May 16, 2011

To: Trey Fletcher
Managing Director of Operations

From: Alex Gonzales P.E., LEED A.P. *AG*
Project Manager

Subject: Competitive Sealed Proposal Background and Process Summary
For Pflugerville Community Library Expansion Project

Subchapter H of Chapter 271 of the Texas Local Government Code allows municipalities solicitation options for construction including Competitive Sealed Proposal. To consider a construction contract using a method other than traditional competitive bidding, the governing body of the municipality must, before advertising, approve the alternative method selected. The background and process summary that follows is provided for information to be used in the approval of the CSP process for the Pflugerville Community Library Expansion Project.

The attached *CSP Process – Activity Flowchart* shows the overall activities and relationships in utilizing the Competitive Sealed Proposal project delivery method.

It is recommended that the City of Pflugerville's Community Library Expansion project be delivered under the Competitive Sealed Proposal (CSP) delivery method of contracting set forth in the Texas Local Government Code, Subchapter H (Alternative Project Delivery Methods for Certain Projects), *Section 271.116 (Selecting Contractor for Construction Services through Competitive Sealed Proposals)*.

CSP is the alternative delivery method most closely related to traditional competitive bidding. The principal difference is the requirement for additional qualitative information to evaluate the Proposers (Contractors) experience and capability to do the work, as well as the opportunity for negotiation between the City and the highest ranked Proposer.

The CSP delivery method allows the City of Pflugerville to consider the qualifications of the Contractor as well as the proposal price in determining the "best value" to the City.

According to *Section 271.113 Procurement Procedures*, in determining the "best value" to the City of Pflugerville, the criteria may include:

- (1) the purchase price;
- (2) the reputation of the vendor and of the vendor's goods or services;
- (3) the quality of the vendor's goods or services;

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- (4) the extent to which the goods or services meet the City's needs;
- (5) the vendor's past relationship with the City;
- (6) the impact on the ability of the City to comply with rules relating to historically under-utilized businesses;
- (7) the total long-term cost to the governmental entity to acquire the vendor's goods or services; and
- (8) any other relevant factor specifically listed in the request for bids or proposals.

Based on the relevant experience criteria necessary for the General Contractor to be selected for the City of Pflugerville's Community Library Expansion, we propose the "Best Value" criteria and respective point distribution as follows:

Y or N Financial Resources & Stability (bank references, surety name, financial statements, etc)

Y or N Safety Record (submittal of OSHA 200/300 logs, EMR verification from insurance carrier and company safety program)

Quantitative Criteria (35%)

30% Proposed Construction Contract Amount (Base Price plus Alternates)

5% Proposed Construction Contract Time (Preliminary schedule duration)

Qualitative Criteria (65%)

25% Relevant experience for General Contractor and Major Subcontractors on comparable project scopes (projects with strategic phasing in order to mitigate impacts to existing operations, as well as contactable references)

20% Project Understanding and Work Approach

20% Proposed Personnel (Project Manager and Project Superintendent Resumes with comparable project experience)

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We propose the above criteria and respective point distribution for approval and inclusion in the advertisement for Competitive Sealed Proposals.

ATTACHMENTS: CSP Process – Activity Flowchart

Competitive Sealed Proposal Process Activity Flow Chart

