



# City of Pflugerville

## Legislation Text

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**File #:** RES-1034, **Version:** 1

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Approving a resolution authorizing the competitive sealed proposal method for the procurement of equipment and the construction of the Secondary Colorado River Raw Water Line project.

This agenda item is a request for City Council to approve the competitive sealed proposal (Request for Proposal) procurement method for the procurement of equipment and the construction of the Secondary Colorado River Raw Water Line project. This item is supported by the infrastructure pillar of the Strategic Plan.

As the design of the Colorado River Raw Water Line and Pump Station Expansion Project developed, the City's Owner's Representative (OR), Design Consultant, and Staff determined that the Competitive Sealed Proposal (CSP) procurement method should be used for selecting construction contractors and equipment procurement instead of the originally proposed Construction Manager at Risk (CMAR) or traditional design, bid, build (Hard Bid) procurement method which requires selection based only on the lowest responsible bidder. While price is always important, the CSP process allows the City to make the best value determination based on the criteria deemed appropriate due to the nature of the implementation of the program.

The Texas Local Government Code SUBCHAPTER B. COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED by Sec. 252.021. COMPETITIVE REQUIREMENTS FOR PURCHASES.

(a) Before a municipality may enter into a contract that requires an expenditure of more than \$50,000 from one or more municipal funds, the municipality must:

(1) comply with the procedure prescribed by this subchapter and Subchapter C for competitive sealed bidding or competitive sealed proposals;

(b) A municipality may use the competitive sealed proposal procedure for the purchase of goods or services, including high technology items and insurance.

(c) The governing body of a municipality that is considering using a method other than competitive sealed bidding must determine before notice is given the method of purchase that provides the best value for the municipality. The governing body may delegate, as appropriate, its authority under this subsection to a designated representative. If the competitive sealed proposals requirement applies to the contract, the municipality shall consider the criteria described by Section 252.043(b) and the discussions conducted under Section 252.042 to determine the best value for the municipality.

Sec. 252.042. REQUESTS FOR PROPOSALS FOR CERTAIN PROCUREMENTS. (a) Requests

for proposals made under Section 252.021 must solicit quotations and must specify the relative importance of price and other evaluation factors; (b) Discussions in accordance with the terms of a request for proposals and with regulations adopted by the governing body of the municipality may be conducted with offerors who submit proposals and who are determined to be reasonably qualified for the award of the contract. Offerors shall be treated fairly and equally with respect to any opportunity for discussion and revision of proposals. To obtain the best final offers, revisions may be permitted after submissions and before the award of the contract.

Sec. 252.043. AWARD OF CONTRACT. (a) If the competitive sealed bidding requirement applies to the contract for goods or services, the contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

(b) In determining the best value for the municipality, the municipality may consider:

- (1) the purchase price;
- (2) the reputation of the bidder and of the bidder's goods or services;
- (3) the quality of the bidder's goods or services;
- (4) the extent to which the goods or services meet the municipality's needs;
- (5) the bidder's past relationship with the municipality;
- (6) the impact on the ability of the municipality to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities;
- (7) the total long-term cost to the municipality to acquire the bidder's goods or services; and
- (8) any relevant criteria specifically listed in the request for bids or proposals.

The City's OR, Design Consultant and City Staff are proposing the use of CSP for selecting a construction contractors and procurement of equipment for the Secondary Colorado River Raw Water Line and Pump Station Expansion projects. Using CSP for construction and equipment procurement is important so that the City can select a contractor with relevant and extensive construction experience given the scope of the improvements. The CSP procurement method will allow for consideration of price, experience and reputation of offerors, quality of goods and services, safety records and other relevant factors identified in a request for proposal, and will also allow for negotiation of both price and contract terms after proposals are submitted, thereby assuring that the City controls cost without sacrificing service or quality.

The City has used the competitive sealed proposal procurement method in the past for projects including the Water Treatment Plant Expansion, Heatherwilde Elevated Storage Facility, Animal Shelter Expansions, Central Wastewater Treatment Plant Expansion Phase I, and Wilbarger Creek

Wastewater Treatment Facility.

The Design Consultant is finalizing the documents and anticipate to solicit the procurement of the equipment for the project in October 2022.

**Prior City Council Action**

City Council approved a professional services agreement with Freese and Nichols Inc. in the amount of \$7,309,766 for professional services associated with the Secondary Colorado River Raw Water Line Project at the February 8, 2022 meeting.

City Council approved a resolution authorizing the Construction Manager-at-Risk (CMAR) project delivery method for the construction of the Secondary Colorado River Raw Water Line Project at the March 8, 2022 meeting.

City Council approved a professional services agreement with CP&Y, Inc. in the amount of \$1,430,440 to provide Owner's Representative Services associated with the Secondary Colorado River Raw Water Line project at the May 24, 2022 meeting.

**Deadline for City Council Action**

Action is requested on September 13, 2022.

**Funding Expected:** Revenue ☐ Expenditure ☒ N/A ☐

**Budgeted Item:** Yes ☐ No ☐ N/A ☒

**Amount:** N/A

**1295 Form Required?** Yes ☐ No ☒

**Legal Review Required:** N/A ☐ Required ☒ Date Completed: 09/07/2022

**Supporting documents attached:**

CSP Resolution\_Colorado Raw Water Line Project

Draft Presentation\_RES-1034

**Recommended Action**

Approve a resolution authorizing the competitive sealed proposal method for the procurement of equipment and the construction of the Secondary Colorado River Raw Water Line project.