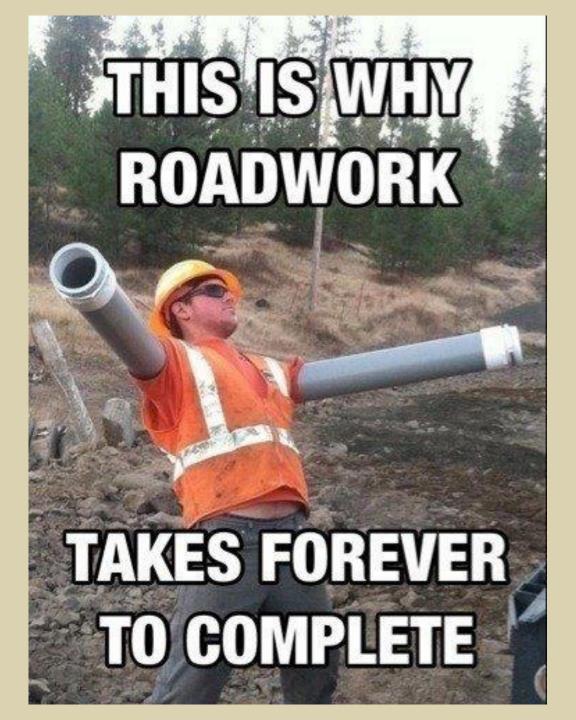
## CONSIDERATIONS AND BEST PRACTICES FOR CONSTRUCTION PROJECT DELIVERY

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#### **GENERAL OUTLINE**

- Brief review of statutorily authorized delivery methods
- When each is most appropriate
- Considerations and Tips
  - When advising clients on method and compliance, what do we communicate for consideration



WHICH DELIVERY METHOD IS BEST FOR TIMELY COMPLETION?

#### Considerations for Delivery Method

- What is a Delivery Method
- Texas Government Code Ch. 2269
- Default Procurement Code

- Competitive Bidding
- Competitive Sealed Proposals
- Construction Manager Agent
- Construction Manager At-Risk
- Design-Build (Civil and Vertical)
- Job Order Contracting

#### TRADITIONAL DELIVERY

- Design Bid Build
- Budget is main driver
  - Problematic in competitive markets
  - Chuck and a Truck



## WHEN TO USE COMPETITIVE BIDDING

- Budget is Driving Factor
- Complexity is minimal
- Schedule is important, but not critical
- Project has average degree of difficulty –
  - Not the Triple Lindy (Back to School)



#### CHOOSING AN ALTERNATIVE DELIVERY METHOD

- Gov't Code 2269.056 Selection of Delivery Method
  - If method other than competitive bidding must, before advertising, determine which method provides the best value for the governmental entity

Gov't Code 2269.053 – Governing Body may Delegate the determination to staff

- Must provide
  - Notice of the delegation
  - The limits of the delegation
  - Publish name or title of person by Rule or in the RFB, RFP, RFQ or in an addendum.

# COMPETITIVE SEALED PROPOSALS

- Recommended Method
- Suitable for all Projects
  - Custom Selection Criteria
  - Subjective Analysis
  - Sophistication of Bidders more apparent
  - Negotiation Available

- Better Pricing than other alternative methods
- Concerns among Contracting Community

### **Construction Manager At-Risk**

- No limit on vertical projects
- Time savings on horizontal where Design/Build Prohibited
- Priced as a GMP
  - Timing is everything for CMAR
    - Both for pricing and for realizing schedule efficiency
- Ability to overcome budgeting and constructability challenges

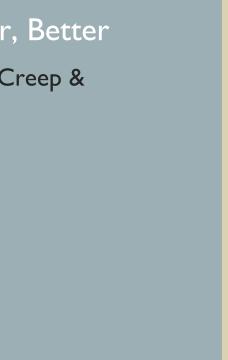


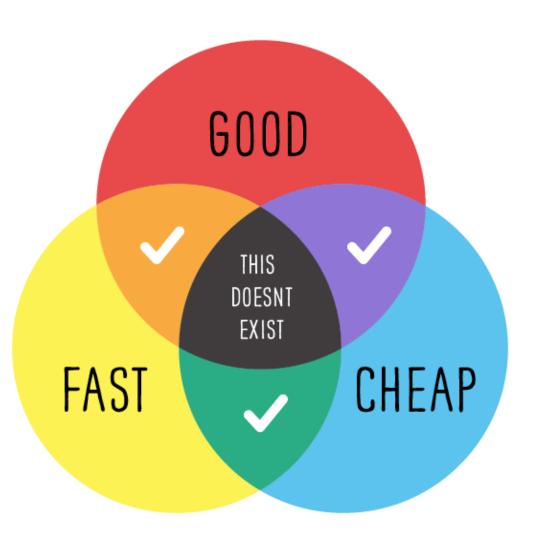
#### DBIA: Cheaper, Faster, Better

Limits Schedule Creep & Cost Escalation

- Faster 🗸
- Accountability 🗸 Collaborative - 🗸

Cheaper -





## JOB ORDER

- IDIQ Indefinite Duration, Indefinite Quantity
- Recurring
- Single or Multiple Providers
- Minor Work

- Not Program Manager
- Not Major Projects
  - Recent legislative changes rejected

#### PRACTICE TIPS

- Competitive Bidding
  - Price and Budget is the Driver
- Concerns
  - Lower Ability to control
    - Scope and schedule creep
    - Change Orders
    - Delay

- Competitive Sealed Proposals
  - Time to Plan & Design
  - Pricing Important
  - Difficult Project qualifications vital
  - Prevent Default
    - Financial Capacity & Sophistication
- Concerns:
  - More required of the client's procurement and purchasing professionals

#### PRACTICE TIPS

- Construction Manager At-Risk
  - Not de facto Design/Build
  - Disfavored by some contractors
  - RFQ Early 30% Complete
  - Selection Criteria CMAR Experience?

- Design/Build
  - Don't Do It Just Because
  - Use Caution in Selection
    - Experience
    - But beware of "Chuck in a Corvette"

# FINAL THOUGHTS & QUESTIONS?

Buy Board for use with Job Order Type Contracts

Co-ops are not appropriate for design services – or Design/Build services

Beware of business development professionals selling purchasing, public works, or facility managers for your clients any particular delivery method