PURPOSE

together we create a strong foundation for Houston to thrive
TRANSFORM

“I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

-Maya Angelou
CIP PROGRAM SUMMARY
Fiscal Year Appropriations, By Project Type
CIP PROGRAM SUMMARY

Fiscal Year Appropriations, By Expenditure Type
CIP PROGRAM SUMMARY
Fiscal Year Appropriations, By Service Line
NEW APPROACH

Include Project Delivery Method Selection in the following Reports:

Traffic Engineering  Geotechnical  Drainage

Initial Design  Environmental Assessment

Design Concept Report
PROJECT

Contract Value
≥ $50,000
PROJECT
Contract Value
≥ $50,000

LOW BID
Government Code
2269.101
PROJECT

- Contract Value ≥ $50,000
- **LOW BID**
  - Government Code 2269.101
- **COMPETITIVE SEALED PROPOSAL**
  - Government Code 2269.151
PROJECT
Contract Value ≥ $50,000

LOW BID
Government Code 2269.101

COMPETITIVE SEALED PROPOSAL
Government Code 2269.151

LOWEST RESPONSIBLE BIDDER

BEST VALUE
## PROFILE OF CAPITAL PROJECTS

<table>
<thead>
<tr>
<th>Project Type</th>
<th>2017</th>
<th>2018</th>
<th>2019 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Bid</td>
<td>95</td>
<td>75</td>
<td>83</td>
</tr>
<tr>
<td>Competitive Sealed Proposal</td>
<td>0</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>95</td>
<td>79</td>
<td>86</td>
</tr>
</tbody>
</table>
CHALLENGES WITH CURRENT APPROACH

Design-Bid-Build (mostly Sealed Low Bid Delivery)
- Schedule and cost overruns and lack of predictability
- No minimum requirements/qualifications
- Negative community experience
- Some quality of construction issues
# COMPARISON OF DELIVERY METHODS

<table>
<thead>
<tr>
<th>DELIVERY METHOD</th>
<th>PROCUREMENT METHOD</th>
<th>TARGET PROJECT TYPES</th>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design-Bid-Build</td>
<td></td>
<td>low budget</td>
<td>- City of Houston owns details of design</td>
<td>- owner is responsible for final cost changes</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>- allows agency to fully resolve complex design issues before procurement</td>
<td>- no input from contractor on project</td>
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<td></td>
<td></td>
<td></td>
<td>of general contractor</td>
<td>- low bid method increases probability of costly change orders</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>- low first cost (bidding)</td>
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<td></td>
<td></td>
<td></td>
<td>- retain control of design</td>
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<tr>
<td>Design-Build</td>
<td></td>
<td>high quality outcome</td>
<td>- owner retains control of design</td>
<td>- agency loses level of control and commits all its monetary resources</td>
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<td>- construction input during the design process</td>
<td>- construction proceeds in one area while another section is being designed</td>
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<td>- CM as owner’s representative manages the construction in the</td>
<td>- subcontractors brought into the project late in the process</td>
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<td></td>
<td></td>
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<td>owner’s best interest</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>- retain control of design</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>- overlaps &amp; gaps in scope are identified during per-construction</td>
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<tr>
<td>Construction Manager/ General Contractor</td>
<td></td>
<td>innovative or extremely technical projects</td>
<td>- builder can provide useful input at an early stage of the design process</td>
<td>- owner responsible for changes</td>
</tr>
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<td></td>
<td></td>
<td>- need for construction/ contractor feedback</td>
<td>- allows independent selection of designer and contractor based on</td>
<td>- owner’s qualification-based selection of CM</td>
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<td></td>
<td></td>
<td></td>
<td>qualifications</td>
<td></td>
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<td></td>
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<td></td>
<td>- qualitative, not price oriented design</td>
<td></td>
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<td>- flexibility to price the project</td>
<td>- designer may not take input from CM during design</td>
</tr>
</tbody>
</table>
PROPOSED PROJECT DELIVERY METHOD SELECTION PROCESS
3 STAGE PROCESS

STAGE 1
PROJECT GOALS, ATTRIBUTES, CONSTRAINTS, AND RISKS

STAGE 2
PRIMARY FACTOR EVALUATION (5)

STAGE 3
SECONDARY FACTOR EVALUATION (3)

METHOD SELECTION
DESIGN-BID-BUILD OR DESIGN-BUILD OR CONSTRUCTION MANAGER/GENERAL CONTRACTOR
thank you!