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Best Value Source Selection

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Best Value Source Selection



- ▶ What is “Best Value”
 - An objective determination of various pertinent criteria **as well as** price
- ▶ Design-Build and CMAR allow its use for applicable public works construction



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Best Value Source Selection



▶ PCC 22161 (Design-Build)

- lowest cost proposal meeting the interests of the local agency and meeting the objectives of the project - LPTA
- selection of the best proposal for a stipulated sum established by the procuring agency, or
- tradeoff between price and other specified factors

▶ PCC 20146 (CMAR)

- Experience of entity and personnel
- Project plan
- Financial strength of the entity
- Safety Record
- Price



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Best Value VS LPTA



- ▶ **Low Price-Technically Acceptable**
 - Commodity procurements
 - Highly regulated product standards
- ▶ **Best Value**
 - Seeking creative solution to program requirements
 - Experience of team
 - Potential for enhancements exceeding program



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Assuring Value



Opportunities:

- Project Objectives
- Prequalification
- Selection





Establishing Objectives



- ▶ Project objectives drive success measures
 - Technical design and program solution?
 - If a commodity, lowest price may be decider
- ▶ Establishing criteria and weights
 - Evaluation criteria must represent the key areas of importance.
 - Proposals are to be evaluated solely on the factors and sub- factors stated in the solicitation.
 - Always include cost/price and quality; Quality is a non-cost factor
- ▶ Standards: quantitative or qualitative in nature, the standard should be:
 - Structured to specify the minimum acceptable level and the levels above and below the minimum that ratings can be assigned.
 - Developed using precise language that is clearly and easily understood by the evaluators.
 - Structured to evaluate substance, not form.
 - Consistent with the minimum requirements of the Statement of Work.
 - Establishing scoring tool



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Sample Criteria



33	<p>Technical Design The following will be evaluated on technical design; Drawings, BOD, Specifications, ZNE Proposal, System Design, LEED Certification Analysis; materials and structural system, design & construction for maintenance and operations, security, MEP systems; practicality of design and systems/equipment proposed.</p> <p>The aesthetics and functionality will be determined based on the building aesthetics, including scale, massing and articulation of the proposed building, functionality and overall quality of the proposed project. The Drawings, Material Specifications, BOD, Project Design, Site and Building Layout for Operational Circulation and Efficiency, FF&E Program will be used to evaluate aesthetics and functionality.</p>
13	<p>Value Added Enhancements Benefit of proposed enhancements to the operations, life cycle costs, aesthetics and other aspects.</p>
10	<p>Construction Expertise/Risk Management Includes evaluation of expertise as demonstrated in the risk mitigation narrative including: Design-Build team organization, experience and collaboration, risk identification and mitigation, construction sequencing; site organization, public safety and ongoing use.</p>
10	<p>Life-Cycle Costs Analysis (over 50 years) This includes evaluation of the lifecycle costs over 50 years, including initial costs, energy, Operations & Maintenance, life expectancy, replacement and Total Cost of Ownership. Form provided for Life Cycle Cost Analysis.</p>
10	<p>Price Includes evaluation of the Price Proposal, Value Added Enhancements and the Scope attainable.</p>
10	<p>Skilled Labor Force Availability</p>
10	<p>Acceptable Safety Record</p>
2	<p>DVBE evaluation</p>
2	<p>Schedule</p>
100	<p>Total Points Available</p>





Prequalification



- ▶ Experience as a team, with other members
- ▶ Experience on similar projects
- ▶ Safety culture, program
- ▶ Financial capability
- ▶ Technical and business management related areas such as technical approach and understanding, capabilities and key personnel, transition plans, management plan, management risk, and corporate resources.
- ▶ Include Disqualifying criteria



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Selection



- ▶ Team communications, collaboration
- ▶ Identification of risks and mitigations
- ▶ Understanding of project objectives
- ▶ Interview



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BVSS Process



- ▶ **PROJECT INITIATION:**
 - Ideas / Requirements / Projects
 - Board Authority
 - Acquisition Strategy
- ▶ **PROJECT PLANNING:**
 - SOW
 - Evaluation Criteria & Tool
 - Team Appointment





BVSS Process



- ▶ **PROJECT PLANNING** cont.
 - Review Process
 - Contract update/creation
- ▶ **PROJECT MONITOR & CONTROL:**
 - Proposer Conference
 - Q&A
 - Initial Review



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BVSS Process



- ▶ **PROJECT MONITOR & CONTROL:**
 - SSC Meetings
 - SSC Report and Review process
- ▶ **PROJECT CLOSE:**
 - Contract Finalization



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Value through Delivery



- ▶ Don't go thru the BVSS effort and make initial price the overriding factor. Waste of time.
- ▶ This is the start of a partnership. Contractor concerns have to be given fair consideration too.
- ▶ This mirrors private practice so contractors are used to it and good ones will make it work.
- ▶ Objective is to find the best team to work with. Costs will follow.



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Your Experience?

Questions?

Thank you.

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