

**METROPOLITAN ST. LOUIS SEWER DISTRICT
ENGINEERING DEPARTMENT**

Design-Build Project Delivery Procurement Procedure

December 2, 2018

I. PURPOSE

- A. The purpose of this document is to provide guidance for the District to determine if the design-build project delivery method is suitable for a given project, which type of Design-Build delivery is appropriate, and to establish procedures and requirements for procuring a Design-Build Contract.
- B. *Design-Build Definition.* A Design-Build Contract furnishes the architecture, engineering (and related design services), as well as the labor, materials and other construction services required for a specific construction project under a single contract.

II. DECISION TO PROCURE DESIGN-BUILD SERVICES

- A. Staff is responsible for determining, subject to Executive Director approval, if a project is suitable for Design-Build delivery. This is accomplished by evaluating the project's priorities or drivers, which include factors like schedule, quality, cost, risk, owner's input in design, single point of accountability, and/or other relevant considerations. Some factors are more suitable for Design-Build; others are more suitable for MSD's traditional project delivery method – Design-Bid-Build. The objective is to determine which method is suitable for the project based on its characteristics and is in the best interest of the District.
- B. *Project Drivers Evaluation.* Prior to soliciting for Design-Build services, Staff must evaluate the project's priorities to determine the most appropriate delivery method. Staff is encouraged to obtain input from all project stakeholders representing the entire life-cycle of the project, including Planning, Environmental Compliance, Program Management, Purchasing, Construction Management, or Operations or other divisions and departments as applicable. The procedure for this analysis is as follows:
 - 1. *Project Stakeholders and Priorities.* The Directors of Engineering and Operations, or others as they may direct, should consider each project's priorities or drivers and other needs of the District. Upon evaluation of the project's priorities or drivers, an assessment as to whether Design-Build is

a suitable delivery method for the project should be made. If the Design-Build delivery method is not considered suitable for the project, the traditional Design-Bid-Build method should be recommended. If both Design-Build and Design-Bid-Build are considered suitable delivery methods for the project based on its characteristics, the Directors of Engineering and Operations should recommended the project delivery method which they determine to be in the best interest of the District at the time of consideration.

2. *Design-Build Justification Memo.* The findings of the Project Drivers Evaluation should be documented as the basis of the determination. If a project is being recommended for Design-Build delivery, a brief justification memo shall be forwarded to the Executive Director for approval. The justification memo shall include a description of the project, and a summary of the Project Drivers Evaluation justifying the basis for alternative delivery selection.

III. PREQUALIFICATION PROCESS

- A. *Request for Qualifications (RFQ) Outline.* The RFQ may include (but is not limited to) the following sections.
 1. Section 1: Background
 2. Section 2: Project Overview
 3. Section 3: Design-Build Services
 4. Section 4: Procurement Process
 5. Section 5: SOQ Submission Requirements
 6. Section 6: SOQ Evaluation and Selection
 7. Section 7: Conditions for Respondents
 8. Attachment A: Definition of Terms
 9. Attachment B: Scope of Design-Builder Services
 10. Attachment C: Draft Design-Build Contract
 11. Attachment D: Project Background Documents
 12. Attachment E: Project Technical Requirements (Design Criteria Package)
 13. Attachment F: Forms for Affirmation of Compliance

- B. *RFQ Advertisement.* The District shall request qualifications from potential Design-Build contractors for the project by advertising as required by Missouri law.
- C. *Prequalification Requirements.* The RFQ shall request respondents to demonstrate the ability to meet the requirements in the RFQ. District staff and/or Owner's Advisor may request additional documentation to satisfy these requirements. Submissions which do not meet these requirements may be considered non-responsive.
 - 1. *License.*
 - 2. *Corporate Certificate of Authority.*
 - 3. *Bonding.*
 - 4. *Insurance.*
 - 5. *Safety.*
 - 6. *Conflict of Interest Policy.*
 - 7. *Owner's Advisor Ineligibility.*
- D. *Prequalification (Short List) Criteria.* The RFQ shall request respondents to discuss the entity's qualifications and ability to provide engineering and construction services for the project type and scope described in the RFQ. Specifically, respondents shall discuss the following:
 - 1. Related Project Experience and Past Performance of the Design-Builder
 - 2. Project Personnel Experience and Availability
 - 3. Proposed Subcontractors, Joint Ventures, or Partnership Agreements
 - 4. Diversity Workforce for Lead Design Firm and Design Team.
- E. *Prequalification Determination.* A Selection Committee consisting of two Assistant Directors of Engineering or Operations Departments, and three Assistant Directors or management personnel from the Engineering or Operations Departments, as appropriate, will prequalify no more than five (5) and at least two (2) Design-Build contractors for a specific project. The Manager of Diversity Programs shall also sit on the Selection Committee to assist in the evaluation of compliance with MSD Diversity Goals. Non-voting members, including the Owner's Advisor, may also be used to provide input during the selection process, but they will not be allowed to vote. The criteria for prequalification shall first consist of meeting the Prequalification Requirements. Design-Build contractors not meeting the prequalification

requirements listed in III.C above will not be given further consideration. A short-list will then be developed based an evaluation of the Design-Build teams with respect to their ability to meet the Prequalification Criteria listed in III.D above.

- F. *Executive Director Approval.* The Executive Director shall confirm the recommendations of the Selection Committee.

IV. PROPOSAL PROCESS

- A. *RFP Outline.* The RFP may include (but is not limited to) the following sections.
 1. Section 1: Background
 2. Section 2: Project Overview
 3. Section 3: Design-Build Services
 4. Section 4: Procurement Process
 5. Section 5: Proposal Submission Requirements
 6. Section 6: Proposal Evaluation and Selection
 7. Section 7: Conditions for Proposers
 8. Attachment A: Definition of Terms
 9. Attachment B: Scope of Design-Builder Services
 10. Attachment C: Draft Design-Build Contract
 11. Attachment D: Project Background Documents
 12. Attachment E: Project Technical Requirements (Design Criteria Package)
 13. Attachment F: Cost Proposal Form
- B. *Stipend.* If the District finds appropriate, it may offer a proposal stipend for all prequalified Design-Build contractors who submit a responsive proposal.
- C. *Request for Proposals (RFP).* The short list of prequalified firms shall receive RFPs.
- D. *Proposal Submission Requirements.*
 1. *Two-Part Proposal.* Proposals from prequalified Design-Build contractors shall be submitted sealed and in writing, to be opened publicly at a time and place determined by the District. Respondents shall submit a Technical Proposal in a sealed envelope separate from the Cost Proposal, which shall be sealed in a second envelope (two envelopes in one envelope) and all envelopes shall be clearly and visibly labeled and marked. No cost proposal shall be opened until the technical proposals are first opened, evaluated, and ranked in accordance with the selection

criteria defined below. Cost Proposals shall be opened publicly at a time and place determined by the District.

2. *Two Proposal Minimum.* The District must receive at least two responsive proposals. If less than two are received, the proposal shall be returned to the proposer unopened and the District may re-advertise if it desires to proceed with this Design-Build procurement.
- E. *Selection Committee.* The Selection Committee shall be as described in Section III.E of this Procedure.
- F. *Selection Criteria.* The RFP shall request respondents to discuss the entity's ability to provide engineering and construction services for the project type and scope described in the RFP. Specifically, respondents shall discuss the following aspects of the project which may be used as the basis for selection:
1. Project Understanding, Technical Approach and Solution
 2. Related Project Experience and Past Performance
 3. Project Team and Management Approach
 4. Resource Availability
 5. Project Schedule
 6. Diversity Workforce for Lead Design Firm and Design Team
 7. Cost

Aspects included as selection criteria shall be weighted relative to the project drivers identified in the *Design-Build Justification Memo* prepared under Section II.B.1 of this Procedure (Project Drivers Evaluation). The selection criteria and importance weighting (as a percentage) shall be included in the RFP.

- G. *Technical Proposal Evaluation.* Using a point system, the Technical Proposals shall be individually evaluated by each Selection Committee member. The selection criteria shall be as listed above. Once the technical proposals have been evaluated and scored, the scores shall be recorded and are not subject to change.
- H. *Cost Proposal Evaluation.* Next, the Selection Committee shall evaluate the Cost Proposals. The Cost Proposal (based on the construction cost) shall satisfy the District's Diversity Policies for minority business enterprises (MBE) and/or women business enterprises (WBE) Utilization and Workforce for the specific project type.

- I. *Selection.* The Selection Committee shall recommend award to the Design-Build contractor with the highest total number of points, computed as the summation of the arithmetic average of the points from each Selection Committee member for the Technical Proposal, and the total number of points for the Cost Proposal.
- J. *Executive Director Approval.* The Selection Committee's recommendation shall be forwarded to the Executive Director for final confirmation.