



# City of Austin

## Recommendation for Action

**File #:** 24-4296, **Agenda Item #:** 29.

4/18/2024

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### **Posting Language**

Approve a resolution finding the use of the Competitive Sealed Proposals solicitation method, as authorized by Subchapter D, Chapter 2269 of the Texas Government Code, is the project delivery method that provides the best value to the City for the Decker Power Plant - Dam Upgrades project.

[Note: MBE/WBE goals will be established prior to issuance of this solicitation].

### **Lead Department**

Financial Services Department.

### **Managing Department**

Financial Services Department.

### **Fiscal Note**

A Recommendation for Council Action with the not-to-exceed contract amount for the resultant contract will be presented to Council once the Competitive Sealed Proposal selection has been completed.

### **Purchasing Language:**

This request is for Council to authorize the use of the Competitive Sealed Proposal method; therefore, no solicitation has yet been initiated.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Additional Backup Information:**

State Statute governs construction procurement for municipalities. The standard method of contracting used for construction services is competitive bidding where the contract is awarded to the lowest responsible bidder. Texas Government Code Chapter 2269 allows for methodologies alternate to low bidding method which may provide the best value to the municipality. These alternate methodologies include: Competitive Sealed Proposals, Construction Manager-at-Risk, Design-Build, and Job Order Contracting. Texas Local Government Code Section 252.022(d) allows the City to adopt and use an alternative method such as Competitive Sealed Proposals (CSP) under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

It is recommended that this work be delivered under the CSP method of contracting set forth in state statutes. CSP is the alternative delivery method most closely related to traditional competitive bidding. The principal difference is that the City makes its selection of the respondents based on evaluation criteria consisting of, but is not limited to, safety record and safety practices, comparable relevant project experience, sustainability practices, local business presence, financial stability, and price. Unlike traditional competitive bidding, which focuses primarily on price and bidder responsibility, price is a strong factor in the CSP method, but it not the only factor in the overall evaluation score. A City-staffed evaluation panel that will review, evaluate, and rank

proposals based on stated evaluation criteria.

A contractor will be selected by a City-staffed evaluation panel that will evaluate and score proposals based on published evaluation criteria to determine the highest ranked proposer. The services will be provided by a duly qualified and experienced contractor offering the “best value” to the City.

In addition to requesting approval of a resolution finding that the CSP method of contracting is the method that provides the City with the best value for the Decker Power Plant - Dam Upgrades project, this item also requests a determination that it is in the public interest to assign to price a weighted value of not less than 36.9 percent of the total weighted value of all selection criteria. This determination will allow for meaningful consideration of price as well as the other criteria important to the project, as permitted by Chapter 2269 of the Government Code when using the CSP method.

Decker Dam spillway, completed in 1967, is in need of gate and trunnion anchorage improvements as recommended by the U.S. Bureau of Reclamation risk classifications. Dam improvements are needed to maintain compliance with code, return the dam to previous recreational conditions. Due to the age of the gates and trunnion anchors and to reduce any risk of failure, the lake level has been lowered until the gate replacements can be completed.

This construction work requires specific experience and specialized qualifications. While price will be a significant consideration, it is important to review all offerors’ experience and ability to perform this high-risk work on a time constrained project addressing the U.S. Bureau of Reclamation risks to ensure safe gate operations and public safety. The estimated construction budget for this work is \$14,000,000 and it is anticipated that construction will begin December 2024.

This item is not time sensitive; however, a delay in authorizing the use of this method would mean a delay to the issuance of this solicitation.

The contract allows 764 calendar days for substantial completion of construction for this project. The Competitive Sealed Proposal solicitation and evaluation process takes approximately five months.

This project is located within zip code 78724 (District 1).