



BEHIND THE CURTAIN – THINGS OWNERS AND CONSULTANTS WISHED EACH OTHER KNEW

PNWS-AWWA
Annual Conference
Spokane
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TOPICS



1. Introduction
2. Proposals
3. Contracting
4. Project delivery
5. Questions



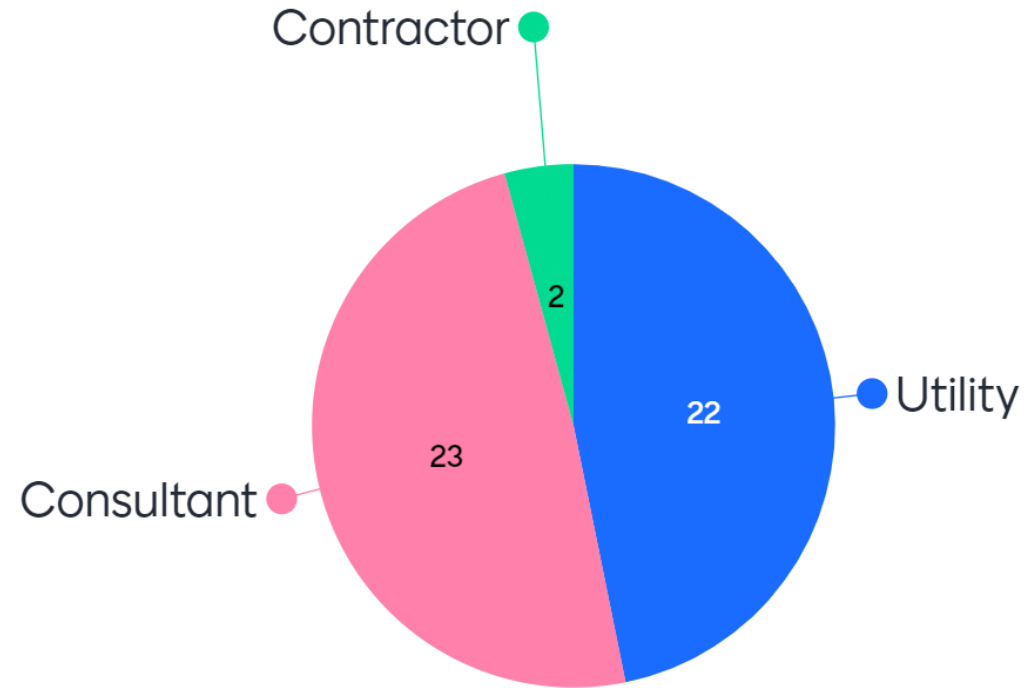
Introduction



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Who do we have in the audience?



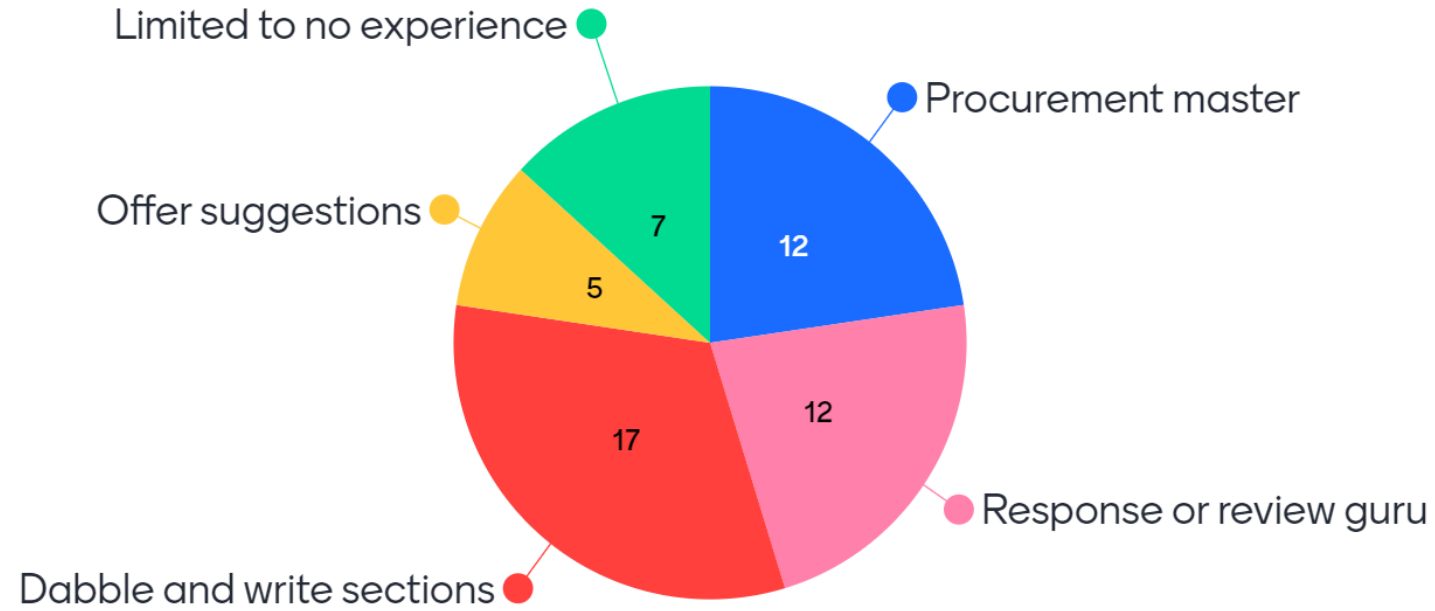


Proposals

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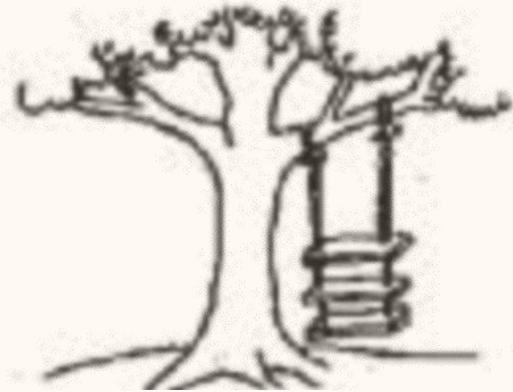
How familiar are you with proposals?



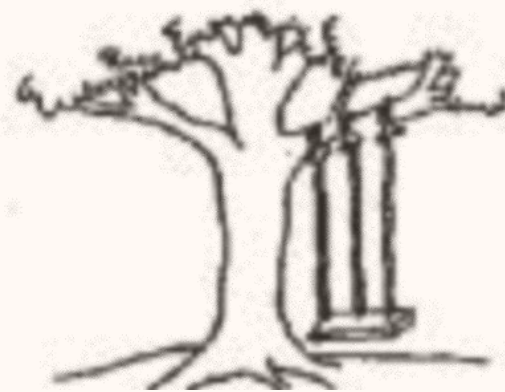


An old joke...

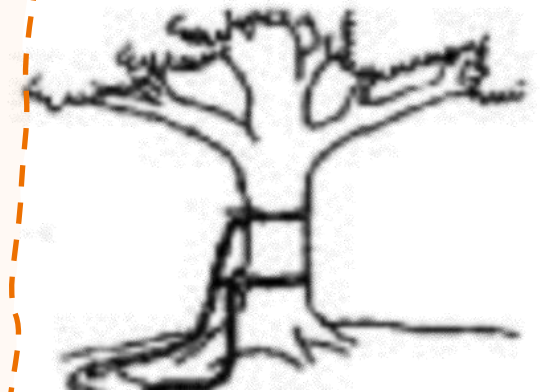
Let's talk about getting all parties agreeing to a tire swing at the end of the proposal process.



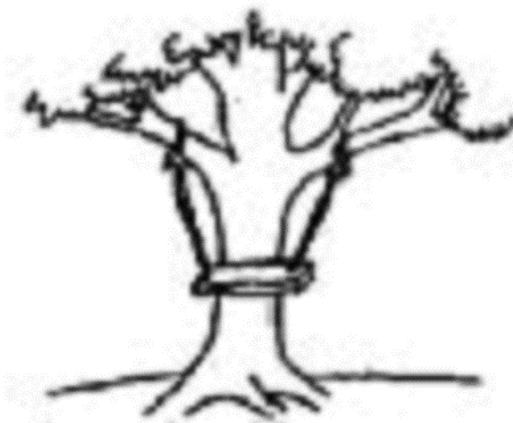
As described in the RFP



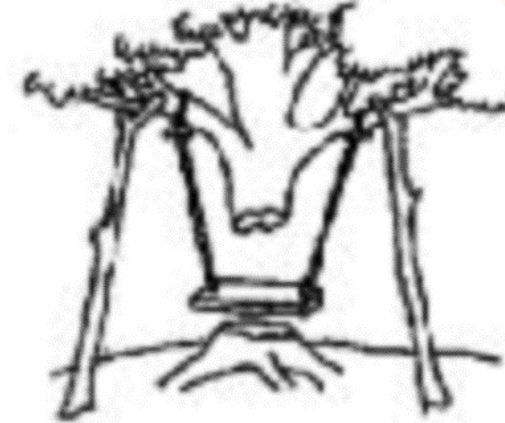
As proposed by the consultant



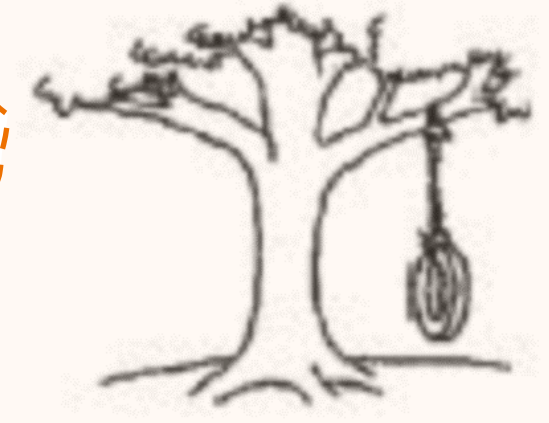
As shown in the Construction Documents



As built by the Contractor



As corrected by change order



What the client really wanted

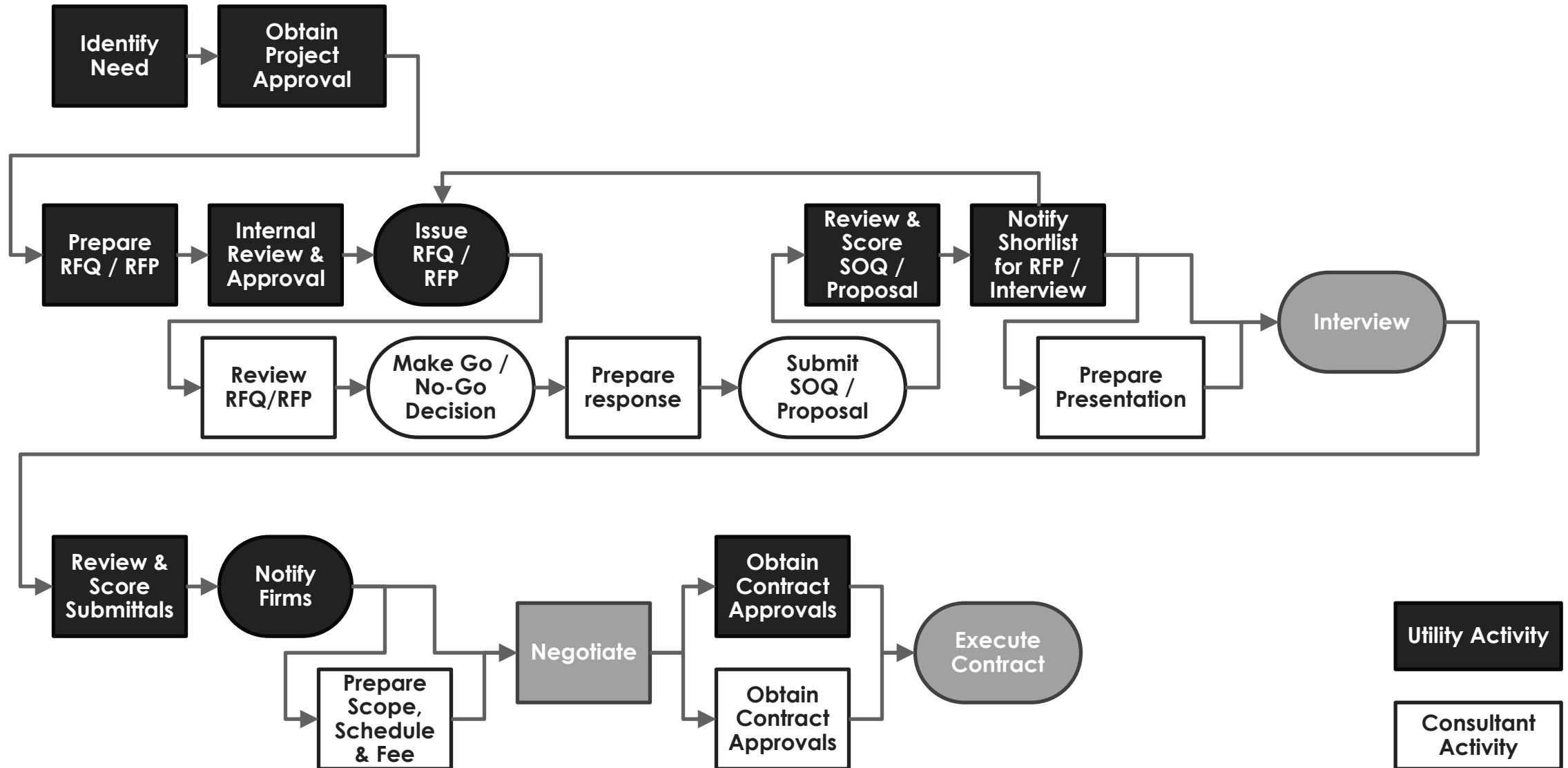


“Procurement is one of the most powerful tools state and local leaders have at their disposal to improve resident outcomes and equitably deliver services.”

- Harvard Kennedy School Government Performance Lab

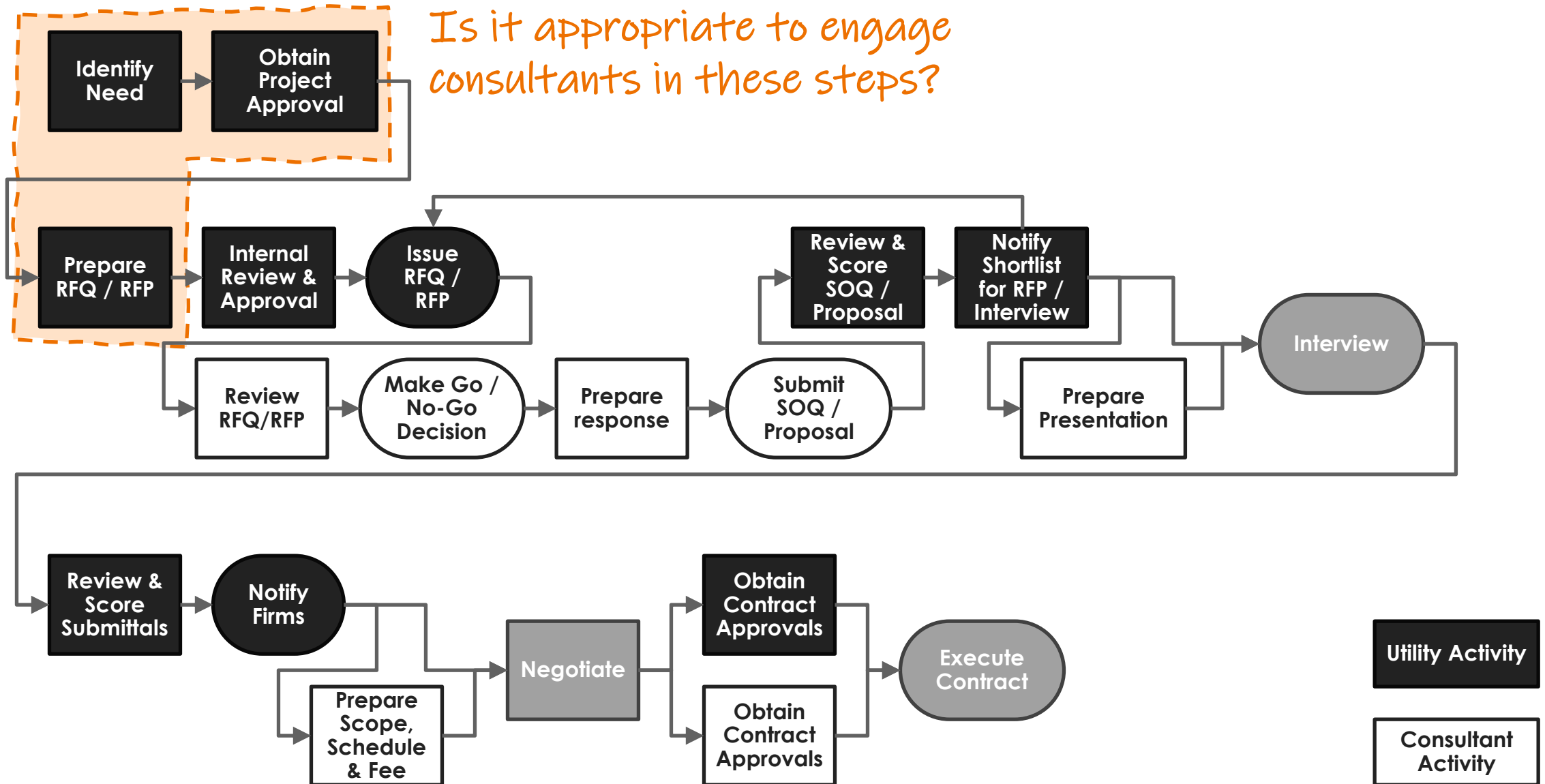


The Proposal Process – From Need to Contract





Preparing to Prepare the RFQ/RFP



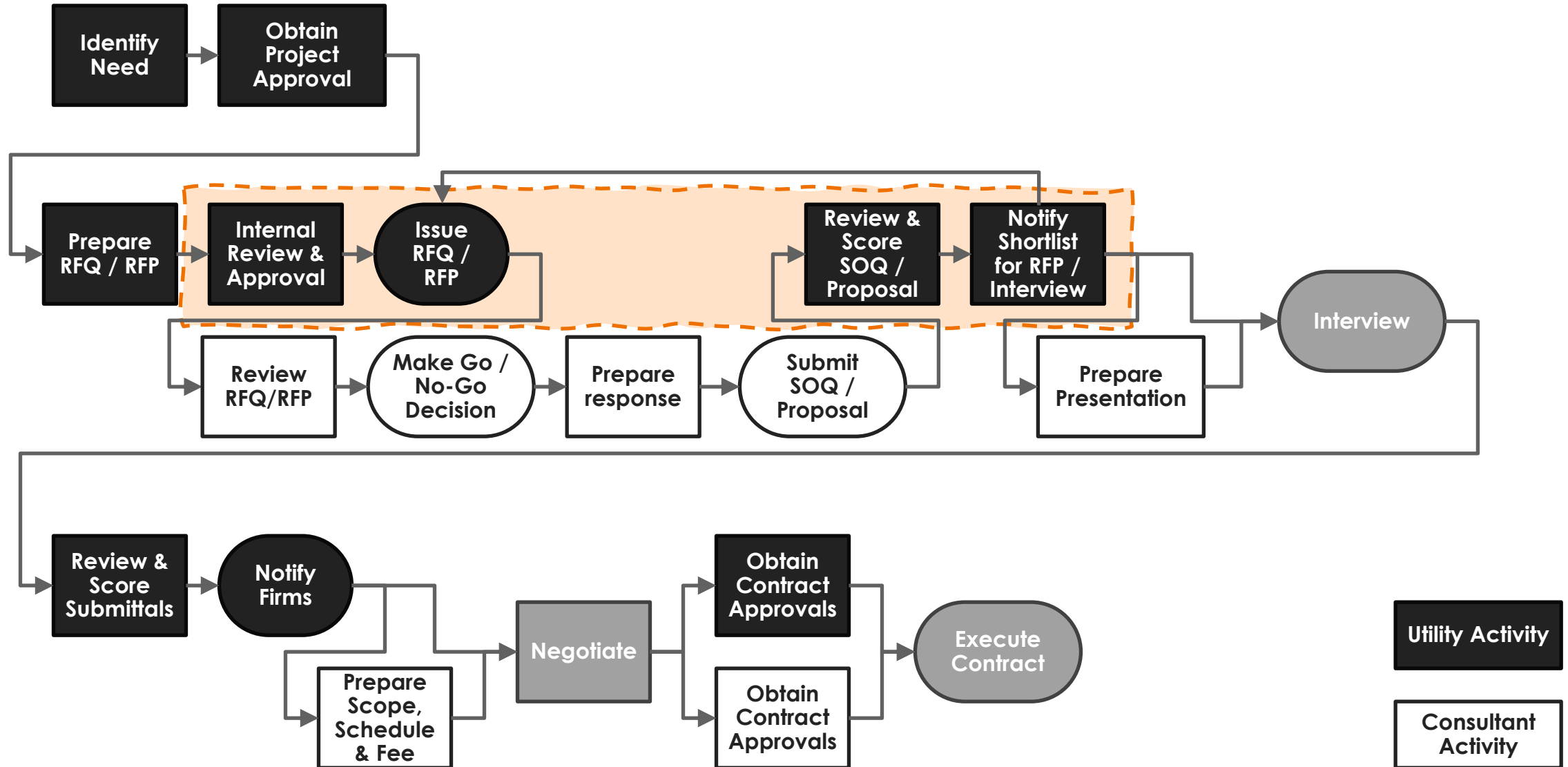


Open Question: Benefits of a transparent procurement process

- **Quality submissions**
- **Engagement / competition**
- **Cost / schedule benefits**



What Makes a Good RFQ/RFP – Consultant Perspective



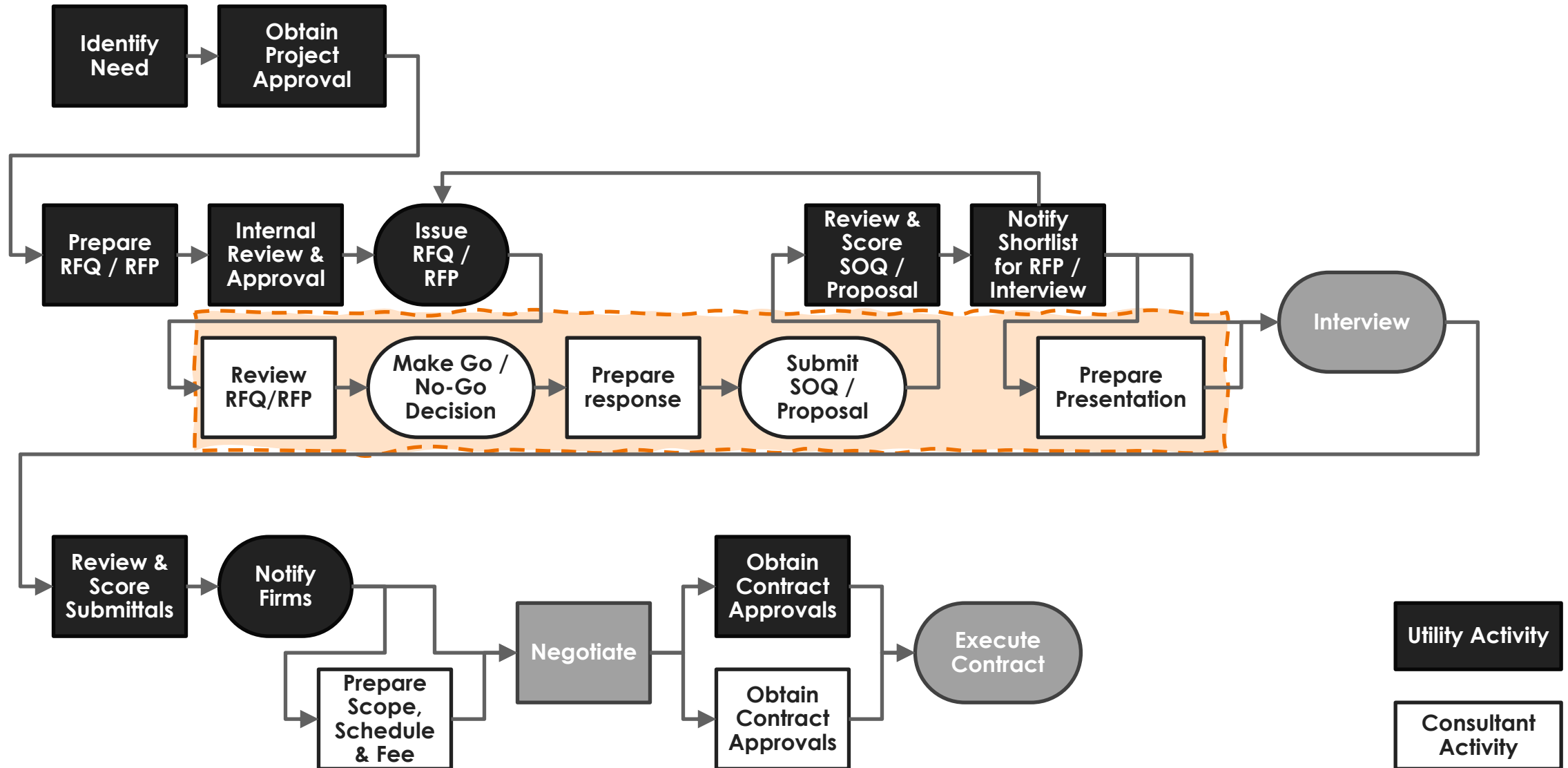


Open Question: Elements of a good RFQ/RFP

- Page count / flexibility
- Clear scoring
- Pre-proposal meeting / site visit
- Reference documents
- Project budget / schedule
- Contract T&Cs



What Makes a Good SOQ, Proposal or Interview – Utility Perspective





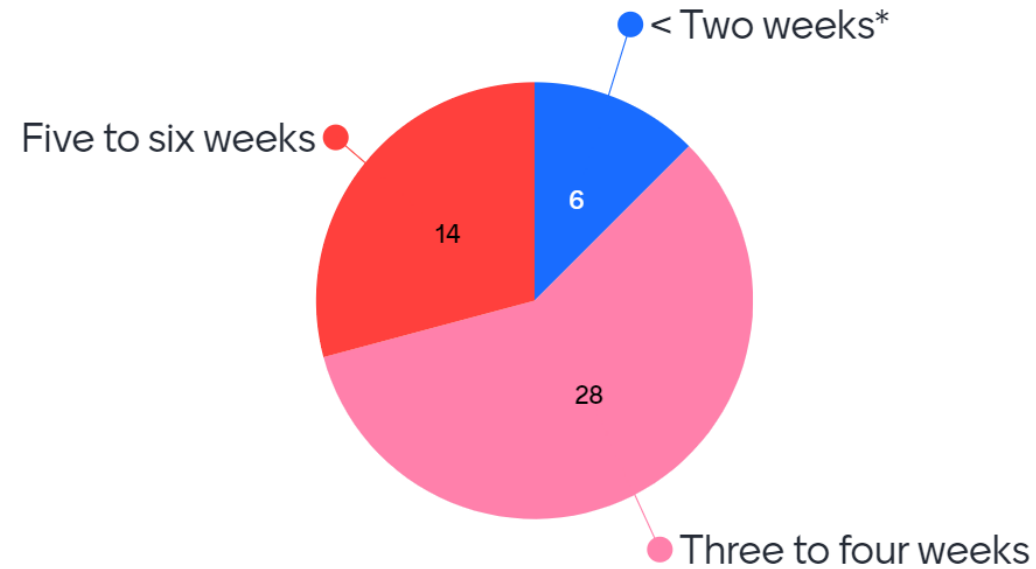
Open Question: Elements of a good SOQ, Proposal & Interview

- **Clear objectives**
- **Proof reading**
- **Schedule**
- **Clear format**



How long to prepare a proposal response (\$5M to \$10M project)?

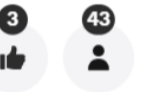
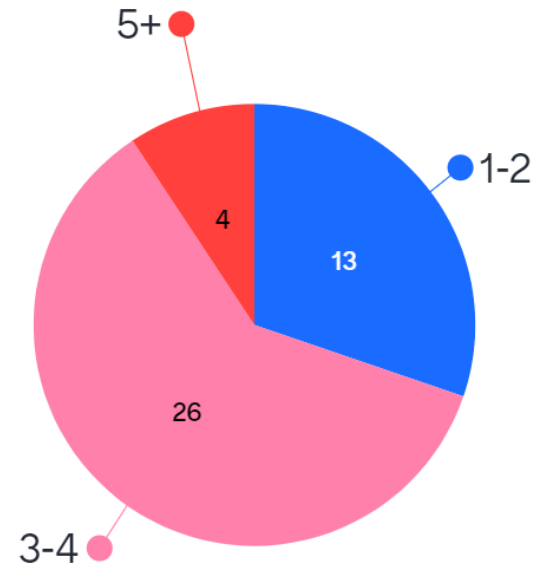
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How many proposals would you like to see for a project?

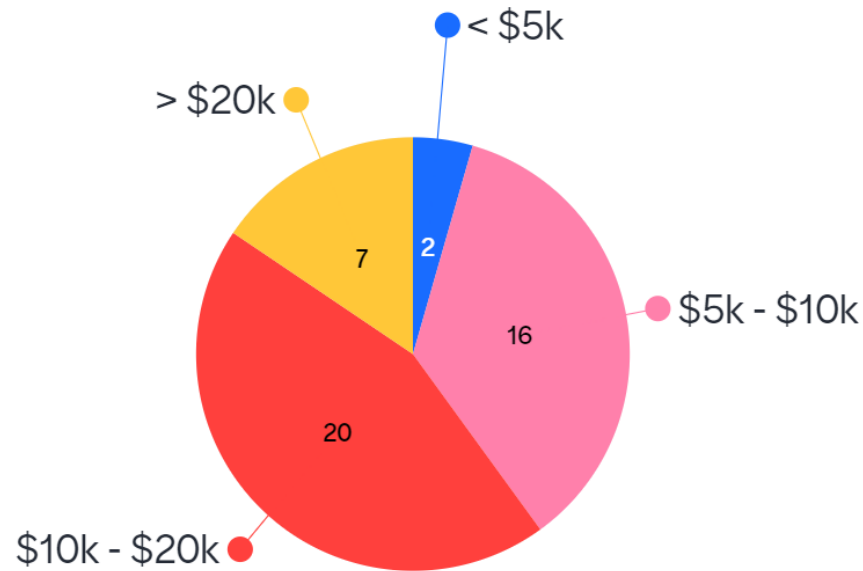
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Average consultant cost to prepare proposal (\$5M construction project)?

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Return on Investment

Project:

- **\$5M construction**
- **\$1M (design + engineering services during construction)**
- **\$700,000 net of subconsultants / outside services**
- **\$350,000 (50% chance of winning)**

ROI:

- **40:1; 20:1; 10:1**
- **\$8,750; \$17,500; \$35,000 (labor, printing, etc.)**
- **60 to 240 hours**



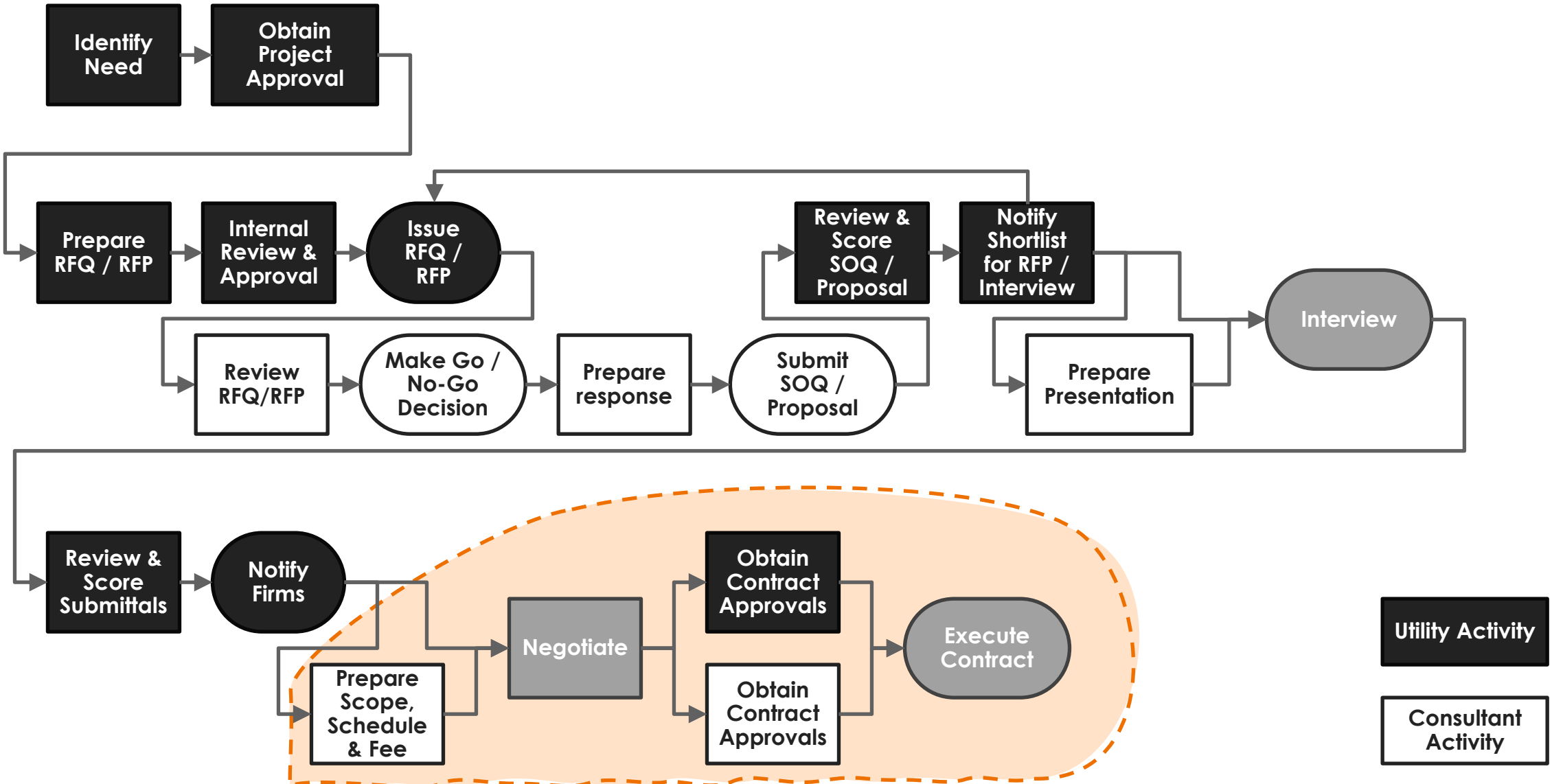
Contracting

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From Selection to Contract – Win-win Negotiation

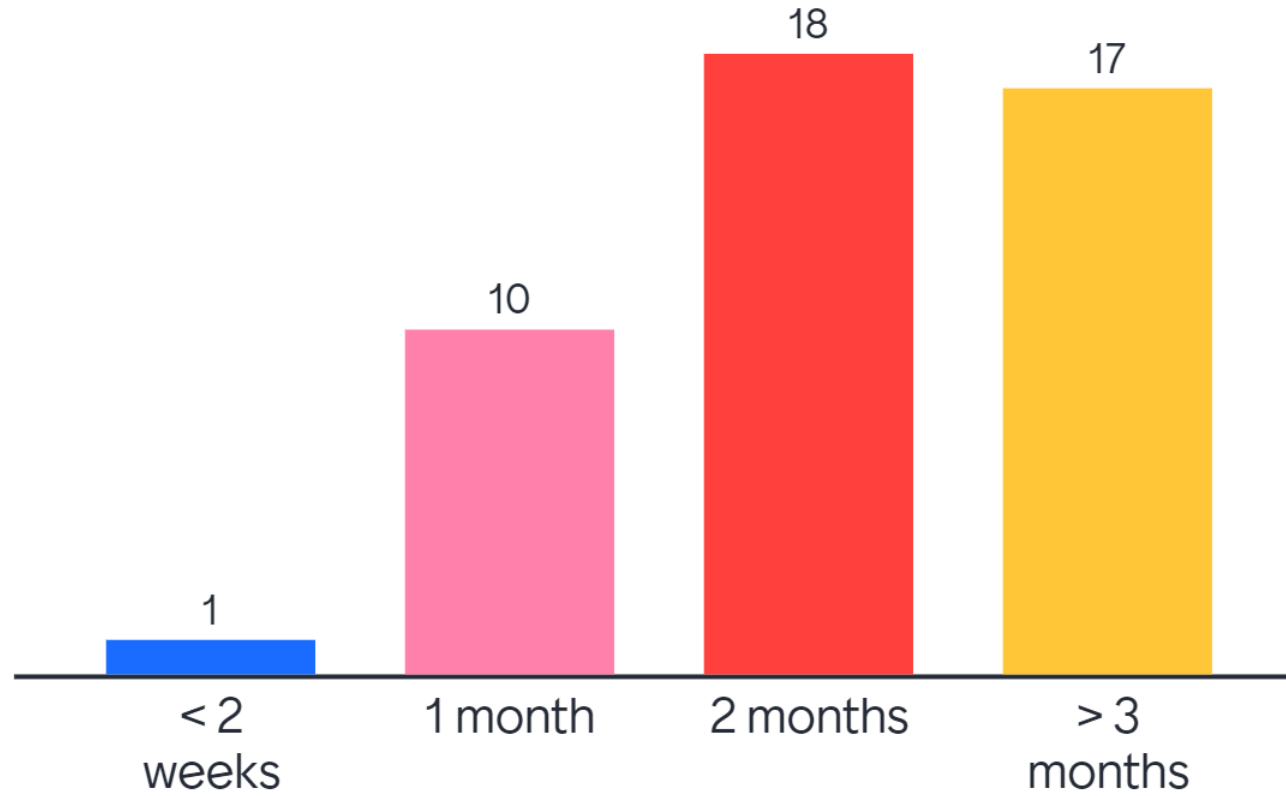
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Average time from Award to NTP?

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Items delaying contracting

Respondent -

- **Contract legal review**
- **Subconsultant coordination**
- **Internal scope development and fee review**

Contracting agency -

- **Review of proposed contract modifications**
- **Scoping review comments**
- **Internal procurement review**
- **Council / board / leadership approval**





Open Question: Elements of a Successful Contract Negotiation

- **Clear scope, project budget, and deliverables with RFP**
- **Clear contract modifications ahead of time**
- **Regular scoping meetings**

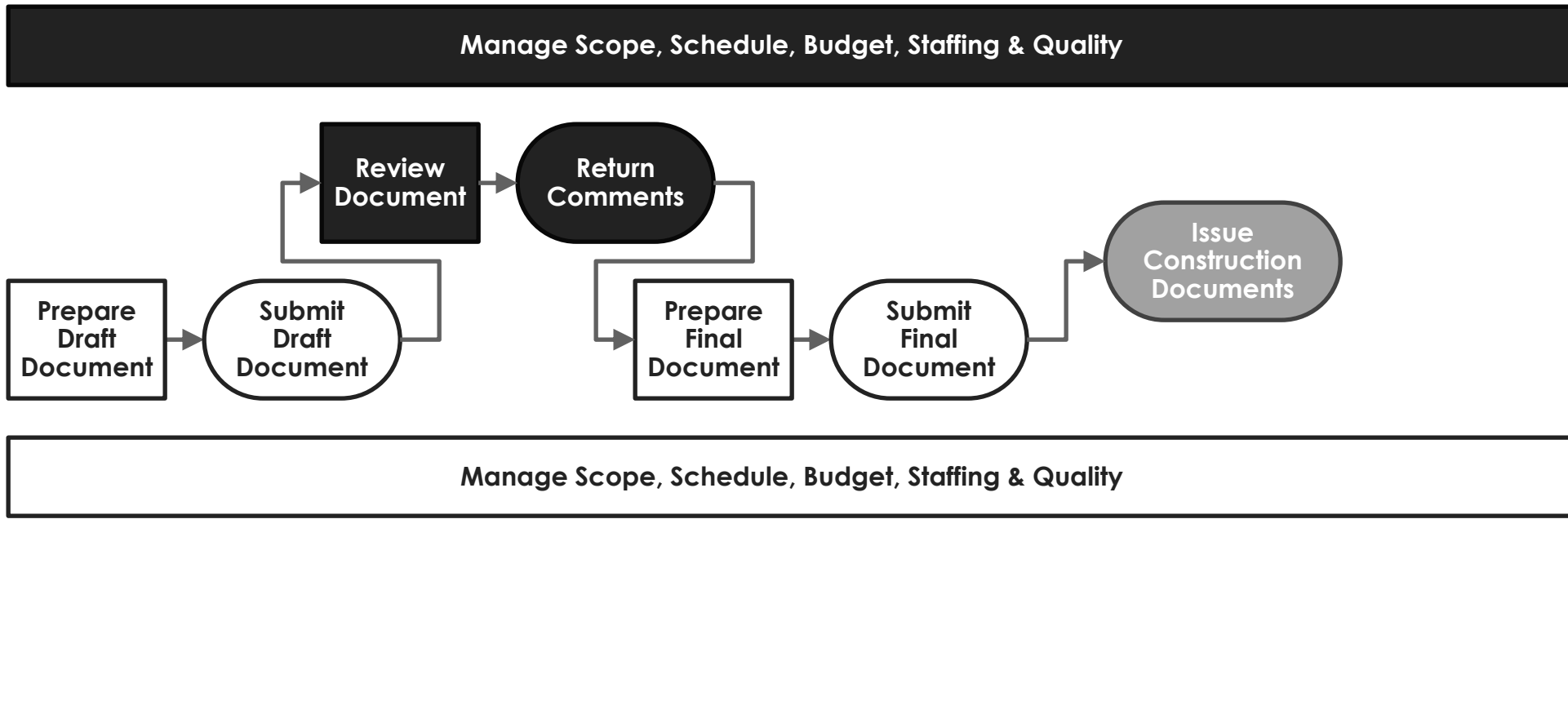


Project Delivery



Delivery

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Design through construction

Providing continuity

- Same team from proposal through construction?
- Utility / agency same team throughout?

Only constant is change

- Scoping too early
- Unanticipated delays
- Life happens



RECAP



- Extra time or less time can be helpful
- Planning for negotiations
- Schedule / project flexibility



QUESTIONS?

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