FAQ Project Partners Delivery

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What Is The Project Partners Delivery Model?

Project Partners is an alternative project delivery option to the traditional design-bid-build process that engages owners, consultants, and contractors at the onset of a project to work collaboratively to delivery goal based projects. This delivery process incorporates a systems thinking approach of looking at the bigger picture to develop better long term holistic solutions. More specifically Project Partners uses project goals to lead the design and construction process as well as build collaboration between partners.

Why Have an Alternative Project Delivery Option?

Projects are best approached through a collaborative process, being proactive, and having a common goal. Traditionally, project management during design has embraced this philosophy, but once construction begins it can be a struggle to deliver a project’s goals using the low-bid process.

Many organizations are recognizing the limitations of the linear design-bid-build process resulting in little collaboration with contractors, limited value-engineering opportunities, and increased risk for change orders. Alternative delivery methods are being implemented by many organizations to provide options to better match up delivery methods with project goals, opportunities, and challenges.

Drainage and flood control projects have become more complex due to permitting requirements, multi-agency/program involvement, budget limitations, and the increased demand for a more holistic approach to maintaining stream health along with flood control conveyance. These more complex projects are not linear in nature; therefore, require a systems thinking approach. Systems thinking focuses on how all the facets of the project interact with each other. By the entire team seeing the big picture it creates better insight to develop solutions and results that are multi-objective, include value engineering opportunities and minimize risk.

Development of the Project Partners Delivery Model

The construction trend across the country is moving towards the increased use of alternative delivery methods and numerous options have been developed. The two most common alternative methods are Design Build and Construction Management/General Contractor (CM/GC). The District also consulted with the City of Fort Collins who developed their own model called, Alternative Product Delivery System (APDS). CH2M Hill worked with District on evaluating the advantages and disadvantages of the numerous options and determined a customized approach similar to APDS would be the best fit for the District.
The intent of the customized system would capitalize on the strengths and uniqueness of the District as well as the management philosophy of forming partnerships through collaboration and fairness. The District has a consistent source of revenue, very similar types of projects, and has built solid, trusted relationships with many consultants and contractors. Therefore, the Project Partners Delivery model is tailored around relationships and motivating consultants and contractors by offering consistent long term work if they continually provide the best value product.

The District conducted several pilot projects implementing some of the concepts of Project Partners and has written case studies for each. The Project Partners delivery process, along with case studies, was introduced to local governments to solicit their input and help shape the Project Partners delivery method.

**How Does Project Partners Work?**

Based on the District’s guidelines for selecting consultants and contractors from the District’s prequalified lists, a team is assembled at the onset of the project. The team develops project goals that give focus through a unified project purpose, which then enables better decision-making and efficiencies in delivering the project. The team collectively identifies the project solutions, schedule, permitting needs, key project elements, risks, and other unknowns. During design, the contractor is actively involved in offering input to means and methods, material selection, access, developing alternatives, and obtaining permits. The engineer, in return, will have more of a presence in the field to assist with decision making, adapting to field conditions, ensuring the design vision is materializing, and taking advantage of value engineering opportunities.

**Will All Projects Be Awarded through the Project Partners Delivery Method?**

No, this method is just another option that the District has to deliver a project. The standard design-bid-build model is also available.

**How do I get on the prequalified list of consultants or contractors?**

The prequalified list of Design Engineering Consultants (DEC) is open annually for consideration based on the consultant’s Statement of Qualifications (SOQs). UDFCD staff selects a short list of consultants to send in SOQs from the list of consultants who have shown interest in doing UDFCD work by filling out the interest form that is available online on the UDFCD website, [www.udfcd.org](http://www.udfcd.org).

The prequalified list of Special Services Consultants (SSC) is open every other year, and similar to the DEC, consideration is based on the consultant’s SOQs.

The SOQs for both DEC and SSC are based on the following:

- a. Team structure and staffing
- b. Current staff experience working with the District
- c. Current staff experience working on urban drainage projects with other local governments within the District
d. On-call contract experiences  
e. Unique qualifications of consultant

The prequalified list of District Contractors (DC) is open every other year. An advertisement for contractor SOQs is placed in the Daily Journal and sent to the District’s list of Disadvantaged Business Enterprises (DBE). The interested contractor’s Statements of Qualifications must include the following:

a. General information about the contractor and company  
b. The work classification, either Category 1: General Urban Drainage Construction or Category II: General Stream Management, that the contractor wishes to be considered for based on their qualifications.  
c. Information on the personnel who will be working on the projects.  
d. Information detailing at least two District sponsored projects, or urban drainage projects completed for a municipality within District boundaries, constructed by the contractor in the past two years that demonstrates their qualification for the classification(s) for which they want to be considered.  
e. The names of District staff in the DCM Program who are familiar with the project or the project manager for the municipality where the work was completed must be provided by the contractor for each listed project.  
f. A labor and equipment rate schedule to be used for time and materials work to include all equipment used on urban drainage projects.

How Does Contracting Work?

The DEC will contract directly with the District for design and services during construction. Special services will typically be subcontracted to the DEC, however, there may be some situations where the special service consultant would contract directly with the District. During design, the contractor will use an hourly billing rate for their time and be contracted directly with the District. Once a construction bid schedule and unit prices have been accepted, a new contract with the contractor will be signed with the District for construction.

How are Costs Controlled?

The District has several cost-control measures in place for both consultants and contractors. Based on their past history in the consulting industry, the District’s Project Engineers are knowledgeable project managers with a proven background of developing detailed project scopes and accurate hour and cost estimates. In addition, each month the consultant submits an Earned Value Report with their invoice. The Earned Value Report is a tool to help track project cost in comparison to actual progress made based on established tasks. This allows the consultants and District staff to proactively manage changes in scope, cost, and schedules. The District also annually maintains a Consultant Rate Tracking report, which establishes a range that consultant’s rates have to fall within. This ensures the District is paying Denver market hourly rates.
Construction costs are also controlled in a variety of ways depending on the size and nature of the project. The District’s experienced staff of Construction Managers are highly knowledgeable in material and labor costs for drainageway construction. The District maintains a bid tabs program that stores bid items and prices from all projects. This program is a useful tool to compare unit prices for new projects to that of similar past projects to ensure fair market pricing. On larger projects or those that have unique situations, a third-party evaluator can be used to complete an independent cost estimate. If the third party’s estimated total project costs are within 5% of the contractor’s total cost, the contractor’s price is considered acceptable. If not, a discussion is opened up about the assumptions made and eventually a price is settled on. If there is a large discrepancy that cannot be settled, the District is under no obligation to stay with the contractor. The third approach to controlling costs is the Best Value Bid process, where the District’s prequalified DCs submit bids which are evaluated on price as well as the following criteria: past experience; proposed construction team; ability to identify, manage, and mitigate risks; and value engineering approaches. The design team assigns weights to all of these elements based on the specific project needs and the DC with the highest score is awarded the contract.

Is There a Similar Model Being Used by Another Agency?

The City of Fort Collins Utilities Department implemented a similar process called the Alternative Product Delivery System (APDS). The implementation and use of this approach has proven to be successful for over 15 years (see attached information). Their project philosophy is in line with the District’s and they have been extremely helpful in assisting the District in developing the Project Partners Delivery model.

Conclusion

The Project Partners Delivery method provides the District with an alternative project delivery model that has the following advantages:

- Utilizes highly qualified pre-selected list of consultants and contractors
- Based on collaboration and trust
- Incorporates complex problem solving by recognizing all facets of a project and engaging expertise to find holistic solutions
- A goal-oriented team focused on providing the best value project
- Early identification of risk to eliminate or reduce probability and/or impact