



Local ballot measure: W-Santa Cruz public works

W

City of Santa Cruz public works contracts

Ballot question

In order to allow the City of Santa Cruz greater flexibility in contracting for public works construction projects, such as major planned improvements in City infrastructure, shall the City of Santa Cruz Charter be amended to allow for the use of design-build or other best value procurement for public works construction, to be established by ordinance?

Pregunta de Boleta

Con el fin de permitir a la ciudad de Santa Cruz mayor flexibilidad en la contratación de proyectos de construcción de obras públicas, tales como mejoras planificadas importantes en la infraestructura de la ciudad, ¿deberá enmendarse la carta de la ciudad de Santa Cruz para permitir el uso de diseño-construcción u otra adquisición de mejor valor para la construcción de obras públicas, que se establecerá por ordenanza?

What your vote means

YES	NO
A "Yes" vote would enable the City to use design-build or other best value project delivery methods in addition to the traditional design-bid-build process for public works construction.	A "No" vote would keep the law the way it is now with contracts being awarded to the lowest responsible bidder.

For and against Measure W

FOR	AGAINST
<p>Hilary Bryant Former Santa Cruz Mayor, co-founder, Buoy Labs</p> <p>Mark Mesiti-Miller Former Chair, Santa Cruz Planning Commission</p> <p>Greg Pepping Executive Director, Coastal Watershed Council (signing on behalf of his organization)</p> <p>Ceil Cirillo Retired Santa Cruz Redevelopment Director</p> <p>Doug Engfer Chair, City of Santa Cruz Water Commission</p>	No argument against Measure W was filed.



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Arguments and rebuttals are the opinions of the authors. We print them exactly as submitted, including errors.

Argument for Measure W

Measure W would amend the City Charter to allow greater flexibility in the process of contracting for major construction projects, potentially resulting in significant savings of both time and money.

Under the City Charter, the City is currently limited to one way of building projects, called "Design-Bid-Build." Measure W would allow the City to use alternative contracting methods in order to lower construction costs, save taxpayer money, and expedite project completion. These alternative methods are called "Best Value."

Construction projects in the City are currently done on a "Design-Bid-Build" basis, in which separate contracts and companies are used for the design and construction phases. "Best Value" allows one entity to both design and build a project when it will reduce costs and/or reduce project completion time.

As an example, many manufacturers of solar equipment will provide design and installation services for their products at little or no additional cost to the City. Under the current Charter, the City is unable to take advantage of these savings.

Measure W would allow the City to use either "Design-Bid-Build" or "Best Value" for construction projects, depending upon which method makes the most sense. "Best Value" methods are not mandated, and many projects will continue to be built using the "Design-Bid-Build" method.

"Best Value" contracting has the potential to lower the cost of many projects. Measure W gives the City the choice to build in whichever is the most efficient way and to get the best deal for taxpayers.

The City of Santa Cruz anticipates numerous large scale construction projects in the coming years for its water, wastewater, trash and recycling utilities, and streets. By authorizing the choice of construction methods, **Measure W can offer significant financial and operational benefits to the City and the community.**

Vote YES on Measure W.

Hilary Bryant

Former Santa Cruz Mayor, co-founder, Buoy Labs

Mark Mesiti-Miller

Former Chair, Santa Cruz Planning Commission

Greg Pepping

Executive Director, Coastal Watershed Council (signing on behalf of his organization)

Ceil Cirillo

Retired Santa Cruz Redevelopment Director

Doug Engfer

Chair, City of Santa Cruz Water Commission

No argument against Measure W was filed.



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Impartial Analysis of Measure W

Tony Condotti, City Attorney

AUTHORIZING "BEST VALUE" CONTRACTING FOR PUBLIC WORKS CONSTRUCTION

If adopted, the proposed measure would authorize the City of Santa Cruz to use "best value" contracting for public works construction.

BACKGROUND

In California, cities may be organized under either the general laws of the State or under a charter adopted by the local voters. General law cities have less autonomy than those that adopt their own charter. Charter cities may adopt their own procedures for matters that are considered "municipal affairs." Santa Cruz is a charter city.

MEASURE W

Currently, Charter Section 1415 "Contracts for Public Works" specifies how the City contracts for construction projects, like paving streets, replacing worn out water and sewer pipelines, or constructing new or refurbishing existing buildings and facilities. It requires all contracts for these projects to be awarded under a traditional three-step "design-bid-build" process, in which design, procurement and construction proceed sequentially, with the City contracting with engineering, architectural and construction companies separately for each phase. The architect or engineer first prepares detailed plans and specifications. The City then advertises a "call for bids" and sets a date for bid submittal. Interested contractors then evaluate the bid specifications, estimate the cost of constructing the project, and prepare bids that take into account cost plus some profit margin. If a bid is too low, it may cost the contractor more to construct than the amount of its bid, and the contractor will lose money. If a bid is too high, it likely will not be competitive or may exceed the City's project budget. After bids are submitted, the bids are examined, and a construction contract is awarded to the contractor that submits the lowest bid that conforms to the bid specifications. The contractor is then required to build the project in accordance with the previously prepared design specifications.

Over the past several years, cities and public agencies have begun utilizing other approaches to public works contracting, most commonly recognized as "design-build" or "best value" project delivery methods. Best value project delivery is different from the conventional design-bid-build method because, unlike the three-step design-bid-build process, a single contract is awarded to a consortium of engineering, architectural and construction companies (a "design-build entity") that work collaboratively during all phases of engineering, design and construction, at a guaranteed maximum price. The City would contract with a design-build entity that is selected through a competitive request-for-proposal process that the City determines presents the "best value," considering such factors as price, anticipated time for completion, innovative design features and functionality.

If approved by the voters, the proposed Charter amendment would enable the City to use design-build or other best value project delivery methods in addition to the traditional design-bid-build process for public works construction. The City Council unanimously approved placing this measure on the ballot.

The above statement is an impartial analysis of the Measure W.

Full text of Measure W

That Section 1415 of the City Charter be amended to read as follows:

SECTION 1415 CONTRACTS FOR PUBLIC WORKS.

Any public works or improvements costing more than such amount as may be prescribed by ordinance shall be executed by contract, except where a specific work or improvement is authorized by the Council to be performed directly by a City department or officer in conformity with detailed plans, specifications and estimates. ~~All such contracts shall be awarded to the lowest responsible bidder after such public notice and competition as may be prescribed by ordinance or resolution, provided the Council or the City Manager, when so authorized, shall have the power to reject all bids and may readvertise in its discretion. All advertisements as to such contract shall so provide.~~

Notwithstanding any provision to the contrary in the California Public Contracts Code, or any other law or regulation of the City of Santa Cruz, the use of best value alternative project delivery methods including, but not limited to, progressive design-build, construction manager at risk, fixed-price design-build, and design-build-operate contracts is authorized for all public works projects. The City Council shall establish, by ordinance, regulations for the award, use and evaluation of such contracts.

All contracts entered into by the City shall be signed by the City Manager or other officer or officers as the Council may by ordinance or resolution prescribe.