

## MEMORANDUM

**TO:** Governing Board Members

**FROM:** Douglas Bergstrom, Director, Administrative Services Division

**DATE:** February 9, 2012

**SUBJECT:** Procurement Policy Revisions

### Background

The following changes are requested to the District's Procurement Policy under Chapter 155:

- Section 5 Competitive Procurements: the addition of Design-Build as a method to solicit construction services; the elimination of facsimile as a form of transmitting and receiving informal request for quotes to and from vendors; and the deletion of the table of thresholds under CCNA Procurement; and
- Section 6 Exceptions to Competitive Procurements: to delete Auditing Services as an exception to competitive procurements.

#### 1. Design Build

The Consultants' Competitive Negotiation Act (CCNA), Florida Statute 287.055 provides for the use of Design-Build contracts. The Design-Build methodology involves an agreement for both design and construction under one contract between the District and a design-build contractor. Design-Build offers the potential for faster project delivery. Construction can begin before the project's final plans and specifications are complete. Design-Build eliminates design effort redundancies and simplifies communication. Design-Build also reduces project risk for the District by shifting the liability and risk for cost containment and project completion to the Design-Build entity.

#### 2. Receipt of Written Quotes

The Procurement policy states, "three (3) written quotes including faxed" may be considered for general and construction procurements \$50,000 to \$150,000. It is requested that "*including faxed*" be deleted from the policy as it is unnecessary. The methods utilized for delivery of written quotes to and from vendors are included in the Procurement Manual Chapter 2, "Simplified Procurement Methods."

#### 3. Deletion of CCNA Table of Thresholds

The Procurement Policy, Sec.155.5 (b) states, "Professional services are subject to the requirements of the Consultants' Competitive Negotiation Act (CCNA), Section 287.055, F.S. "The Policy further states that threshold amounts are set under Section 287.017, F.S, and are subject to revision. The District will adhere to any revised threshold amounts." Because the threshold amounts set by Section 287.055 change from time to time, it is recommended that the table of threshold be deleted to avoid confusion. The District will follow the statutory thresholds.

#### 4. Deletion of Auditing Services as an Exception to Competitive Procurements

Pursuant to Chapter 287.057 F.S., Auditing Services are no longer exempt from competitive procurement. To be consistent with statute changes, staff recommends removal of auditing services as an exception to competition.

**How this helps meet the District's 10-year Strategic Plan:**

Adding the Design-Build method of procurement to the Policy will codify the District's discretion in the use of this approach in future restoration and maintenance construction projects.

**Funding Source:** Not applicable. There is no cost for these policy changes.

**This Board item impacts what areas of the District, both resource areas and geography:**

These policy changes will impact the Administrative Services Division and the Operations, Maintenance and Construction Divisions of the District.

**What concerns could this Board item raise?**

If not approved, the District's discretion to use the Design-Build delivery method would not be documented in the Procurement Policy. There are no concerns regarding the additional requested changes.

**Why should the Governing Board approve this item?**

Including the additional Design-Build method of procurement in the Procurement Policy will document the District's flexibility for construction projects well suited to this form of procurement. The remaining changes add efficiencies and clarification.

If you have any questions, please do not hesitate to call me at extension 6214.

DLB/dml