

# Public Procurement Strategies for Construction and Effectiveness

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Opening the doors of the University  
to **nontraditional** adult learners



UNIVERSITY  
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# Goal

To share relevant and actionable information  
(without duplicating unnecessarily what you  
heard in the previous webinar)

# Outline

- My relevant experience
- The context of sustainable, building-related procurement
- The procurement cycle
- A performance-based scope of work
- Keys to success
- Your questions

## My Relevant Experience

Local Government  
Procurement  
Practitioner

NIGP's Director of  
Research and  
Education

Education Mgr.,  
World Bank  
Corporate  
Procurement

Professor,  
Academic Program  
Manager, & SME

- Co-Generation
- Energy Performance Contracting
- Performance-Based Contracting, Generally
- Sustainable Procurement
- Beneficial Re-Use

# The Context of Our Topic

The Strategic Management  
of Local Government



Sustainability as a  
Strategic Goal



Strategic, Sustainable  
Procurement as a Means to  
Achieve for this Goal

What Is  
What Ideally Could Be  
What Can Be  
On-Site Capabilities  
Off-Site Resources  
The Body of Experience  
Environmental Elements

# The Procurement Cycle

(Adapted from Rene Rendon's Six Phase Model – for the full paper from which the content of this slide was adapted, see <https://www.instituteforsupplymanagement.org/files/Pubs/Proceedings/GGRendon.pdf>)

1. Procurement Planning	2. Solicitation Planning	3. Solicitation	4. Source Selection	5. Contract Admin.	6. Contract Closeout
<ol style="list-style-type: none"> <li>1. Determine and define the requirements (performance and other).</li> <li>2. Conduct market research and/or convene pre-solicitation conference.</li> <li>3. Develop preliminary WBS and SOW and/or specifications.</li> <li>4. Develop preliminary budget and cost estimates.</li> <li>5. Preliminarily consider contract type, assess risks, and identify t's and c's.</li> </ol>	<ol style="list-style-type: none"> <li>1. Determine contract type</li> <li>2. Determine construction delivery method..</li> <li>3. Develop proposal evaluation criteria and identify award strategy (low bid versus best value).</li> <li>4. Structure contract t's and c's</li> <li>5. Finalize WBS and SOW and/or specs</li> <li>6. Assemble the solicitation document (Use cross-functional teams.)</li> </ol>	<ol style="list-style-type: none"> <li>1. Conduct pre-proposal conference, if required.</li> <li>2. Receive proposals</li> <li>3. Classify the proposals received as acceptable, potentially acceptable, or acceptable.</li> </ol>	<ol style="list-style-type: none"> <li>1. Provide notice.</li> <li>2. Apply evaluation criteria to management, cost, &amp; technical components of acceptable proposals.</li> <li>3. Engage in discussions with the short-listed offerors.</li> <li>4. Execute the contract award strategy.</li> </ol>	<ol style="list-style-type: none"> <li>1. Conduct pre-performance conference</li> <li>2. Measure the contractor's performance.</li> <li>3. Monitor and control risks.</li> <li>4. Manage and control contract changes.</li> <li>5. Measure and the report the contractor's performance (cost, schedule, performance).</li> <li>6. Review project milestones.</li> </ol>	<ol style="list-style-type: none"> <li>1. Conduct final acceptance.</li> <li>2. Process final contractor payments.</li> <li>3. Document contractor performance.</li> <li>4. Conduct post-project audit/review.</li> <li>5. Capture, feed back, and share lessons learned.</li> </ol>

# A Performance-Based SOW – A Statement of Objectives (SOO)

The elements should include:

- The purpose/intent of the solicitation
- The required performance outcomes
- Other responsibilities of the contractor
- Constraints on how the contractor can perform
- Responsibilities of the public entity
- Incentives to be provided and/or that can be proposed
- Instructions re the content and format of proposals
- How the proposals will be evaluated
- How the contractor's performance will be evaluated



# (Performance) Outcome Objectives

These speak to:

- What the contractor must *get done* (not *do*)
- What the contractor must enable others to *get done*

The public entity may specify an applicable performance measurement standard, the minimum performance requirement based on that standard, and/or the measurement procedure *or* it may require the respondent to include one or more of these things in its proposal. *It depends . . .*

# Performance Requirements in SOWs Can Take Other Forms

An obvious example: A public entity may specify that a particular machine or device to be used by the contractor to achieve a specified performance outcome objective must consume no more than a maximum number of units of fuel based on a consensus measurement standard applied using a consensus measurement procedure.

# Keys to Success

These *include*, in no necessary order:

- Competent and reliable contractors/contractor teams
- The right mix of competent and reliable individuals on the government “side” of the contract in the right positions and doing the right things at the right times
- A qualified, independent proposal evaluation panel
- Consideration (during proposal evaluation) of the competencies and past performance of the:
  - proposed team as a whole
  - each member of the proposed team
  - each key individual proposed to be involved
- Timely, civil, appropriate, and equitable resolution of issues at the lowest possible level
- A commitment to quality and continuous improvement

# Comments and Questions

- Now
- Later

The presenter can be contacted:

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- by phone at (703) 536-1132