PUBLIC WORKS

MOTION RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

On December 12, 2023, the Council instructed various City agencies to report with recommendations and priorities for Charter amendments to reform and modernize the City's organization and policies (C.F. 23-1027). As a part of this exercise, the Board of Public Works submitted multiple recommendations, including amending Charter Section 371(b) to allow for increased use of alternative delivery methods for construction projects.

The City's standard project delivery method for projects it contracts out is design-bid-build. Under the design-bid-build model, the City first contracts for the design of the project to the qualified bidder with lowest cost bid. Once design is completed, the City then contracts for the construction of the project. While this method allows for transparency and requires the City to opt for the lowest priced-bid by a qualified bidder, it does not always lend itself to expediency as the City must contract out for each stage of the project.

Alternative project delivery methods allow the City to manage and bid out the design and construction of projects either all together or in different segments than design-bid-build, and allow the City to consider the ultimate lowest cost for a project, which may factor in elements like future maintenance costs and City administrative costs. While the City currently may utilize alternative project delivery methods, Charter Section 371(b) requires the City to adopt an ordinance with written findings that support the use of an alternative project delivery method, which the City does on a project-by-project basis.

On June 4, 2025, the Council referred the Board of Public Works' recommendation to amend Charter Section 371(b) to the Charter Reform Commission for consideration. While the Commission is considering this matter, the City should review its ability to streamline alternative project delivery options for City projects including the ability to adopt standards that allow for alternative project delivery without the need for an ordinance on a project-by-project basis and consideration of the feasibility of this recommendation under State law. Additionally, the City should review its current policies for delivering infrastructure projects to identify where efficiencies can be realized to reduce projects costs and expedite delivery of major infrastructure investments.

I THEREFORE MOVE that the Department of Public Works be instructed to report on its current policies for determining when it is appropriate to use alternative project delivery methods, a comparative analysis of projects delivered under design-bid-build versus alternative delivery methods, and the average cost share of design and construction by project category for recent infrastructure projects, in order to ensure that the City is currently following best practices and realizing efficiencies in its project management policies.

I FURTHER MOVE that the Chief Legislative Analyst, with the assistance of the City Attorney and Department of Public Works, be instructed to report on the feasibility of allowing for the use of alternative project delivery methods for City construction projects without the need for approval by ordinance for each individual project and to report with recommendations to effectuate this policy, including a ballot measure for the November 2026 General Election if necessary.

PRESENTED BY

MONICA RODRIGUEZ

Councilmember, 7th District

SECONDED BY:

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