Memorandum



DATE April 18, 2025

Honorable Members of the Transportation and Infrastructure Committee: Omar Narvaez (Chair), Zarin Gracey (Vice Chair), Tennell Atkins, Cara Mendelsohn, Jaime Resendez, Jaynie Schultz, Kathy Stewart

SUBJECT Competitive Sealed Proposal Procurement Method – Weighted Value for Price

Effective September 1, 2021, Texas Government Code Chapter 2269.153 was amended to require the weighted value assigned to price for civil works projects to be at least 50 percent of the total weighted value of all selection criteria for competitive sealed proposals (CSP). The statute further provides that the governmental entity may assign to price a weighted value of not less than 36.9 percent of the total weighted value of all selection criteria if the governing body of a governmental entity determines that assigning a lower weighted value to price is in the public interest.

"Civil Works Project" is defined in the Government Code Section 2269.351 (1) as "roads, streets, bridges, utilities, water supply projects, water plants, wastewater plants, water distribution and wastewater conveyance facilities, desalination projects, wharves, docks, airport runways and taxiways, storm drainage and flood control projects, or transit projects" and "buildings or structures that are incidental to such projects or facilities".

Dallas Water Utilities plans to utilize CSP to procure many of their capital projects beginning in Summer 2025. In alignment with other regional/state entities and in the public interest, DWU has determined that it is best to assign a weighted value for price of not less than 36.9 percent of the total weighted value of all selection criteria. Besides price, factors including contractor experience, project approach, key personnel, completion schedule, and Business Inclusion and Development participation (MWBE utilization) are considered when procuring contracts by CSP. Weighting any one single factor, such as price, too heavily (50 percent or higher for instance) in the selection leaves fewer points for other important selection criteria. Assigning no less than 36.9 percent weighted value to price promotes selection of a contractor who, for example, would be more likely to have the necessary experience, offer the best approach, and provide the best value for successfully completing the project in the public interest.

An agenda item is scheduled for City Council consideration on May 14, 2025, to delegate to department directors or their designated deputy or assistant directors' approval of an assigned weighted value for price of not less than 36.9 percent for civil works projects utilizing CSP. Approval will allow each department to determine the appropriate weighted value for price for their projects in accordance with the statute. DWU has coordinated with other constructing departments to develop the agenda item. Prior council approval will alleviate potential delays and allow procurements to proceed more expeditiously than if

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the weighted value for price is required to be approved prior to each individual solicitation for a civil works construction project.

If you have any questions, please contact Sarah Standifer, Director of Dallas Water Utilities.

Dev Rastogi, P.E.

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Assistant City Manager

c: Kimberly Bizor Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
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Alina Ciocan, Assistant City Manager Donzell Gipson, Assistant City Manager Robin Bentley, Assistant City Manager Jack Ireland, Chief Financial Officer Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I) Directors and Assistant Directors