City Council Item

March 10, 2025

Item	Best Value Contracting - Pros and Cons overview	
File No.	ENG 25-01	**Item No:** A.6
Agenda Section	**5:30 P.M. - WORK SESSION**	
Prepared By	Charlie Howley, Director of Public Works/City Engineer	
Reviewed By	Laurie Hokkanen	

SUGGESTED ACTION No formal action-discussion only	
Motion Type	N/A
Strategic Priority	Operational Excellence

SUMMARY

Best value solicitation is a method of contracting for work where the selection of the contractor is not merely based on lowest cost. Municipalities have statutory authority to utilize Best Value solicitation for construction projects on a limited basis.

The contractor selection criteria can be based on many factors, such as:

- Schedule
- Past performance
- Qualifications of staff assigned
- Qualifications of company
- Quality control program

Typically, proposals are received and scored, and then interviews are generally used for shortlisted companies to make the final selection. Best Value solicitation can often result in paying a higher cost, in return for more performance-based expectations.

This topic is being presented as an option for the 2025 Street Improvement project and is a result of feedback received from how the 2024 Street Improvement project went. Best Value solicitation is a strategy available for the city to use to achieve a better performance from the contractor.

To our knowledge, the city has never used a Best Value solicitation for a street improvement project.

BACKGROUND

N/A

DISCUSSION

N/A

BUDGET

N/A

RECOMMENDATION

N/A

ATTACHMENTS