

Best Value Contracting

September 8th, 2025 – Budget & Policy
Informational Briefing

General Services

Best Value Contracting tools in our toolbelt

DRMC – Chapter 20, Article IV, Division 2, Sec. 20-61

Contracts for purchase let by the Manager of General Services

Definitions:

(b) **Best value:** Determined by evaluating price and other valid predetermined evaluation criteria pursuant to a request for proposal, in order to identify a particular proposal as the most beneficial to the city. **The overall combination of quality, price, and various elements of required services or performance measures that in total are optimal relative to the city's needs.**

(f) *Request for proposal:* Any solicitation of pricing for supplies or services where **an award is made in consideration of best value and not necessarily lowest price** from a responsive, responsible, qualified proposer. A request for proposal may also be referred to as a competitive sealed proposal.

DRMC – Chapter 20, Article IV, Division 2, Sec. 20-62

Contracts for purchase let by the Manager of General Services

Contracts:

Contracts through the manager shall be let to the lowest qualified, responsive and responsible bidder, **except in the case of request for proposals** which may be awarded to the most qualified, responsive, responsible proposer whose proposal represents the **best value** to the city.

DRMC – Chapter 28, Article V, Section 28-123

NONDISCRIMINATION IN CITY CONTRACTS AND PURCHASE ORDERS FOR GOODS AND SERVICES AND OPPORTUNITIES FOR MINORITY AND WOMAN-OWNED BUSINESSES AND SMALL BUSINESS ENTERPRISES IN PROCUREMENTS FOR GOODS AND SERVICES

Definitions:

(41) *Request for proposal* means a written request to prospective vendors, contractors, or consultants to submit a proposal to provide goods or perform services **where an award is made in consideration of best value and not necessarily lowest price** in response to a selection procedure conducted by user departments as authorized by the Charter, ordinances, or executive orders of the city.

General Services RFP Evaluation Criteria

Proposal / RFP Evaluation (Page 39):

It shall be the policy of the General Services that:

3. Such evaluation criteria other than cost, which may be characterized as **Best Value** and/or LifeCycle costing. The following (not limited to) may be considered in the award evaluation:

- | | | |
|--|--------------------------------------|-----------------------------|
| a) delivery time | i) financial terms, if not a cash | o) green or environmentally |
| b) warranties | purchase | preferred |
| c) results of product/equipment | j) esthetics | p) functionality |
| sampling/testing | k) references | q) technical merit |
| d) local servicing availability | l) financial condition of the vendor | r) product demonstration |
| e) trade-in value | or proposer | s) laboratory testing |
| f) safety, health and training factors | m) past performance | |
| g) environmental factors | n) documented experience in/with | |
| h) cost of operation | the good or service required | |

General Services – Solicitation/Contract Types

Category	Type	Definition
Professional Services & Goods	Request for Proposal/Invitation for Bid (RFP/IFB)	Any solicitation of pricing for supplies or services where an award is made in consideration of best value and not necessarily lowest price from a responsive, responsible, qualified proposer. A request for proposal may also be referred to as a competitive sealed proposal.
	Task Order Issuance	A document issued under an on-call contract that authorizes specific scope of work/project to be completed under the master on-call contract.
	Request for Encumbrance Purchase Order Issuance	An documents issued under the master contract that encumbrances funds against the master service contract.
On-Call Trade Repair and Maintenance Services	Invitation for Bid	Any solicitation of pricing for supplies, where an award is made based upon the lowest, responsive bid received from a qualified, responsible bidder.
	Mini Bid	A process used to solicit informal proposals for a specific project from an existing pool of contractors previously awarded master on-call contract by means of a formal competitive bid.
	Work Order Issuance	A document issued under an on-call contract that authorizes specific project or work to be completed under the master on-call contract.

Department of Transportation and Infrastructure

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Charter – Article II Mayor and Executive Departments

Part 3. Public Works - §2.3.3 Powers and duties of Department of Public Works

(A)(i) All construction, reconstruction or remodeling of general public improvements not performed by the Department, or with the permission of the Manager and to the extent and in the manner provided by ordinance or resolution of the Council by a person, firm, or corporation entirely at his or her, their, or its expense, shall be performed under contracts let by the Department without any action of the Council except in the passage of the original ordinance or resolution authorizing the improvements or contracts.

All such contracts shall be: **(1) let to the lowest, responsive, qualified bidder, or if not let in that manner; (2) let through a competitive selection process.** All solicitations for such contracts shall be advertised in an official publication or in some other manner as provided by Charter or ordinance, provided however, that if public advertisement is impracticable, proposals shall be requested from at least three (3) qualified bidders or proposers. The right to reject any or all bids is reserved. No such contract for more than fifty thousand dollars shall be made without a bond for its faithful performance, with sufficient surety or sureties. No other surety than a surety company approved by the Manager and Mayor shall be accepted. Any other mode of letting such contracts shall be illegal and void.

DRMC – Chapter 20, Article IV, Division 1, Sec. 20-56

Contracts for purchase let by the Manager of Transportation and Infrastructure

Competitive Selection Process:

(a) General: Contracts for the construction, reconstruction or remodeling of general public improvements **not let by award to the lowest, responsive, qualified bidder**, may be let through an **alternative competitive selection** process where the manager of transportation and infrastructure determines, in the manager's discretion, that the city's best interests are served by the use of such an alternative competitive selection process

Chapter 5: Prequalification of Construction Contractors Required for Projects Valued at \$1M+

Pre-Qualification – Aligned with Best Value Contracting by ensuring only qualified, reliable contractors compete

1. Debarment, Suspension, or Revocation History
2. Financial and Bonding Capacity
3. Technical Competence and Past Performance
4. Formal Contractor Performance Reviews with the City
5. Qualifications and Relevant Experience of Key Personnel
6. Safety Record
7. Obligations to the City
8. Legal History & Litigation
9. Accuracy and Completeness of the Contractor's Application

Best Value Procurement

Optimizing Outcomes

Key Elements:

- **Lowest Price Consideration:** Always part of the evaluation
- **Qualifications & Performance:** Experience and technical approach
- **Improved Project Outcomes:** Prioritizes long-term value over initial cost
- **Risk Management:** Ensures qualified, reliable contractors
- **Flexible Evaluation Criteria:** Tailored to project complexity

Best Value Procurement Differentiators & Value Delivery

- **What significant risks or considerations may the City have overlooked in this solicitation?”**

Helps uncover blind spots, risks, or opportunities.

- **What are your 3–5 core differentiators in your proposal?**

Invites firms to identify unique value and pitch actionable strengths.

- **How will you deliver these differentiators to achieve successful outcomes on complex projects?**

Encourages focus on performance and results.

DOTI – Solicitation Types

Professional Services

- Request for Qualifications/Request for Proposal (RFQ/RFP)*
- Task Order Issuance*

Construction Services

- Hard Bid
- RFQ/RFP*
- Construction Manager General Contractor (CMGC)*

Combined Services

- Integrated Contract*
- Design/Build

*aligns well with best value procurement

Questions

Appendix

Best Value Contracting Comparison

Category	City and County of Denver	Adams County
Legal Basis	Codified in Charter and DRMC; durable and enforceable YES	Policy only (Board Policy 1071, 2014) NO
Scope	Applies to all construction ≥ \$1M, including infrastructure, transportation, bridges, utilities, airport projects, and vertical buildings YES	Applies only to new buildings and major remodels ≥ \$1M; excludes infrastructure, transportation, bridges, utilities, and airports NO
Prequalification / SOQ	Mandatory Prequalification: standing registry of contractors; reviews safety, technical ability, financials, bonding, past performance, litigation history, key personnel; includes ongoing performance reviews YES	Statement of Qualifications (SOQ): one-time packet per project; limited screening; no standing registry; narrower and less rigorous LIMITED
Evaluation Process	Balanced evaluation: price always included, plus lifecycle cost, safety, past performance, technical merit YES	Narrower set of evaluation factors LIMITED
Who Evaluates	Procurement staff and technical experts (engineers, project managers, Prequalification Board) YES	HR, Finance, and Facilities staff included on evaluation panels (non-technical evaluators) NO (national outlier)
Equity & Inclusion	MWBE/DBE/Small Business participation codified in DRMC YES	Not explicit in policy NO
Workforce Compensation	Prevailing wage compliance required by law; not a scored factor YES	Total Compensation (wages, benefits, training) is a scored part of SOQ; HR evaluates benefits packages NO (national outlier)

Best Value Contracting Comparison City and County of Denver, Adams County

Bottom Line

- Denver already does Best Value: Codified, comprehensive, and applied across all construction and infrastructure.
- Adams County's approach is narrower and Comprehensive: Policy-only, excludes infrastructure, relies on one-off SOQs, and uses unusual evaluation factors like compensation/benefits scored by HR.

Union Concerns* Compared to City Tools

Union Concern	City Assessment	Notes
Not Using Low Bidder Procurement	Correct	We use a qualifications-based prequalification process
Bidder Qualifications not Used	Incorrect	Detail Review Required
Prevailing Wage Not Enforced	Incorrect	Required by law and our Rules & Regs
Climate-Specific Labor Standards	Partially Incorrect	OSHA Required – No heat specific rules
Past Safety or Worker Violations	Incorrect	Violations disqualify applicants
Labor Harmony Not Required	Correct	Not part of the prequalification rules

*Specific to Construction Contracts