

Boosting Capacity for Street Construction and Resurfacing in Oklahoma City, Oklahoma



As part of Bloomberg Philanthropies' What Works Cities initiative, the Government Performance Lab provided pro bono technical assistance to help Oklahoma City streamline its design-bid-build contracting cycle and increase the quantity and quality of bids for its roadway resurfacing work. These strategies will improve the implementation of over \$1 billion in resources for the "Better Streets, Safer City" program.

The Challenge: For many years, residents of Oklahoma City ranked improving the condition of city streets a top priority, according to surveys. As one of the largest U.S. cities by land area, building and maintaining the City's roads created significant operational challenges and financial demands. In an effort to improve the City's transportation infrastructure, voters approved a multimillion-dollar package of initiatives in September 2017. The "Better Streets, Safer City" projects, which comprise \$1.23 billion in total over 10 years, provided a unique opportunity to improve the quality of the City's streets, yet the investments demanded a threefold increase in project spending without significant personnel growth. To execute the new resources successfully, the Department of Public Works needed to improve the efficiency of its operations and contracting processes as well as attract more qualified bidders to do business with the City.

Applying Results-Driven Contracting Strategies: To facilitate resource implementation while improving the quality of street construction projects, the GPL and Oklahoma City:

- 1) Identified issues over the entire public works contracting cycle.** The GPL facilitated a process mapping exercise with city engineers and program managers to analyze the contracting processes of street construction and road resurfacing projects. In this activity, public works staff collaborated to revisit contracting practices unchanged for decades, revealing issues in different stages of the procurement process, including contract management, vendor engagement, and inter-agency coordination processes. During follow-up debriefing sessions, staff collaborated to develop solutions for relevant findings, ranking them by impact and feasibility of implementation.
- 2) Established an organizational structure to implement high-priority reforms.** A steering committee led by the Department of Public Works Director selected the two most impactful strategies. For each of these strategies, the committee launched specialized working groups responsible for their execution. One working group focused on design-build contracts (including street construction projects) while another was dedicated to enhancing contracts for resurfacing projects. The committee assigned each working group member specific action items and an expected completion date, while providing any managerial resources necessary to complete their tasks.
- 3) Streamlined the contracting cycle for design-bid-build public works projects.** In an effort to minimize delays of up to a month during the contract execution process, the working group introduced new protocols to register vendors in the City's financial management system concurrently with contract negotiation, which cut the timeline by up to three weeks per contract. The working group also developed new contracting language that allowed Architecture & Engineering contractors to continue working during the Council's approval of their preliminary design report. Informed by previous solicitations, the City plans to remove a redundant requirement to obtain Council authorization to negotiate contracts. To support the implementation of these process improvements, the GPL developed supporting materials explaining their motivation to key stakeholders.
- 4) Enhanced the contracting method for street resurfacing contracts.** Using GPL best practices research from other jurisdictions facing similar challenges, the working group developed strategies to increase the number and quality of responsive bidders to its road maintenance solicitation processes. The Department increased the value of its contracts and work orders in an effort to draw larger companies to doing business with the City. To reduce significant delays in project delivery, the pre-qualifications process was modified to exclude vendors that did not perform well in the past. Future Requests for Proposals (RFPs) will also advertise planned investments in resurfacing work in an effort to help companies prepare to participate in the City's upcoming procurements. Finally, to reduce uncertainty about the costs for bidders, future RFPs will include detailed scopes of work indicating project locations and the construction schedule for the year.

The Results: The reforms to the design-bid-build contracting cycle stand to reduce the contract execution timeline by up to 9.5 weeks per contract. The Department also built a foundation to enhance vendor production capabilities and contract management for street resurfacing projects. Future efforts will be geared towards introducing performance payments and building a vendor performance review system.