



Figure 1 - Downtown Smithville

City of Smithville, Missouri

Board of Aldermen - Work Session Agenda

6:00 p.m. Tuesday, November 18, 2025

City Hall Council Chambers

Meetings are live streamed on the [City's YouTube](#) page and will be posted to the City's website and FaceBook following the meeting.

- 1. Call to Order**

- 2. Alternate Project Delivery Methods – Public Construction Projects Discussion**

- 3. Adjourn**



Date:	November 18, 2025
Prepared By:	Charles F. Soules, P.E. – Director of Public Works
Subject:	Alternative Project Delivery Methods

Over the past few years, the city has experienced several challenges in delivering large capital improvement and infrastructure improvement projects. These challenges include:

- Project schedule delays and equipment procurement issues
- Low-bid contractors lacking capacity or resources to perform
- Unforeseen site conditions resulting in significant change orders

To improve predictability and performance, staff have reviewed alternative project delivery methods as potential options for larger, more complex projects.

Padraic Corcoran and Jackson Auer with Williams & Campo have also provided a summary of purchasing alternatives. This summary is included in the agenda packet. At Tuesday's work session, they will provide an overview of this information.

The city has historically used the **Design–Bid–Build (DBB)** process for public improvements. Under this method, an engineering firm is first selected to complete design plans, typically taking a year or more. The project is then publicly bid and awarded to the lowest responsible bidder. While this approach ensures competitive pricing, it often results in extended schedules, limited collaboration between designer and contractor, and potential for increased costs due to change orders once construction begins.

Alternative delivery methods integrate design and construction processes and aim to improve project outcomes through collaboration between the owner, engineer, and contractor, improve schedules and manage costs.

The two most commonly used methods for public sector projects are **Design–Build (DB)** and **Construction Manager at Risk (CMAR)**. Both methods have pros and cons and need to be evaluated based on the project and project goals.

Design Build – This method combines design and construction services under one contract. The City would select a design build team (engineer and contractor) based on qualifications.

Advantages include:

- Accelerated project delivery by overlapping design and construction phase.
- Contractor input during design, potentially reducing constructability issues and change orders
- Single point of responsibility for design and construction

Considerations:

- Potential conflict between contractor wanting to keep costs low and Owner's desire for high quality project
- Potential reduced control over design details once under contract

Construction Manager at Risk – Under this method, a construction manager is hired to represent the owner's interest and is involved early in the project to provide input during project design, cost estimating, and constructability reviews. The construction manager assumes risk for construction performance by providing a Guaranteed Maximum Price and managing construction.

Advantages include:

- Early collaboration between owner, designer, and builder
- Improved cost control and schedule management
- CM's interests

Alternative project delivery methods such as **Design-Build** and **Construction Manager at Risk** can offer the city valuable tools for improving cost predictability, schedule adherence, and overall project outcomes.

Staff recommend evaluating these methods on a project-by-project basis for upcoming large capital improvement projects.

Alternative Procurement and Project Delivery Methods

1. Architect, Engineer, and Land Surveyor

Statutory Basis

The fundamental policy guiding the procurement of architectural, engineering, and land surveying services for Missouri political subdivisions is established in Section 8.285, RSMo. This section states:

“It shall be the policy of the state of Missouri and political subdivisions ... to negotiate contracts for architectural, engineering and land surveying services on the basis of demonstrated competence and qualifications for the type of services required and at fair and reasonable prices.”

The implementing section, Section 8.291, RSMo, outlines that after evaluating qualifications, the agency or political subdivision must select three highly qualified firms, choose the best qualified among them, and then negotiate a contract. Section 327.421 further prohibits political subdivisions from engaging unlicensed architects, professional engineers, or land surveyors.

Key Provisions and Interpretation

Missouri follows the “Qualifications-Based Selection” (QBS) model, which means that selection is grounded in the competence and qualifications of the service provider, rather than the lowest cost bid. For public works projects involving architectural, engineering, or land surveying services, political subdivisions are required to ensure that the professionals engaged are licensed and in good standing, as mandated by Section 327.421.

In practice, any contract for design professional services must adhere to the QBS process (where applicable) and to licensing requirements. All consultants involved in public works projects must be properly licensed.

Implications

- When engaging architects, engineers, or land surveyors, political subdivisions must use a qualifications-based process, which involves requesting statements of qualifications and evaluating candidates based on experience, capacity, and relevant project history, rather than relying solely on the lowest bid.
- All architectural drawings, engineering specifications, and land survey plats must be prepared by professionals who are properly licensed.

2. Design-Build Method

Statutory Basis and Key Definitions

Section 67.5060 defines “design-build” as a project delivery method that involves a three-stage qualifications-based selection process, with both design and construction services furnished under a single contract. A “design-build contract” refers to the agreement between a political subdivision and a design-builder to provide architectural, engineering, and related design services, as well as all necessary construction services.

A “design-build project” includes both civil works projects (such as roads, bridges, utilities, airport runways, storm drainage, and transit) and non-civil works projects (such as buildings, site improvements, and other structures commonly designed by architects) with a value exceeding seven million dollars. The design-builder must ensure that all design services within the scope of architecture or engineering are performed by licensed professionals, while construction services must be provided by a qualified general contractor or legal entity.

Political subdivisions may employ a “design criteria consultant” to assist in preparing the design criteria package, developing the RFP, and evaluating proposals. However, the design criteria consultant is prohibited from submitting a proposal for the design-build contract.

Process and Requirements

- The political subdivision must publicly disclose its intent to use the design-build method and share the project design criteria at least one week prior to publishing the RFP.
- Notice of the RFP must be published once weekly for two consecutive weeks in a newspaper of general circulation within the county where the political subdivision is located, or by a virtual notice procedure if applicable.
- The RFP must specify procedures for submission, evaluation criteria and their respective weights, contract terms (if available), the design criteria package, descriptions of required drawings and specifications, schedules for commencement and completion (if applicable), budget limits, bonding and insurance requirements, any stipends, and any other pertinent information the subdivision chooses to provide.

Three-Phase Selection Process

Phase I: Submission of qualifications by design-builders, including experience with similar projects, references, and team qualifications.

Phase II: Submission of a technical proposal, including conceptual design (excluding cost information). Up to 20% of the evaluation points may be based on the ability to meet schedule and budget, and this phase must account for at least 40% of the total points.

Phase III: Submission of the construction cost proposal (firm fixed cost) with bid security. Cost proposals are opened only after design proposals are evaluated and ranked, and this phase must also account for at least 40% of the total points.

Architectural and engineering services within the project are evaluated in accordance with Sections 8.285 and 8.291. The design-builder cannot replace any identified contractor, subcontractor, design consultant, or subconsultant without written approval from the political subdivision.

Implications and Practical Considerations

- Political subdivisions can adopt the design-build method for eligible projects, though not all projects will qualify. Definitions and thresholds must be checked, especially for non-civil works projects exceeding seven million dollars.
- Because design and construction services are combined, it is essential for the owner to carefully define the design criteria package and the evaluation process.
- Engaging a design criteria consultant is advisable to retain independent oversight of the criteria and the design-builder’s adherence.

- The three-phase selection process requires more upfront planning and resource allocation compared to traditional design-bid-build methods.
- The QBS rules from Sections 8.285–8.291 remain applicable to the architectural and engineering components of design-build projects.
- Design work must always be performed by licensed professionals; the contract cannot circumvent this requirement.
- Smaller political subdivisions and projects below the specified thresholds should confirm whether the design-build method is permissible.
- Typical stipend amounts provided to bidders that advance to Phase III are .5% to 1% of total estimated project costs.

3. Construction Manager at Risk

Statutory Basis and Key Definitions

Section 67.5050 defines “construction manager” as the legal entity that proposes to enter into a construction manager-at-risk contract. “Construction manager-at-risk” (CMAR) means a legal entity (whether a sole proprietor, partnership, corporation, etc.) that assumes the risk for construction, rehabilitation, alteration, or repair of a project at the contracted price, acting as a general contractor, and provides consultation on construction during and after the design phase.

This method is available to any political subdivision for:

- **Civil works projects** (including roads, bridges, utilities, water plants, wastewater plants, storm drainage, and flood control) commonly designed by professional engineers with a value exceeding two million dollars.
- **Non-civil works** projects (such as buildings, site improvements, and other structures, whether habitable or not, commonly designed by architects) exceeding three million dollars.

The political subdivision must publicly disclose its intent to use the CMAR method and its selection criteria at least one week before publishing the Request for Qualifications (RFQ).

If the engineer or architect is not a full-time employee of the political subdivision, selection must be based on demonstrated competence and qualifications as per Sections 8.285–8.291. The same design professional cannot serve as the CMAR, and the political subdivision may independently contract for inspection services, materials testing, and engineering verification.

Selection of the CMAR is a two-step process: first, the RFQ (qualifications), and second, the cost proposal.

Implications and Practical Considerations

- The CMAR delivery method allows political subdivisions to involve the construction manager early in the process, during the design phase, and shifts certain risks—such as guaranteeing a maximum price or assuming cost overruns—to the construction manager, depending on contract terms.
- This method can promote cost certainty, schedule efficiency, and improved coordination between design and construction due to the early involvement of the contractor/CMAR.

- It is essential to maintain a clear separation between the design professional and the CMAR when the design professional is not a full-time employee. The design professional cannot be the CMAR.
- Political subdivisions must follow a qualifications-based selection process for both the design professional (if not full-time) and the construction manager, as required by Sections 8.285–8.291.
- Project value thresholds are minimums: civil works must exceed two million dollars, and non-civil works must exceed three million dollars. Projects below these thresholds may not qualify for the CMAR method.
- Good practice includes publishing intent to use the CMAR method, soliciting RFQs, evaluating qualifications, and then requesting cost proposals from shortlisted firms. Contracts should clearly define the guaranteed maximum price (GMP) or other risk provisions, and delineate the roles and responsibilities of the CMAR, the design professional, and the owner.
- As the statute previously included a sunset provision, it is important to verify whether the authority is still in effect or has been extended, as legislative changes may affect its applicability.

4. Practical Considerations

Project type and size: Evaluate whether the project meets the requirements for using the design-build or CMAR methods. For smaller projects, traditional design-bid-build or qualifications-based selection for design contracts may be more appropriate.

Selection process design: For design professionals, employ the QBS process: solicit statements of qualifications, evaluate based on experience and capacity, and then negotiate fees. For design-build or CMAR delivery, structure RFQs/RFPs appropriately and plan for multi-phase evaluations.

Licensing compliance: Always verify that architects, engineers, and land surveyors are properly licensed under Chapter 327, and do not engage unlicensed professionals. Section 327.421 prohibits political subdivisions from using unlicensed professionals.

Contract clarity on roles: In design-build, the design-builder provides both design and construction services under a single contract; the owner should maintain oversight, such as through a design criteria consultant, to manage risk. In CMAR, design professional and construction manager roles must be separate if the design professional is not employed in-house, and the owner may retain independent inspection and testing services.

Transparency and public notice: Both methods require public disclosure of intent and selection criteria, as well as advertising RFPs/RFQs. Adequate planning for public notice and advertising is essential.

Risk management: Design-build consolidates risk by transferring it to the design-builder, but the owner must carefully define criteria and contract terms. CMAR shifts construction risk to the CMAR (e.g., via a guaranteed maximum price), but requires early involvement and oversight of the relationship between the design manager and the CMAR.

Documentation: Maintain clear documentation throughout all phases, especially for design-build projects. This includes RFP/RFQ notices, evaluation criteria and their weights, shortlists, submissions for each phase, cost proposals, public disclosures, contract negotiations, roles and responsibilities, and risk-sharing terms (such as GMP, bonding, insurance, and change orders).

Ensure independence where required: For CMAR, the design professional must not also serve as the CMAR unless employed full-time by the political subdivision. For design-build, the design criteria consultant cannot compete for the project for which they developed the criteria.

5. Summary Table

	Architects, Engineers, Land Surveyors (§§ 8.285–8.291)	Design-Build (§ 67.5060)	CMAR (§ 67.5050)
Contract type	Enter into contracts with architects, engineers, or land surveyors specifically for professional design services.	Consolidates design and construction into a single contract, engaging one qualified entity to provide both services.	Owner separately contracts with the design professional and the construction manager at risk,
Delivery timing	Design is completed first. Only after the design phase is finished does the owner solicit bids or proposals for construction.	Design and construction services are delivered in an integrated manner, allowing for overlapping phases and potentially faster delivery compared to the traditional method.	The CMAR is involved early, providing input during the design phase, which can lead to improved coordination and efficiency throughout the project.
Project thresholds / eligible work	Applies broadly to the procurement of professional design services for a range of project types	Civil and non-civil works, with non-civil projects exceeding seven million dollars in value.	Civil works projects valued over two million dollars and non-civil works exceeding three million dollars.
Owner's oversight obligations	Oversight follows standard practices for design professional contracts, ensuring that deliverables meet project requirements and compliance standards.	The owner is responsible for preparing and approving the design criteria package, may hire a design criteria consultant, must publish a notice of intent, and must adhere to the three-phase selection process.	The owner must publish a notice of intent to use the CMAR method, select the CMAR through an RFQ process, ensure the design professional does not serve as the CMAR, and may retain independent inspection and testing services.
Risk allocation	Risk is managed through a standard professional services contract, with the design professional responsible for design-related obligations.	The design-builder assumes responsibility for both design and construction integration under a single contract, consolidating risk management.	The CMAR assumes construction-related risks, such as guaranteeing the maximum price, while the design professional remains separately responsible for design services.

6. Pros and Cons of each procurement/delivery methods

Qualifications-Based Selection (QBS)

Pros:

- Ensures highly qualified design professionals are selected.
- Focuses on technical excellence and professional competency.
- Encourages innovation and long-term project value.
- Reduces disputes over design errors or omissions through professional accountability.

Cons:

- Typically requires more time for the selection and negotiation process.
- Does not directly control construction cost early in the process.
- Requires strong owner understanding of scope before negotiation.

Design-Build

Pros:

- Single point of responsibility for design and construction.
- Accelerated project delivery due to overlapping phases.
- Early cost certainty once proposals are received.
- Reduces administrative burden for the owner.

Cons:

- Limited owner control over design details after award.
- Potential for reduced design quality if cost dominates evaluation.
- Complex evaluation process requiring clear criteria.
- Requires a well-developed design criteria package to manage risk.

Construction Manager at Risk (CMAR)

Pros:

- CMAR provides input during design, improving constructability and cost control.
- Allows early collaboration among owner, designer, and contractor.
- Guaranteed Maximum Price (GMP) helps manage financial risk.
- More flexibility for changes during design and construction.

Cons:

- Requires careful definition of roles and contract boundaries.
- Two separate contracts (design and construction) increase coordination needs.
- Owner retains more overall management responsibility.
- Potential conflicts if CMAR's cost and design recommendations diverge.

Summary

1. Architect, Engineer, and Land Surveyor

- **Statutory Framework:** Pursuant to Section 8.285, RSMo, contracts for architectural, engineering, and land surveying services must be awarded based on demonstrated qualifications rather than lowest bid. The selection process requires evaluating firms, shortlisting three candidates, and negotiating with the preferred firm. Engagement is restricted to licensed professionals (Section 327.421).
- **Process:** The Qualifications-Based Selection (QBS) protocol is mandatory, barring alignment of local procedures with state standards. All documentation must be completed by duly licensed practitioners. Negotiations commence following identification of the most qualified entity.

2. Design-Build

- **Definition:** The design-build approach consolidates design and construction functions under a singular contractual agreement, utilizing a three-stage selection process that prioritizes qualifications and technical submissions prior to cost evaluation.
- **Scope:** This method applies to civil and non-civil projects exceeding \$7 million. All design activities are to be executed by licensed professionals, while construction must be carried out by qualified contractors.
- **Process Overview:**
 - o Potential engagement of design-build consultant for assistance in process.
 - o Public announcement of intent and project criteria precedes issuance of an RFP.
 - o The RFP is published through local media channels.
 - o Selection consists of three phases:
 - evaluation of qualifications,
 - review of technical proposals
 - assessment of cost proposals.
 - o Consultants involved in developing design criteria are precluded from participating as bidders.
 - o Bidders advancing to phase III receive a stipend ranging from .5% to 1% of estimated project costs.
- **Key Points:** Early and comprehensive definition of design criteria is paramount. The QBS model remains applicable for design components.

3. Construction Manager at Risk

- **Definition:** Under CMAR, a construction manager assumes the role of general contractor, assuming responsibility for project costs and contributing input during the design phase.
- **Applicability:** The CMAR method pertains to civil projects valued above \$2 million and non-civil projects over \$3 million. Owners are mandated to publicly disclose their intent to employ CMAR and articulate selection criteria prior to issuing an RFQ.

- **Selection:** A two-step process involves assessment of qualifications followed by cost proposal review. Selection of design professionals must adhere to QBS if not performed in-house; the design professional cannot concurrently serve as CMAR.
- **Considerations:** It is vital to clearly delineate responsibilities between the CMAR and the design professional and to review statutory authority for any legislative amendments.

4. Practical Considerations for Political Subdivisions

- Confirm the project meets thresholds for design-build or CMAR, considering traditional procurement methods for smaller undertakings.
- Implement QBS for selection of design professionals and utilize structured multi-phase evaluations for design-build and CMAR engagements.
- Ensure all professionals retain current and proper licensure.
- Promote transparency through public notification and advertising.
- Address risk management via robust contract terms and oversight mechanisms.
- Stay informed regarding legal changes that may impact procurement practices.
- Seek guidance from legal and industry professionals when navigating these processes.
- Maintain thorough documentation of all procedural steps, particularly for complex or multi-phased initiatives.
- Uphold independence requirements for design professionals and consultants involved in bidding or supervisory capacities.