

# MASTER PLAN TRAINING

## MODULE 6: CONTRACT VS. IN-HOUSE

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# MASTER PLAN PROCESS

## Average Costs (Average Size Project)

	By Contract	In-House – Operations Control
In-House Pre-Contract Cost	\$ 15,000	-
Contract Cost	\$270,000	-
In-House S&A	\$80,000	\$400,000
<b>Total</b>	<b>\$365,000</b>	<b>\$400,000</b>



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# PROS AND CONS OF IN-HOUSE

## Pros

- Divert existing labor dollars toward effort
- More consistent product
- Keep control within Operations to define roles & funding for other offices' support
- Immediate familiarity with the Project
- Better flexibility in scheduling

## Cons

Subject to O&M schedule delays and diversions

MPs are not always a priority district-wide and can be subject to cost-creep



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# PROS AND CONS OF CONTRACTING

## Pros

- Guaranteed product with firm handle on cost and schedule
- Quickly obligate funds
- Captures expertise the district may not have available
- Operations direct relationship w/contractor to manage schedules, funds, and product

## Cons

- Don't always hire contractor with necessary expertise
- Still significant in house cost
- Lose some flexibility to address issues that arise during the MP process – may require mods (more \$\$)
- Funding needed up front



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