



Board Action Required X

No Action Required

To: Coppell ISD Board of Trustees
From: Sid Grant
Date: July 23, 2012
cc: Dr. Jeff Turner, Kelly Penny, Denise Sullivan, Louis Macias

Re: Approval of the Construction Manager-At-Risk Purchasing Method

In preparation for the bond construction and renovation projects to occur between August, 2012 and December, 2018 as will be funded from the existing 2009 and proposed May, 2013 bond elections, Coppell ISD administration and our architects and engineers at SHW recommend we utilize the “Construction Manager-At-Risk” purchasing method as allowed under Section 44.031 of the Texas Education Code for the procurement of construction related services.

We recommend this method over the “Competitive Sealed Proposal” method as it gives the District more negotiation ability and inclusion in the process of sub-contractor selection for renovation projects as well as for new construction. We have utilized the purchasing method for several years now (over the last two bonds) and are very pleased with the results and control we maintain through the construction planning and actual construction process. The method also enables the awarded contractor to be an integral participant in the visioning and design development for any new construction projects, whereas they will become very familiar with projects before they place them out for formal bid.

Under Section 44.031 of the Texas Education Code, school districts are authorized to use the construction manager-at-risk method for contracting for the construction, rehabilitation, alteration, or repair of facilities.

A construction manager-at-risk assumes the risk for construction, rehabilitation, alteration, or repair of a facility at the contracted price in the same manner as a general contractor; however, this method also provides the flexibility and benefit of consultation to the school district during and after the design of the facility. The school district must, before or concurrently with selecting a construction manager-at-risk, select or designate an architect or engineer who will be responsible for the preparation of the design and construction documents for the project. In our case, the Board is concurrently asked to select SHW as our architects and engineers for these respective future bond projects.

In selecting the construction manager-at-risk, the school district is required to utilize the Request for Qualifications (RFQ) process. The school district must, in a two-step process, prepare a Request for Qualifications (RFQ), or a Request for Competitive Sealed Proposals (RFCSP) in a one-step process.

In using either the RFQ or RFCSP, we will require offerors to submit information regarding the construction manager's proposed fee and the price for fulfilling the general conditions. The selection criteria for evaluating the proposals and selecting the best offeror must be stated in the RFQ or RFCSP. The selection criteria may include the following:

- proposed fee and price for general conditions
- the offeror's experience
- past performance
- safety record
- proposed personnel and methodology
- any other factors demonstrating the capability of the construction manager (these factors will be specified in the RFQ).

Section 44.038(b) of the Education Code provides that the construction manager-at-risk assumes the contractual risk for completion and delivery of the completed facility at the contracted price in the same manner as a general contractor; however, the construction manager-at-risk is initially responsible for performing only the general conditions and any minor work that may be included in the general conditions for the project. The "general conditions" for the project are defined in Section 44.0315(6) of the Education Code to mean on-site management, administrative personnel, insurance, bonds, equipment, utilities, and incidental work, including minor field labor and materials.

Section 44.038(h) of the Education Code requires the construction manager-at-risk to publicly advertise and solicit either competitive bids or competitive sealed proposals from trade contractors or subcontractors for the performance of all major elements of the work on the project other than the general conditions. This entire process will be closely monitored by SHW and CISD staff. *The school district staff and the Board of Trustees have the final determination as to whether the construction manager-at-risk's bid or proposal provides the best value for the school district.*

Recommendation:

That the Coppel ISD Board of Trustees approve the use of the Construction Manager-At-Risk purchasing method as allowed under Section 44.038 of the Texas Education Code for the bond funded construction and renovation projects to be initiated between August, 2012 and December, 2018.