

BELLVILLE  
**INDEPENDENT SCHOOL DISTRICT**

CSP and CMAR Construction  
Delivery Methods Explained

April 30, 2020



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# Competitive Sealed Proposal (CSP)

## Procurement Method Explained . . . .

- After design and permit review phases are completed, the Owner through his agent or architect prepares and issues request for competitive sealed proposals; bid date is advertised
- Owner advertises request for CSP's on local newspaper on back-to-back weekends within a two-week period
- The request for CSP's must include construction documents, bidder selection criteria, project scope and estimated budget, estimated project completion date, and other information bidders may require to respond to the request
- A prebid conference is scheduled to set project expectations, procurement rules and regulations



# Competitive Sealed Proposal (CSP)

## Procurement Method Explained . . . .

- Questions by bidders requesting further clarification to bid documents are responded by addendum; architect issues addendum and notification
- Design changes to bid drawings and specifications by AE team must be amended to bid set; the architect shall issue addendum of scope change for price inclusion
- Bidders are solely responsible for bidding the entire work, including changes issued by addenda
- Sealed proposals are opened on bid date, bid numbers are announced and recorded
- Owner evaluates bids and makes selection no later than 45 days after bid numbers are announced; selection is based on best value to the Owner

# Competitive Sealed Proposal (CSP)

## Procurement Method Explained . . . .

- Owner drafts contract, recommends bidder selection to the board for approval, contract is executed
- Successful bidder is notified, formal notice to proceed with the work is issued
- Preconstruction meeting is scheduled by Owner's Agent, goals and expectations are set
- Contractor mobilizes, releases subcontractors to begin the work

# Competitive Sealed Proposal (CSP)

## Suitable Projects for Delivery Method

- Owner drafts contract, recommends bidder selection to the board for approval, contract is executed
- Successful bidder is notified, formal notice to proceed with the work is issued
- Preconstruction meeting is scheduled by Owner's Agent, goals and expectations are set
- Contractor mobilizes, releases subcontractors to begin the work

# Construction Manager at Risk (CMAR)

## Procurement Method Explained

- Owner contracts with an architect for design and construction phase services through RFQ process
- Owner contracts separately with a construction manager-at-risk through the RFP process; CMAR is brought on during the design phase to provide preconstruction services
- CMAR is paid a stipulated amount during the design phase to provide constructability reviews and estimates at various design milestones
- CMAR provides a final Guaranteed Maximum Price (GMP) for the design
- If GMP is within budget set by Owner the price is accepted and entered into contract
- Owner can terminate services with CMAR if GMP is not accepted; CMAR is paid preconstruction services fee

# Construction Manager at Risk Explained

## Concept

- ✓ The selection of a contractor is based on qualifications, reputation, past performance, etc.
- ✓ The selection of the contractor (CM) occurs during the initial design phase of the project
- ✓ Phased construction “trade” packages
- ✓ Construction buy out savings

## Why

- ✓ The highest quality contractor (CM) generally leads to a highest quality product
- ✓ To bring the Contractor (CM) into the design phase early and advise Owner and Architect on cost and scheduling factors
- ✓ The Contractor (CM) can order long lead materials and shorten the construction schedule
- ✓ All construction material savings during subcontractor buy out go back to the Owner



# Construction Manager at Risk

## Delivery Benefits Explained . . . .

- **Complex renovations that are executed in a “busy” marketplace**
- **Projects that are scheduled to bid in a volatile, or active marketplace where subcontractor participation is low**
- **Complex projects that require the facility to stay in operation during the construction period**
- **Sensitive restoration projects that require a great deal of detail**
- **Projects that have sensitive and challenging schedules**

# Construction Manager at Risk

## Delivery Benefits Explained . . . .

- Pre-construction estimating
- Pre-construction phasing and constructability reviews
- Maximizes use of cost reduction analysis
- Minimizes risk to exceed budget or schedule
- Ensures maximum sub contractor participation
- Savings during construction are returned to the owner
- Flexibility toward changes limits construction change orders

# Traditional CSP and CM@Risk

## Purchasing Concepts Compared

| Delivery Method Feature   | CM   | CSP  |
|---|------|------|
| Maximizes control by Owner over project design  | ✓    |      |
| Maximizes control by Owner over final cost  | ✓    |      |
| Minimal contractual risk to owner   | ✓    |      |
| Satisfies competitive bidding requirements  | ✓    | ✓    |
| All construction buy-out savings returned to the Owner                                  | ✓    |      |
| Maximizes use of VE, partnering which provides the most building program for the dollar | ✓    |      |
| Ensures the quickest project delivery time while not sacrificing quality                | ✓    |      |
| The number of contracts between the owner, builder, architect, engineers                | 2    | 2    |
| Minimizes cost risk to Owner  | ✓    |      |
| Cost – architects fees  | Same | Same |
| Cost – contractor general conditions or CM overhead and profit                          | Same | Same |

# Construction Delivery Methods Compared

## Traditional CSP

## CM@ Risk

|  |   |
|--|---|
| Contractor is selected after the final plans and specifications are 100% complete                          | Contractor (CM) is selected during the initial design phase                             |
| Selection of Contractor is based on Best Value criteria rank   | Contractor (CM) is selected based on qualifications, reputation, past performance, etc. |
| Building permit review does not start until construction documents are finished                            | Building permit review can start much earlier   |
| Construction does not begin until plans and specifications are 100% complete and the entire project is bid | Construction begins much earlier due to phased construction “trade” packages            |
| The construction buy out savings remains with the Contractor   | The construction buy out savings is returned to the District                            |





# Q&A

