

Construction Manager-At-Risk Purchasing Method

Memo

To: Dr. Jeff Turner
From: Sid Grant
CC: Ralph Seeley, Jimmy Spann
Date: 11/16/2006
Re: Approval of the Construction Manager-At-Risk Purchasing Method

In preparation for the HVAC and science lab renovation projects at CMS East and the HVAC renovation at Austin Elementary during the summer of 2007, 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.

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 has already selected SHW as our architects and engineers for these respective 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. It is anticipated that we will utilize the Request For Qualifications (RFQ) method for choosing the construction manager-at-risk.

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.

As step two of the process, 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 Coppell 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 completed at Coppell Middle School East and Austin Elementary.