

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Engineering and Construction Management Department
AGENDA DATE: September 18, 2012

CONTACT PERSON/PHONE: R. Alan Shubert, 915-541-4423

DISTRICT AFFECTED: City Wide

SUBJECT:

Discussion and action to approve a resolution that authorizes the use of the Construction Manager-at-Risk alternative project delivery method for the Ballpark construction project and that the City Engineer is authorized to issue a Request for Proposals for a Construction Manager-at-Risk for such Ballpark construction project.

BACKGROUND / DISCUSSION:

The proposed resolution requests that the City Council formally authorize the use of the Construction Manager-at-Risk as the alternative construction project delivery method for the construction of the Triple-A Baseball Stadium Project and allows the City Engineer the ability to issue a Request for Proposals. This resolution is being considered concurrently with a resolution that would establish the local procurement policy adding the Construction Manager-at-Risk method as an alternative project delivery system in accordance with state requirements.

PRIOR COUNCIL ACTION:

AMOUNT AND SOURCE OF FUNDING:

BOARD / COMMISSION ACTION:

(N/A)

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____



Information copy to appropriate Deputy City Manager

RESOLUTION

WHEREAS, on July 20, 2004, the City Council adopted a resolution approving the use of alternate project delivery methods for construction projects pursuant to Section 271.113 of the Texas Local Government Code (now Section 2267 of the Texas Government Code) that provides the best value to the City;

WHEREAS, concurrent with this resolution, City staff has recommended that the Council approve adding Construction Manager-at-Risk as an alternate project delivery method for the design, construction, rehabilitation, alteration, or repair of City facilities as set forth in the Construction Manager-at-Risk Procurement Policy;

WHEREAS, the City's Construction Manager-at-Risk Procurement Policy designates the City Engineer to determine, before advertising, which alternative project delivery method for construction provides the best value to the City, provided that that the Council shall approve the issuance of a Solicitation for any Construction Manager-at-Risk project prior to its issuance;

WHEREAS, the City Engineer has determined that Construction Manager-at-Risk is the alternative project delivery method that would provide the best value to the City for the Ballpark construction and requests the Council's approval of the issuance of a Request for Proposals for a Construction Manager-at-Risk for such Ballpark construction project;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT the use of the Construction Manager-at-Risk alternative project delivery method for the Ballpark construction project is approved and the City Engineer is authorized to issue a Request for Proposals for a Construction Manager-at-Risk for such Ballpark construction project.

PASSED AND APPROVED this _____ day of _____, 2012.

CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Bertha A. Ontiveros
Assistant City Attorney

APPROVED AS TO CONTENT:



R. Alan Shubert, P.E., City Engineer
Construction and Engineering Department



Construction Manager-at-Risk Proposed COEP Procurement Policy



September 18, 2012



Overview

- Requesting City Council's approval of two resolutions to:
 - Adopt Procurement policy for Construction Manager-at-Risk (CMAR) as a method of construction procurement
 - Specifically authorize use of CMAR two-step process for Ballpark construction project
- Allows City Engineer to issue a Request for Qualifications followed by a Request for Proposals



Intent

- Responsive to consistent City Council direction to identify and implement a range of modernized procurement methods
 - Potential to reduce costs and construction schedules
 - Facilitate individual project needs while providing best value to the City
 - Address variant needs of projects planned and programmed for execution in the near and immediate horizon



Why Construction Manager-at-Risk?

- Ability to expedite construction schedule
 - Eliminates step of separate bidding process
- Requires an ongoing interactive approach
 - EX: Ballpark Project
 - COEP
 - Design Team
 - Construction Manager
 - Ownership Group
 - Concessionaire
 - Baseball Team



Why Construction Manager-at-Risk?

- Constructability reviews embedded in process
 - More flexibility to tailor project phasing
- Potential for change orders decreased



Purpose

- State law allows this method for design, construction, rehabilitation, alteration, or repair of a facility
 - Improvement to real property (“vertical” construction)
- CMAR serves as general contractor
 - Must be a sole proprietorship, partnership, corporation, or other legal entity
 - Assumes risk for construction, rehabilitation, alteration, or repair of a facility at contracted price
 - Provides consultation to the City regarding construction during and after the design of the facility
 - The contracted price may be a guaranteed maximum price
- The City will separately contract an architect or engineer to prepare construction documents



Required Authorizations

- The City Engineer will determine, before advertising, which alternative project delivery method for construction provides the best value to the City
- The City Council shall authorize the Construction Manager-at-Risk method for a specific facility project
- The City Council shall authorize the issuance of a Solicitation for any Construction Manager-at-Risk project prior to its issuance
 - Establishes if a one or two-step process will be used
- Any final contract shall be posted for the award of contract by the City Council
 - Shall not be effective until Council approves such contract and authorizes its execution



Process Overview

- The procedure for the selection of a Construction Manager-at-Risk can be a one or two-step process:
 - One-Step Process: ***Request for Proposals only***
 - Qualifications & cost evaluated to short-list
 - » Fewer than five selected
 - Fee is negotiated with top-ranked proposer
 - Two-Step Process: ***Initial Request for Qualifications followed by Request for Proposals***
 - Phase One- Request for Qualifications (RFQ) to short-list
 - » Cost can not be considered
 - » Fewer than five selected
 - Phase Two-Request for Proposal (RFP) based on fee proposal



Responsibilities of Construction Manager

- Shall publicly advertise and receive bids or proposals from trade contractors or subcontractors for performance of all major elements of the work
 - Does not include minor work included in general conditions
 - CMAR may seek to perform portions of work itself
 - A bid or proposal must be submitted in same manner as all other trade contractors or subcontractors
 - City must determine that the CMAR's bid or proposal provides the best value for the City



Evaluation Criteria

- Criteria established to meet specific project needs
- Will include the following evaluation factors:
 - The proposer's experience and reputation
 - The quality of the proposer's goods or services
 - Ability to comply with rules relating to historically underutilized businesses
 - The proposer's safety record
 - The proposer's proposed personnel
 - The health benefits proposer provides to its employees
 - Whether the proposer's financial capacity is appropriate to the size and scope of the scoped project
 - Any other relevant factor specifically listed



Overview-Recap

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Comments/Questions