CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

April 21, 2009

Agenda Item: 6.6

Subject: Adoption of Resolution No. 09-0809—Authorizing Use of the Construction Manager at Risk (CM at Risk) Project Delivery Method for PE Phase III at Las Positas College in accordance with Government Code Section 4526

<u>Background:</u> Following the PE Phase I (PE Complex) and PE Phase II (Aquatics and Soccer Field), Las Positas College is proceeding with the PE Phase III (Baseball & Softball Fields, Multi-Use Practice Fields, Tennis Courts and Cross-Country Running Trail). A unique challenge has presented itself in this next phase due to the need to build only a portion of the total PE Phase III program. The District needs to carefully select components of the project to obtain the best combination of sports program functionality and future development flexibility.

Government Code Section 4526 provides for an alternative project delivery system called Construction Manager at Risk (CM at Risk). In this system a Construction Manager (CM) is chosen based upon qualifications, experience and an overhead and fee price proposal. A contract is created with the successful CM to solicit competitive bidding for each of the individual subtrades on the project. These sub-contractor bids are then gathered and opened with college representatives to determine the final construction team and final price.

Some of the advantages of utilizing this delivery method in lieu of the traditional design bid build method are:

- 1. The project schedule and cost can be improved by inviting contractors to compete for the project who are already mobilized on site, thereby reducing the construction complexity created by the current site conditions.
- 2. The subcontracted construction cost continues to be competitive by requiring the CM at Risk to competitively price the subcontracted work to a minimum of three subcontractors for each trade.
- 3. The CM at Risk firms provides competitively priced overhead and fee during the selection phase to ensure good value to the District.
- 4. Reduced Coordinating, scheduling and change order issues, corresponding to overall risk and cost reduction for the project.
- 5. Once competitive pricing is finalized, the CM at Risk converts to a lump sum price.

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<u>Recommended Action</u>: That the Board of Trustees adopt Resolution No. 09-0809— Authorizing Use of the Construction Manager at Risk (CM at Risk) Project Delivery Method for PE Phase III at Las Positas College in accordance with Government Code Section 4526.

Submitted: Jeffrey M. Kingston/Date

Approved: Joel L. Kinnamon/Date

APPROVED

_____ DISAPPROVED

TABLED