

April 13, 2009

SUBJECT: Selection of Delivery Method and Delegation of Authority to Enter into Contracts for Miscellaneous Campus Improvement Construction Projects.

RECOMMENDATION

That the Board of Trustees select the delivery method and delegate authority to the President to enter into contracts for the following miscellaneous campus improvements construction project.

- Item 1. Renovations of Testing Centers District-wide to Support Computerized Testing – Interlocal Contract Method.

RELATED BOARD POLICY OR PLANNING PRIORITY

This item is consistent with Board Policy E-2, Provision of College Facilities, and G-2, Purchasing.

RATIONALE

The items listed above are renovation and construction projects approved in the ACC Master Plan and budget. Texas Education Code Chapter 44.035(a) requires that the Board, in considering a construction contract, must select the purchase method that provides the best value for the district.

BUDGETARY CONSIDERATION

Funding is provided in the FY 2009 Facilities Improvement Budget or from General Obligation Bonds.

RESOURCE PERSONNEL

Ben Ferrell, Executive Vice President, Finance and Administration
Bill Mullane, Executive Director, Facilities and Construction

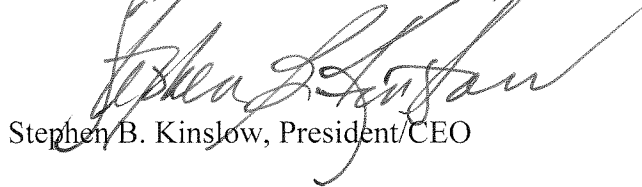
ATTACHMENTS

- A) Summary Descriptions of Projects
- B) Summary of Construction Methods

Respectfully Submitted By:



Ben Ferrell, Executive Vice President, Finance and Administration



Stephen B. Kinslow, President/CEO

Summary Description of Projects

Renovations of Testing Centers to Support Computerized Testing

ACC has purchased computers and other equipment to enable the implementation of computerized testing at Testing Centers at all instructional campuses. Upgrades to electrical, data and air conditioning systems serving the Testing Centers are needed to support the new equipment. This project will implement these upgrades at all seven campuses.

At this time, the work is estimated to cost approximately \$210,000. Funding for these renovations is available from the Facilities Improvement Budget. Staff recommends the Trustees select the Interlocal Contract method of procurement of the contract for construction. Staff also requests that Trustees delegate to the Administration the authority to enter into a contract for the construction of these renovations.

Construction Delivery Methods

The following is a summary of the construction delivery methods permitted by the Texas Education Code Section 44.031(a), applicable to community colleges.

Competitive Bidding (Design/Bid/Build)

Often referred to as the “traditional method,” it is used when the project is simple (i.e. parking) and can be designed with relative certainty as to construction cost. As the name implies, the owner selects an architect/engineer who designs the project. The project is then put out for construction bids and built. This method is appropriate for projects where little cost benefit can be added through alternative delivery methods that team a general contractor with architects/engineers during the design phase in order to estimate and control project costs, such as the CM at Risk methods described below.

Competitive Sealed Proposals

Similar to Competitive Bidding, pricing is not obtained and the builder is not selected until after construction documents are complete. However, instead of selecting the builder based on price alone, bidding documents must include other selection criteria in addition to price. The Owner selects the proposal offering the best value, based on all selection criteria, then negotiates a contract with the builder, based on the proposals submitted. Typically used for projects for which an early GMP is not required, and where estimates and constructability review during design are not deemed necessary.

Interlocal Contract

Selection of a builder through the use of a purchasing agreement negotiated through an Interlocal Contract with one or more other governmental entities. In this method, the cooperative or other entity administering the selection of vendors for participants in the Interlocal Contract follows the selection criteria appropriate for the purchasing method used. Currently, certain qualifying builders have been selected using the Job Order Contract (JOC) Construction delivery method by various cooperatives administering the selection of vendors for participants in the Interlocal Agreement. If a JOC or other contractor is to be selected through an Interlocal Agreement, the Interlocal Method is selected rather than the JOC method.

Design Build

Defined in the Education Code as single contract with a Design Build firm to design and construct a facility. Typically used when speed of project completion is important, and fairly standardized design is acceptable, such as for parking garages.

Construction Manager Agent

Historically the Construction Manager Agent was a construction management option when governments were still required to use a sealed bid method of selecting individual contractors, rather than a single negotiated Guaranteed Maximum Price for the project with the CM. Subsequent changes in the law relieved governmental entities from lowest bid requirements, allowing a “best value” approach, resulting in the Construction Manager at Risk method.

Construction Manager at Risk

Similar to CM Agent, and seen as an evolution of the CM Agent method, where the CM at Risk provides the owner with a Guaranteed Maximum Price (GMP), and accepts the financial risk for the project budget. Used in more complex projects where the owner obtains construction management expertise, usually from a general contractor, in advising the owner, working with the architects/engineers in the design phase, letting subcontracts, and managing construction on behalf of the owner. Perceived benefits of this method are in providing a team approach during design and construction between the owner, architect/engineers, and contractor.

Job Order Contracts (JOC)

Typically used for quick response times on small projects with minimal design requirements where a lengthy selection and bidding process is not cost effective. JOC contractors use a standard price list, and typically handle all construction and project management duties. If a JOC is to be selected through a purchasing agreement negotiated through an Interlocal Contract, the Interlocal Contract method must be selected rather than the JOC delivery method.