

*Request for Proposals for
Construction Manager at Risk
Lemmon School District*



*February 2019
Lemmon School District, South Dakota*

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Section 1 Advertisement for Proposals

Publish: Monday, February 18, 2019, February 25, 2019

Proposals shall be addressed “Lemmon School Building Project” and received by sealed envelope at Lemmon School District #52-4, 209 Third Street West Lemmon SD 57638 no later than 3 p.m., Tuesday, March 5, 2019. The names of the firms who submitted proposals will be publicly announced at 3:15 p.m. at the Districts business office.

The Lemmon School District reserves the right to reject any or all proposals, waive technicalities, and make award(s) as deemed to be in the best interest of the Lemmon School District.

Section 2 Selection Schedule

February 12 , 2019	RFP posted on Districts web site
February 18 and 25, 2019	Publish RFP twice, first publication at least 10 days prior
March 5, 2019	Proposals received, District business office no later than 3:00 PM on March 5, 2019
March 8, 2019	Anticipated selection of firms for interviews (3)
March 14, 2019	Anticipated interview dates
March 14, 2019	Anticipated limited Notice to Proceed (subject to Board approval)

Section 3 Introduction

The Lemmon School District (“District”) is seeking a Construction Manager at Risk (“CMAR”) to provide preconstruction and construction services for the construction of a new middle school. These services will be coordinated with a soon to be determined architect, the “Architects”).

The AE team and the selected CMAR will be expected to provide maximum effort to break ground on the project in the summer of 2019.

Section 4 Project Overview

The Lemmon School District, requests proposals for Construction Manager at Risk Services for the following:

Develop adjacent site east of Armory into a new JR/SR High School. Initial program estimates an addition of 40,000 sq ft would be needed, and some light remodel of existing spaces.

Section 5 Project Delivery System

The Lemmon School District intends to enter into an open book Cost of the Work plus a Fee with Guaranteed Maximum Price (GMP) contractual arrangement with the selected CMAR for the construction work required, but will retain the option to select a different CMAR after the completion of the preconstruction services or utilize a different selection and/or bidding process if deemed to be in the District's best interest.

Section 6 Project Budget

The total project cost is estimated to be \$10 Million. Delivering the completed project within this budget is a high priority. It is imperative the District, the AE team, and the CMAR team (collectively the "Project Team") work cooperatively and successfully to keep the final cost of the construction within this fixed budget.

Section 7 Construction Manager at Risk Scope of Work

The following summary is intended to provide a general understanding of the Districts expectations and is not all inclusive.

Preconstruction Services and Activities

The Preconstruction Services of the CMAR will begin immediately with preparing a cost estimate of the design development documents prepared by the Architects. The CMAR will be expected to actively participate in all design meetings, tours of comparable buildings, constructability reviews, periodically provide cost estimates during the design process, and ultimately develop a Guaranteed Maximum Price (GMP) after the AE completes Construction Documents (CD) in 2019.

More specifically, the CMAR shall provide the following preconstruction services and activities:

Cost Management:

- Assist the District and AE to keep project within the fixed project budget.
- CMAR to provide recommendations to the AE and District regarding materials, building components and systems and also evaluate building systems, components and materials for long term performance, life cycle cost analysis and economy.
- CMAR to provide cost control resources for the Project Team which includes reviewing and monitoring the development and preparation of documents to maintain the project cost within the project budget. CMAR to notify the AE and District of potential cost issues during the development of the drawings and specifications that may have an impact on the cost of the work. Work collaboratively with the District and AE to develop alternatives to keep the project estimates within the fixed budget.
- CMAR to provide formal review and comments, and cost estimates at 100% Design Development ("DD") documents including evaluating costs of alternatives.

- CMAR to provide a Guaranteed Maximum Price (“GMP”) at the conclusion of Construction Documents. GMP to include pricing of alternates as defined by the AE which will be equal to approximately 5% of the GMP.
- CMAR to develop a strategy for issuing bid packages that facilitate the completion of the scope of work.
- The Project Team to consider early selection of the mechanical and electrical subcontractors to provide design assist services to the AE. These Subcontractors shall provide pre-construction support services during the design phases in addition to the Construction Manager’s services. If the Project does not proceed, these Subcontractors shall not be entitled to any compensation.

Construction Planning and Scheduling:

- CMAR to work with the District and AE to develop a work plan for design activities in support of the schedule and budget for the project.
- Evaluate all systems, components, and materials for constructability, economy, long-term performance for use intended and schedule impacts, and provide recommendations for preferred options consistent with cost and schedule goals.
- Identify long lead items requiring early bid packages and recommend issue dates for same to meet required completion date.

Other

- Assist the District in working with various governing authorities as requested.
- Work with Project Team to develop a project communication system that is effective for the participants and meets the schedule requirements of the project.

Construction Phase Services and Activities

Project Management Team:

- CMAR to provide competent, experienced full-time staff, including an experienced construction field superintendent and project management team to coordinate the work, maintain the progress of the subcontractors, coordinate with ongoing activities and operations, and provide overall direction to the project during the construction phase. Establish on-site organization and levels of authority to carry out the overall plans of the construction team.
- Demonstrate high levels of effective, proactive project leadership.
- Work cooperatively and constructively with members of the Project Team to foster positive relationships that support positive outcomes for the team members and the project.
- CMAR will be contractually obligated to not reassign key staff members to other projects without the District's prior written consent. District will have approval rights of any and all new personnel assigned to this project.

Cost Management

- Implement effective cost management control and tracking procedures to provide the District with the opportunity to make such decisions as required to keep project cost within the fixed budget.
- Implement and maintain cost control methods with "open book" sharing of cost information.
- CMAR to inform the District of pending cost issues within five (5) business days of identifying potential issues.
- Implement and maintain a current log of pending cost issues impacting the final cost of the project and review no less than monthly with the District.
- Provide drawdown and cash flow projections for the project during construction and update as necessary.
- Work with the District and AE to develop and implement a change management process for the project.

Procurement

- CMAR to manage bidding process, evaluate proposals, and interview subcontractors (along with the AE and District). Project Team to utilize, by mutual agreement, any of the following methods for awarding contracts to subcontractors for portions of the work: competitive bid, best value, and negotiated terms. For those subcontracts to be awarded

on a competitive bid or best value basis, CMAR to obtain a minimum of three (3) competitive bids for each sub-trade category unless otherwise authorized by the District and shall interview at a minimum two (2) bidders with the Project Team. CMAR to provide a written award recommendation to the District for each recommended sub-contractor.

- If the Construction Manager desires to self-perform portions of the work, the construction manager must follow the competitive bid requirements of SDCL Chap 5-18 with respect to those portions of the work. Following the District's approval of recommendation, CMAR to award and administer all subcontracts and material purchases.

Coordination Meetings

Conduct weekly job site meetings that include appropriate subcontractors, District representatives, and AE representative to review open issues, schedule work, and resolve pending or upcoming issues. CMAR to prepare a written agenda in advance of each meeting. CMAR to maintain a list of action items with identification of responsible party and due dates for each item. CMAR to distribute written meeting minutes and action item lists within 48 hours of each meeting.

Schedule Management

- CMAR to prepare and manage a logic-based project schedule indicating key milestone events, dates and responsibilities. Project Schedule to include design efforts, preconstruction activities, procurement and construction activities. CMAR to provide regular monitoring of the actual progress versus the scheduled progress, identify any variances and prepare a written action plan along with an updated schedule to maintain the scheduled completion dates.
- CMAR to determine the adequacy of the subcontractors' personnel and equipment and the availability of materials and supplies to meet the schedule. Report status no less than weekly in regular weekly coordination meetings.
- CMAR to prepare a short-term (3 to 4 week look-ahead) schedule on a weekly basis.
- Coordinate District-purchased and/or third party provided furniture, fixtures and equipment with construction of the project.

Project Reporting

CMAR to prepare a monthly report with each progress billing that details a project work status report, buy-out to schedule of value analysis, contingency status, schedule status and project progress commentary with applicable job-site photos. Provide other formal communications as requested by the District.

Quality Management

CMAR to complete a quality/coordination/constructability review of each bid package prior to issuing bid documents to subcontractors.

Complete construction of the work in strict accordance with the quality requirements established by the contract documents.

All testing and independent inspection services required will be secured and paid for by the District. CMAR to cooperate and coordinate with testing and inspection service agencies. CMAR will be responsible for the cost of excessive additional testing due to failed tests.

Develop an initial CMAR punch list to subcontractors prior to formal punch list issued by AE. CMAR to insure completion of CMAR's initial punch list prior to AE's punch list walk thru.

Work cooperatively with the Project Team to develop and implement an effective commissioning plan.

Safety

Implement a formal project specific safety plan.

Project Closeout

Timely submission of operation/maintenance manuals, completed punch lists, coordination of training, submission of as-built field documents, and financial close-out of project. CMAR to actively support and participate in commissioning activities.

Section 8 Form of Owner/Construction Manager at Risk Agreements

The District intends to utilize an amended AIA Document A133-2009. This will form the basis of the Agreement between the Owner and CMAR. An amended AIA Document A201 – 2007 General Conditions of the Contract for Construction with added supplementary conditions will also be utilized.

This RFP will be superseded by the Owner/Construction Manager Agreement and its related contract documents.

Section 9 Submittal Requirements

Submit eight (8) paper copies and an electronic PDF version of the proposal. The proposals should be in an 8 1/2-inch by 11-inch bound package. 11-inch by 17-inch size sheets folded into 8 1/2-inch by 11-inch size within the package are acceptable. The proposal to include photos of past projects and should be limited to 15 pages (one sided) with a font size no smaller than 11 point. The electronic PDF version to be e-mailed to: Anita Stugelmeyer, Business Manager, Lemmon School District 52-4 at anita.stugelmeyer@k12.sd.us

The submittal must contain the following information:

1. Cover Letter: Provide name and address of the firm(s) and project contact person with address, telephone number, and email address. Acknowledge receipt of any addenda if applicable. Summarize your understanding of the project scope and services being required. Provide a statement indicating your ability to provide timely services for this project and to meet the requirements of the proposed schedule. Indicate your acceptance of the requirements of this RFP including the referenced Owner/Contractor Agreement documents. Provide a one-page summary of the benefits you believe the Owner would receive from selecting your firm.

The cover letter must be signed by a duly authorized official of the firm. Consortiums, joint ventures, or teams submitting proposals must establish

contractual responsibility solely with one company or one legal entity. Each submittal should indicate the entity responsible for execution on behalf of the proposal team.

2. Project Team

a. Include an organizational chart showing your proposed staff for both the preconstruction and construction phases of the project. Specifically identify project executive, project manager and on-site day-to-day project superintendent for the construction phase, the availability of each person during the term of the project and their history of working together on previous projects. Indicate experience of key team members working together on past projects.

b. Provide résumés or a listing of information for each person included in your proposed project team. State the educational background of each individual, years of experience, length of employment with your firm, and previous project experience. For each person, list specific responsibilities on this project, experience on projects of similar sizes and types, specific qualifications applicable to this project, and current work assignments and availability for this project.

c. List other assignments your Project Manager will be handling during the period of assignment to our project.

d. For the Project Manager, Superintendent, and other “key” staff members proposed, provide client references from two of their most recent projects and two architect/engineer references (contact person and telephone number).

3. Project Approach and Management Capabilities: Provide a description of your project approach and management capabilities as it relates to the following areas:

- a. Commitment to building positive team working relationships.
- b. Preconstruction services. Describe your firm's approach to preconstruction services. Provide an estimate of the number of total anticipated hours for the assigned personnel prior to the District's acceptance of the GMP.
- c. Cost management. Describe the level of detail included in your cost estimates as various phases of design. Describe three examples that demonstrate your firm's creativity in value analysis/engineering and constructability reviews.
- d. Describe your change management process and reporting during and construction.
- e. Submit a preliminary overall project schedule for the key activities from the date of the notice to proceed through project construction.
- f. Safety: A description of your organization's approach to managing safety on construction projects. Also include an overview of your company's recent safety record and your company's experience modification rate (EMR) for the last three (3) years.
- g. Quality: A description of your organization's approach to quality control on construction projects.

4. Relevant Project Experience: Describe a minimum of two (2), similar projects in size, region, and scope constructed within the past ten (10) years. Also please provide examples of other projects that required high humidity environments. Provide information on each project that will allow the Selection Committee to evaluate your work against the selection criteria noted in this RFP. Indicate for each project the following minimum information:

- a. Name of project, location, and construction date.
- b. Types of multi-purpose functions included in project.
- c. Client and architect contact information. Include phone number and email address.

Proposers may provide preprinted brochures or other literature you feel will be helpful in understanding your firm's unique capabilities and experience. Do not include this material in the body of your proposal.

5. Statement of financial strength/stability and insurance coverage. Provide the following information about your firm:

- a. Name and contact of your organization's surety and description of bonding capacity available. Additionally, provide a statement from a surety company authorized to do business in South Dakota indicating the firm(s) ability to obtain a performance and payment bond in the amount of not less than \$20 million.
- b. Name of your insurance carriers and a description of the insurance coverage your firm could provide.
- c. Name and contact information for your primary bank.

6. Special Resources: A description of special resources or capabilities your organization could employ on the project which would enhance the value your organization would bring to the project.

Describe what steps your company has taken during recent years to be innovative and progressive in the development of your business and state how these activities serve your clients.

7. Acknowledgement and certification statements:

- a. Certify that your Response to RFP will remain in effect for 30 days.
- b. Certify that all representations stated in the Response to RFP are true and accurate.
- c. Acknowledge that all materials submitted in the Response to RFP will become property of the Lemmon School District
- d. Acknowledge that all costs associated with preparation of the Response to RFP

will be the responsibility of the proposing CMAR.

CMAR Fee and General Conditions Worksheet and Questionnaire shall not be included in the proposal. Completion of this worksheet will be required of shortlisted firms and shall be delivered to the Technical Review Committee at the interview in a sealed envelope labeled “CMAR Worksheet and Questionnaire” along with your company name.

Section 10 Questions and Addenda

Questions regarding this RFP shall be submitted in writing or email to the following:

Tobin Morris, Sr. VP,
Dougherty and Company
215 W. Sioux Ave.
Pierre, SD 57501
tmorris@doughertymarkets.com

Responses to questions will be issued to all participants. Shortlisted firms will be interviewed on the dates indicated in Section 2 of this RFP. Order of interviews will be in alphabetical order by company name. No addenda will be issued after 5 p.m. on the date indicated in Section 2 of the RFP.

Responding firms are prohibited from communicating in any other manner about this project with any other District employee or any member of the AE's firm. Other means of communications or contact may disqualify the submitting firm.

Section 11 Review of Proposals and Selection of Finalists for Interviews

To be considered for the shortlist selection, the firm must demonstrate the ability to provide a performance and payment bond in the amount of not less than \$20 million as described in section 9.5.a.

Upon receipt of the proposals, the selection committee will determine a short list of no more than three firms whose proposals are deemed most qualified based on the following criteria:

1. Company background and applicable experience
2. Project approach and management capabilities
3. Financial and bonding capacity
4. Other factors deemed applicable

The short list of those firms deemed most qualified will be invited to participate in an interview. The Lemmon School District reserves the right to reject any or all proposals and issue subsequent Requests for Proposals.

Section 12 Interviews

The order of interviews will be determined by the selection committee. The interview will consist of up to a 30 minute presentation by the CMAR, followed by a question and answer session, and a 5 minute wrap-up. The proposed key project personnel must participate in the interview. Only project personnel who will have an active key role in the project should participate in the interview. An agenda will be provided.

Interviewed firms will be requested to provide detailed information on their fee and general conditions. The requested information will be required to be submitted two days prior to the scheduled interview time.

Section 13 Selection Criteria

The selection committee will rely on the qualitative information contained and presented in the proposals, interviews, and reference checks in making the decision to select the most qualified firm to provide services for this project. Selection criteria will be based on:

1. Experience, qualifications, and availability of proposed team leaders
2. Broader team structure
3. History of project team working together on similar projects
4. Technical work process
5. Proposal, interview and response
6. General Conditions and fee
7. Other factors deemed applicable

Upon completion of the interviews, the firms will be ranked. The Lemmon School District will start negotiations of the contract with the highest ranking firm. If an agreement for services cannot be reached with the highest ranked firm, the District will move to the second ranked firm. The same process will be repeated with the other ranked firms if no such agreement can be reached. The Lemmon School District reserves the right to not select a firm as part of this process if an agreement cannot be reached with the interviewed firms.

Acceptance of a proposal shall be by written notice to the construction manager submitting the accepted proposal and by simultaneously notifying in writing the other construction managers that their proposals were not accepted.

Section 14 Special Conditions

Excluding proprietary information, the proposal and the professional service contract of the CMAR awarded the contract are deemed public records and shall be available to the public upon request. In addition, the District shall maintain a "Register of Proposals for a Professional Service Contract," which shall contain the names of firms who submitted a proposal and the name of the firm who was awarded the contract; however, the proposals of the submitting firms not awarded the contract are nonpublic records and will remain confidential.

CMAR Fee and General Conditions Worksheet and Questionnaire

CMAR FEE

Preconstruction Fee (management staff time, overhead and profit beginning at the time of contract award and ending at the time of the GMP)	\$
Percentage of Cost of the Work (beginning at GMP through project completion. The percentage will be converted to fixed fee at time of GMP)	%
Please define in writing what is included in your CMAR fee vs. Cost of Work	

Not to Exceed CMAR Management Staff General Conditions

Management Staff General Conditions	\$
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Based on the schedule outlined in the RFP, provide a not to exceed price for staff related general conditions beginning at the time of the GMP through project completion. Price to include home office staff and on- site management including all necessary staff general conditions such as benefits, bonuses, vacation time, personal time off, cell phone, mileage, per diem, relocation, etc. Price to include office trailer including copiers, furniture, computers, phones, radios, office supplies, etc. Please provide detailed line itemization of buildup of the price quote.

Do NOT include project general conditions such as utilities, dumpsters, temporary toilets, safety equipment, hoisting, snow removal, periodic and final clean, etc. as they are intended to be reimbursed at actual cost without profit markup.

Reimbursable General Condition Costs

Full insurance package expressed in dollars per \$1,000 of construction costs. (Include type and limits of coverage).	\$	Comments
Performance Bond	%	

Please include a company 2019 equipment rental rate schedule

Please comment on the following:

1	Bonding rate, total bonding line, line available, surety provider & agent (reference contact).
2	Confirmation that your firm will have General Conditions % mark-up on change orders using the General Conditions % at time of GMP
3	Willingness to forgo CMAR fee on change orders within 5% of GMP?
4	Labor burden rate for general conditions field labor (straight time and overtime)?
5	Small tools: % of field labor.
6	Equipment rental rate structure (owned & 3rd party rentals). Willingness to cap rental costs at no more than purchase price? Willingness to discount from AED rates?
7	Confirmation that your firm will have an open bid/open book policy with the District on all aspects of the project including providing subcontractor buy-out costs vs. line item estimates carried in the GMP.
8	Acknowledgement that your firm is willing to return buyout savings, reduce construction contingency incrementally during construction rather than at end of project.
9	Recommended Contractor Contingency at Design Development and GMP stages (% of construction
10	Recommended inflation factor to be included within GMP.
11	Recommended Owner Contingency (% of construction cost).