

Business Operations
J.E. Surash, P.E., Chief Business Officer

**SUBJECT: REPORT ON SELECTION OF CONSTRUCTION CLAIMS
CONSULTANTS**

COMMITTEE: FACILITIES MANAGEMENT

Introduction:

At its meeting of October 22, 2003 the School Board directed the Superintendent to present a report on the selection of construction claims consulting firms, to include, rationale for the selection, selection criteria, administrative oversight of the construction claims firms, and list of construction and procurement reforms to date.

Background:

The first time that a construction claims consultant was hired as a direct consultant to the School Board was June 21, 2000. At that time, one firm, MIA Consultants (MIA), was commissioned by the Board for a 2-year term, which ended on June 20, 2002. Sometime in December of 2001, all A/E selection files were retrieved by the School Board Attorney's Office (BOA) and handed over to the Miami-Dade County Public Corruption Unit. As such, detailed information on the selection process leading up to that commissioning was not readily available for this report. However, the information that was available indicates that the legal advertisement requesting proposals from claims consulting firms was issued in January of 2000. A total of nine (9) proposers responded and out of those, five firms were interviewed as potential candidates, and one firm, MIA, was eventually recommended to the Board for commissioning (see Attachment 1). Detailed information gleaned from the files relative to the 2002 selection and commissioning is provided in the following section of this report.

Additional Information:

A request to issue a Request for Proposals (RFP), for the selection of one or more firms to provide Construction Claims Consulting Services was approved by the Board on May 15, 2002 (see Attachment 2). The RFP was advertised on May 20, 2002 and the following six firms submitted proposals on June 6, 2002:

Construction Management Services, Inc.
Gaudet Associates, Inc.
Indigo Services Corp.
MIA Consultants
PACO Group, Inc.
Post Buckley Schuh & Jernigan

**REVISED
REPLACEMENT
E - 16**

The six proposals were evaluated, and out of these four were short-listed by District staff using the RFP requirements and criteria. Four firms were interviewed and eventually, two firms, MIA Consultants and Post Buckley Schuh & Jernigan (PBS&J) were recommended by a district interdisciplinary team, and subsequently commissioned by the Board at its August 21, 2002 meeting. Attachment 3 provides detailed information on the firms' evaluation and selection process, including the score sheets. As can be seen, both of the referenced firms received high overall scores from the selection committee, thus providing a basis for the recommendation to the Board.

Work assignments to the claims consulting firms are coordinated and overseen by the District's Capital Construction Compliance department. In the past, these assignments have included but not been limited to:

1. Preparing detailed cost estimates for claims analysis;
2. Conducting document coordination and constructability reviews to identify and document errors, omissions, and/or conflicts among the several work elements;
3. Conducting value engineering studies of selected projects and/or building systems in response to claims;
4. Analyzing change order requests presented by contractors on selected projects, to determine and ascertain validity of cost elements and time extension requests;
5. Reviewing and evaluating construction schedules for compliance;
6. Providing full contract claims analysis on selected projects; and
7. Providing investigation, determination of responsibility, and recommendations for correcting deficient work.

One of the projects assigned to the two firms was an investigation of water intrusion, along with mold and mildew at a number of school facilities built over the last ten years. Around May of this year, when it became apparent to staff that a more comprehensive approach was needed to address these issues, further work by the firms was halted. Further, upon the recommendation of the Capital Construction Compliance department, the second year option of the two-year term for both of the above referenced construction claims consultants, i.e. MIA and PBS&J, was not exercised. This was due to the department's belief that the amount of claims consulting work at that time and in the near future, was not sufficient to require the extension of these contracts.

Summary of Construction and Procurement Reforms:

In terms of construction and procurement related reform measures, several changes to both staffing and procedures have either been fully implemented or are under development to streamline and strengthen controls and quality in the areas of design and construction. A list follows of the most noteworthy measures.

1. Implementation of a directive for "no change orders" by owner/user after approval of design schematics;
2. Enforcement of quality inspection reports for all new construction to be added to punch lists, and to be addressed fully prior to close-out;
3. Conceptualized and co-sponsored the two-day Construction Industry Retreat, which was heavily attended and generated scores of recommendations (a matrix of those was prepared for tracking and was used by FMI in its assessment);
4. Invited the Council of Great City Schools to send a Construction Peer Review Team to study our construction process, procedures and organization. The Peer Review Team recommendations were similarly indexed in the construction matrix, which was also provided to the Oversight Board and FMI;
5. Approval of a Board Rule adopting contractor debarment procedures. The Office of Building Code Compliance (BCC) is also assisting the pre-qualifications department with the development of a new procedure for contractor pre-qualification and disqualification for unsatisfactory performance;
6. Modification to construction inspection procedures which establishes a line of reporting for the BCC through the Chief of Staff, and ensures that the BCC acts as an independent plan review/inspection group;
7. Retainage is being consistently held until punch list completion, which includes quality control issues.
8. As an interim measure to achieve greater accountability and provide the District with the ability to cost account at the project level, Staff has completed population of fields for capital construction projects using COMPASS (current mainframe system). Analysis and research for a new system is ongoing and RFP issuance is expected in early 2004;
9. Increased attention is being paid at all levels to document poor contractor performance throughout the project in the event assessment of liquidated damages becomes appropriate. This activity is being closely coordinated with the District's BCC department and Maintenance Operations;
10. A Construction Delivery Protocol was approved by the Board at the August 20, 2003 meeting which expedites and standardizes the decision making process;
11. The School Board approved modifications to a Board Rule and procedures to increase the threshold of continuing A/E contracts in connection with construction projects with a value of up to \$1,000,000/project (from \$500,000/project) at the May 23, 2003 meeting. This greatly enhances the District's ability to directly assign projects to A/E firms;

12. Board Rule changes and document modifications to the Procedures for the Selection of Construction Management (CM), to include procedures for the selection of CM at-risk and Program Management, was passed on initial reading by the Board at the meeting of October 22, 2003. These changes will produce time savings since they propose advertisement and selection processes that bundle projects by similarity, and dollar value;
13. As part of the 5-year work program, a plan of action has been formulated to bundle projects starting with A/E selection and eliminate unnecessary redundancy. Staff anticipates that eleven new projects budgeted in FY 03-04 will be commissioned to a Design Criteria Professional by April/May of 2004. Staff estimates that this represents a collective time savings of anywhere from six to eight months;
14. New Facilities Lists have been approved addressing the class size amendment and standardizing instructional spaces. This latter measure, spearheaded by Board Member Barrera, is estimated to achieve sizable cost savings over time;
15. The formulation of a total building commissioning process is underway and selected staff from Capital and Maintenance have received the pre-requisite training. Staff estimates that total building commissioning will be in place in the District during the first quarter of 2004;
16. Major modifications to the Project Architect/Engineering contract have been drafted, and are currently under review against best practices in other peer school districts. Similar modifications to other professional consultant contracts are underway;
17. Conclusion by FMI of its assessment of the District's Facilities Construction Department, which was presented to the School Board at a workshop held November 3, 2003, and presentation of a preliminary roll-out plan for implementation of the FMI recommendations report to the School Board at its meeting of November 19, 2003.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, receive this report in response to the October 22, 2003 REVISED Agenda Board Item D-7.

JES:ARC:NAD:aj