

Dr. Lawrence S. Feldman, Board Member

SUBJECT: CONSTRUCTION BIDDING PROCESS

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO

STRATEGIC PLAN: IMPROVE FINANCIAL HEALTH OF THE DISTRICT

During the last two decades, Miami-Dade County Public Schools (M-DCPS) has employed a variety of construction project delivery methods, including conventional hard bids, Design-Build and Construction Manager at-Risk. The choice of a particular delivery method has depended on factors which include: timing and amount of construction work to be executed, complexity of the project, construction market conditions and other factors impacting availability of qualified firms. For example, the Design-Build delivery method, which contractually partners the architect and engineers with the builder as one entity, was first approved by the Board in the mid-1990s. Design-Build was used extensively for large additions and new construction projects in connection with the voter approved General Obligation Bond of 1988. More recently, since 2004, M-DCPS and other large Florida school districts have primarily utilized the Construction Manager at-Risk method for delivering most capital projects.

The following describes key characteristics of the three primary delivery methods currently utilized by the District:

1. Conventional Hard Bid

- Intended to provide the Owner with the lowest price based on market conditions at time of bidding
- Sequential process requires the full completion of design documents prior to soliciting bids
- The project is bid in a competitive scenario
- The contractor's bid covers only items that are clearly depicted on the design documents, thus there is increased potential for change orders and claims
- Most suitable for well-defined new construction projects on undeveloped sites with minimal unknown conditions as well as for repeated/prototype designs

2. Design-Build

- Requires a Design Criteria Professional (DCP) to develop bidding documents and, in some cases, a preliminary design for the competitive bidding phase
- Owner selects and contracts with a design-build team
- Enables "fast-tracking" to compress the overall project schedule

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- Owner yields some control over the design phase, as the architect is typically contractually obligated to the builder rather than to the Owner
- Typically results in fewer construction change orders or claims as the architect of record is partnered with the builder
- Better suited to new construction or major additions with a well defined scope

3. Construction Manager at-Risk

- Owner controls the design process and selects the architect and builder (construction manager) separately
- The construction manager is involved in the early stages of design and site investigation to develop a collaborative approach among the project team
- Reduces owner's risk thus the likelihood of change orders and claims is minimized
- Initial cost is higher since it includes pre-construction services and the assumption of greater risk by the construction manager
- The work of sub-contractors is competitively bid and the construction manager's fee is negotiated as part of the Guaranteed Maximum Price
- Enables "fast-tracking" to compress the overall project schedule
- Most suitable for complicated projects requiring multiple phases at existing school sites or at sites with unknown conditions

In order to further improve transparency, it is important that the Board be aware of the intended delivery method for future construction projects. Consequently, Board items recommending commissioning of a design professional should define the intended construction delivery method as well as a summary of staff's rationale for selecting that method.

**ACTION PROPOSED BY
DR. LAWRENCE S. FELDMAN:**

That The School Board of Miami-Dade County, Florida, direct the Superintendent to identify in the Board Item the intended construction delivery method and the rationale for selecting said method when a design professional is commissioned for a construction project.