

Office of School Facilities
Jaime G. Torrens, Chief Facilities Officer

SUBJECT: COMMISSIONING OF KALEX CONSTRUCTION & DEVELOPMENT, INC., FOR PART II CONSTRUCTION MANAGEMENT AT-RISK MISCELLANEOUS SERVICES FOR PROJECTS WITH CONSTRUCTION VALUES UP TO \$2 MILLION EACH FOR FOUR YEARS

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Introduction

Twenty-six firms responded to the original Requests for Qualifications (RFQ) for Construction Management at-Risk (CMR) miscellaneous projects with construction values up to \$2 million each for four years, with extensions at the option of the Board. Twenty-three firms were interviewed, ranked, and subsequently, fifteen firms have been commissioned by the Board in Part I and in Part II.

As discussed at the January 17, 2013 Board workshop, the District continues to build the necessary capacity of CMR for General Obligation Bond projects. Consequently, staff has successfully negotiated with Kalex Construction & Development, Inc. (Kalex), as an additional CMR firm (Part II), under this RFQ. Commissioning of Kalex is recommended contingent on Board approval of Agenda Item F-80 for Contractor Pre-qualification at the August 7, 2013 School Board meeting. Kalex will be limited to their Pre-qualification Certificate single dollar amount per project.

Terms and Conditions

- A. The services include pre-construction services (design review through bidding), development of a Guaranteed Maximum Price (GMP) for construction and upon acceptance of the GMP, the actual construction of the project(s). Upon each project assignment, via work order(s), the Board and the CMR Miscellaneous firm shall agree to the level of service each project will require.

Kalex has agreed to provide the requisite pre-construction services for the miscellaneous projects including, but not limited to, the following:

- Review all design and construction documents prepared by the Project Architect/Engineers as well as any existing on-site and off-site conditions, to ensure constructability of the project(s).

- Provide the District with value engineering analysis, cost saving recommendations and estimates throughout the various phases of design.
 - Prepare a master construction schedule to identify potential time saving measures and to facilitate the timely completion of the project(s).
 - Coordinate with district staff and Project Architect/Engineers to ensure that all necessary on and off-site testing, permitting applications and regulatory agency reviews are accomplished.
 - Identify all the various bid packages needed to successfully execute the project(s), and conduct pre-bid conferences with qualified sub-contractors, material suppliers and equipment vendors.
- B. The negotiations with Kalex for services in accordance with Attachment A, Compensation and Payment Schedule include, but are not limited to, the following:
- The Attachment includes three compensation schedules for the firm. Schedule "A" shall be used for pre-construction services when projects are assigned with full phase I (Schematic Design), phase II (Design Development) and phase III (Construction Documents) design documents; whereas, Schedule "B" shall be used for pre-construction services when projects are assigned with combination phase II/III design documents. During each Design Phase, CMR services include, but are not limited to, design review, constructability review, value engineering, review of existing conditions, construction cost estimating and construction scheduling. Schedule "C" shall be used for accepted GMPs (including general conditions, bonds, insurance, over-head and profit).
- C. For projects with a construction cost less than \$50,000, the Board may direct Kalex to perform any specific service on a time and material basis plus a 20% mark-up or on a negotiated lump sum basis, whichever is more beneficial to the Board.
- D. The term of the agreement is for a period of four years and shall commence on August 7, 2013, with extensions at the option of the Board.
- E. The work will be assigned on the basis of the firm's capabilities, pre-qualification certificate amounts, workload and successful performance on previous assignments.
- F. The Board does not guarantee any minimum number of projects or any specific construction values. The Board reserves the right to limit the number of concurrent CMR Miscellaneous agreements held by a single firm.
- G. Cost for printing authorized by M-DCPS, shall be reimbursed by the Board on a direct cost basis.

- H. Kalex shall provide the required general liability insurance coverage, and performance and payment bonds, in accordance with the agreement and General Conditions of the Contract for Construction. Projects shall be individually bonded.
- I. The agreement provides for termination by the Board, with or without cause, upon written notice to Kalex; whereas Kalex may terminate the agreement, with cause only, upon thirty (30) days written notice to the Board.

Principal

The Principal of Kalex Construction & Development, Inc., responsible to the Board is Jorge Diaz. The firm is located at 6840 NW 77th Court, Miami, Florida 33166.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, commission the firm of Kalex Construction & Development, Inc., for Part II Construction Management at-Risk Miscellaneous services for projects with construction values up to \$2 million each for four years, as follows:

- 1) negotiated Compensation and Payment Schedules for miscellaneous projects ranging from \$50,001 up to \$2 million per project (construction budget) in accordance with Attachment "A";
- 2) for projects with a construction cost less than \$50,000, the Board may direct the CM at-Risk firm to perform any specific service on a time and material basis plus a 20% mark-up or on a negotiated lump sum basis, whichever is more beneficial to the Board; and
- 3) the Terms and Conditions, items A through I, as set forth in the body of the agenda item.

NAD:EF:ef

ATTACHMENT "A" (BOARD AGENDA ITEM F-25)

PART II CM at-RISK for MISCELLANEOUS PROJECTS - PRECONSTRUCTION SERVICES AND GMP FEES COMPENSATION & PAYMENT SCHEDULES

FIRM'S NAME: KALEX CONSTRUCTION & DEVELOPMENT, INC.

PROJECT CONSTRUCTION BUDGET	A. DESIGN PHASES I, II, & III				
	Phase I - SD CM services 100% completed	Phase II - DD CM services 100% complete	Phase III - CD CM services 100% complete	Phase IV - Bid / Award Completion of GMP Submittal	TOTAL COMPENSATION
\$ 0 -	See Note #1				
\$ 50,000	See Note #1				
\$ 50,001 -					
\$ 250,000	2,000	2,400	2,800	800	8,000
\$ 250,001 -					
\$ 500,000	3,612	4,335	5,058	1,445	14,450
\$ 500,001 -					
\$ 750,000	4,525	5,430	6,335	1,810	18,100
\$ 750,001 -					
\$ 1,000,000	4,700	5,640	6,580	1,880	18,800
\$ 1,000,001 -					
\$ 1,500,000	5,025	6,030	7,035	2,010	20,100
\$ 1,500,001 -					
\$ 2,000,000	5,250	6,300	7,350	2,100	21,000

B. DESIGN PHASE II / III				
(Board-authorized) Phase III (Combined) 50% CDs CM services 100% complete *	Phase III (Combined) 100% CDs CM services 100% complete	Phase IV - Bid / Award Completion of GMP Submittal	TOTAL COMPENSATION	
See Note #1				
3,240	3,240	720	7,200	
6,075	6,075	1,350	13,500	
7,560	7,560	1,680	16,800	
8,325	8,325	1,850	18,500	
9,225	9,225	2,050	20,500	
9,450	9,450	2,100	21,000	

NOTES:

- For projects with construction costs less than \$50,000, the Board may direct the CM to perform any specific service on a time and materials basis plus a 20% mark-up or on a negotiated lump sum basis, at the sole discretion of the Board.
- During each Design Phase, CM services include, but are not limited to, design review, constructability review, value engineering, review of existing conditions, construction cost estimating and construction scheduling.
- No application for payment will be processed for partial completion of pre-construction services for any phase.
- In the event the project requires a Phase II/III 50% submittal by the A/E (in accordance with the A/E's Agreement) and/or multi-phased construction documents; the CM shall produce separate deliverables for each phase or package submitted.

LEGEND:

- SD = Schematic Design
 DD = Design Development
 CD = Construction Documents
 * = Phase II/III 50% CDs services are only required if required by the Board for any project.

C. GMP FEES	PROJECT CONSTRUCTION BUDGET					
	\$50,001- \$250,000	\$250,001- \$500,000	\$500,001- \$750,000	\$750,001- \$1,000,000	\$1,000,001- \$1,500,000	\$1,500,001- \$2,000,000
General Conditions (per diem)	375	450	540	585	630	655
Bonds, General Liability Insurance, OH&P	15.8%	14.2%	13.2%	12.8%	11.8%	11.2%