

November 7, 2016

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

SUBJECT: AUTHORIZATION TO AMEND AGREEMENT WITH D2 CONSTRUCTION, INC., TO REFLECT THE COMPANY'S GRADUATION FROM MICRO BUSINESS ENTERPRISE TO SMALL BUSINESS ENTERPRISE STATUS AS A SHELTERED MARKET CONSTRUCTION MANAGEMENT AT-RISK FIRM FOR MISCELLANEOUS PROJECTS UP TO \$1 MILLION EACH

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

In April 2014, eight firms were commissioned as Sheltered Market Construction Management at-Risk (CMR) for Miscellaneous Projects up to \$200,000 each. Micro Business Enterprises (MBE), for a four year term. The month prior, nine firms were commissioned under the same program for CMR Miscellaneous Projects up to \$1 million each for SBE, for a four year term.

In accordance with the CMR Agreement, if during the term of the agreement, a CMR firm certified as an MBE is re-certified as an SBE, then that firm may graduate to the next level and be considered for projects up to \$1 million in value.

D2 Construction, Inc. (D2), has complete successfully three assignments and requested to be considered for SBE status. Staff has received and reviewed all documentation to meet the graduation status requirements, i.e. prequalification certificate, proper insurance coverage, bonding information, etc. (in compliance with higher levels required for the SBE Agreement).

Staff has negotiations with D2 for SBE Assignments with a value up to \$1 million to provide construction management services, as follows:

CM at-Risk, SBE Schedules of Fees
(Referred to as Attachment "A" in the agreement)

D2 Construction, Inc.		
CM SERVICES	A. PHASE I, II AND III	B. PHASE II / III
CONSTRUCTION BUDGET (CB)	Fee as a % of CB	Fee as a % of CB
\$ 200,001 to \$ 500,000	3.90%	3.75%
\$ 500,001 to \$1,000,000	2.75%	2.40%
C. GMP FEES:	General Conditions (per diem)	Bond, Insurance and OH&P
\$ 200,001 to \$ 500,000	\$450	14.00%
\$ 500,001 to \$1,000,000	\$555	12.95%

PAYMENT SCHEDULES

A. DESIGN PHASES I, II & III	PAYMENT %
Phase I - Schematic Design	25%
Phase II - Design Development - 100%	30%
Phase III - Construction Documents - 100%	30%
Phase IV - Bid, Award, Completion of GMP Submittal	15%

B. DESIGN PHASE II / III	PAYMENT %
Phase II/III - Combined 50% Construction Documents	40%
Phase II/III - Combined 100% Construction Documents	45%
Phase IV - Bid, Award, Completion of GMP Submittal	15%

The existing agreement and any pending Work Orders and GMP Amendments will continue under the MBE program requirements and limitations, and all future Work Orders will continue under the SBE program requirements and limitation through the end of the Agreement term (April 8, 2018).

All other terms, conditions and fees of the Agreement remain unchanged.

Should the Board approve this request; the Agreement with D2 will be amended to reflect the firm's graduation from MBE to SBE status.

Performance Evaluation:

D2's Contractor Performance Evaluation average scores for projects currently underway or completed within the last three years, 2013 - 2016 (based on a scale of 1 – 5) is 2.95.

Principal

The Principal/Owner designated to be directly responsible to the Board for D2 is Mr. Howard Diston. The firm is located at 12485 SW 137 Avenue, Suite 203, Miami, Florida 33186.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize Amendment to the Agreement with D2 Construction, Inc., to reflect the company's graduation to Small Business Enterprise status as a Sheltered Market Construction Management at-Risk firm for Miscellaneous Projects up to \$1 million each.

NAD:CC:cc