

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 8/4/15

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

780



FROM: Economic Development Agency

SUBMITTAL DATE:
 August 6, 2015

SUBJECT: Approval of Construction Manager at Risk Project Delivery Method, All Districts, [\$0]

RECOMMENDED MOTION: That the Board of Supervisors approve and authorize the Economic Development Agency to utilize the Construction Manager at Risk (CMAR) as a project delivery method for selected projects over \$1 Million.

BACKGROUND:
Summary

On October 3, 2013, Public Contract Code 20146 was added by SB 328 to permit counties to utilize the Construction Manager at Risk (CMAR) project delivery method for public projects. The CMAR project delivery method provides the options for contractor selection based on "lowest responsible bidder" or "best value." EDA recommends "best value" as the optimal option.

(Continued)

Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2015/16	

C.E.O. RECOMMENDATION:

APPROVE
 BY:
 Imelda Delos Santos

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: N/A | District: All | Agenda Number:

3-23

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency

FORM 11: Approval of Construction Manager at Risk Project Delivery Method, All Districts, [\$0]

DATE: August 6, 2015

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BACKGROUND:

Summary (Continued)

The CMAR delivery method mitigates risks to the County of Riverside (County) that are inherent with the traditional design-bid-build delivery approach.

Under the CMAR approach, the County is permitted to award a competitively bid contract to a Construction Management (CM) firm based on the best value method, which is defined as a value determined by objective criteria related to the experience of the entity and project personnel, project plan, financial strength of the entity, and safety record of the entity, and price. Once selected, the CM becomes a collaborative member of the project team, providing scheduling, budgeting, cost estimating and constructability reviews. The CM provides advice on cost and technology during design, helping the project stay on budget while reducing design errors.

As the drawings progress, the CM prepares and distributes bid packages to a pre-qualified list of subcontractors, evaluates the bids for completeness, appropriateness and compliance with the drawings, before making recommendations for the County and architect to review; adds appropriate contingencies for unbid scope, budgets for general conditions and provides the County with a guaranteed maximum price. The CM will then issue contracts, provide supervision, schedule oversight and manage the construction, much the same way a general contractor would, but with reduced risk of change orders to the County.

The CMAR delivery method minimizes risks to the County, thereby reducing costs. Cost and fee schedules are open book, reducing conflict and confrontation within the team. Because CM firms are selected for their best value to the County, they are more likely to increase their service to and alliance with the County in order to obtain a good reference and recurrence work.

Impact on Citizens and Business

The advantages of the CMAR project delivery method are that construction can be completed at an accelerated schedule with certainty of the project cost. Competitive bids ensure high quality construction at the best value.