

ANCHORAGE SCHOOL DISTRICT

ANCHORAGE, ALASKA

ASD MEMORANDUM #47 (1999-2000)

September 27, 1999

TO: SCHOOL BOARD

FROM: OFFICE OF THE SUPERINTENDENT

SUBJECT: CONSTRUCTION MANAGEMENT RECOMMENDATION

RECOMMENDATION:

It is the Administration's recommendation that the School Board authorize the Superintendent to utilize the Traditional Design/Bid/Build option following a two-step process for construction on the Dimond Replacement project. It is further recommended the School Board authorize the Superintendent to investigate the merits and risks of the General Contractor/Construction Manager option for the new South Anchorage High School and to present the results to the School Board.

PERTINENT FACTS:

A School Board Work Session was held on August 24, 1999 to review the various options available and how to best manage the construction of the two new high schools, and to solicit public input from the construction professionals. The options discussed were:

1. Traditional Design/Bid/Build - utilizing an open bid process
2. Traditional Design/Bid/Build - utilizing a two step bidder process
3. Design/Build
4. General Contractor/Construction Manager (Modified Design/ Build)
5. Construction Manager

The Municipality of Anchorage Purchasing Department was contacted and they confirmed that there is nothing in the Municipal Code that would prohibit using any of these options. These options have also been reviewed with Saul Friedman of Jermain Dunnagan and Owens and received their legal approval.

At the Work Session, members of the Design, Construction, and Project Management communities provided input and assessment of the options. The community emphasized that the District needed to obtain the best construction documents possible, regardless of which construction method was chosen, and that adequate time to do the design, bidding and construction be allocated (do not rush, expedite or fast track these projects). Also, it was advised that the District should consider obtaining professional expertise to assist in value engineering, constructability review, and construction/bid schedule analysis. There was interest in the use of the Design/Bid/Build option, utilizing a two-step process, and the General Contractor/Construction Manager option. The Administration intends to incorporate the Dispute Resolution Board process on both projects. The community also offered to contribute their time, knowledge and skills to work with and assist the District in utilizing these methods.

DIMOND REPLACEMENT HIGH SCHOOL

For the Dimond Replacement School project the Traditional Design/Bid/Build option, utilizing a two-step process should be used as the Dimond design is currently at the 35 percent completion stage. This method is recommended so there will not be any impact to the design schedule. In response to the community's recommendations the District will obtain professional expertise to provide the following services:

- Construction/Bid schedule analysis
- Value engineering
- Constructability review
- Full time responsible Architect/Engineer representation on site
- Utilize Dispute Resolution Board process

This assistance should occur concurrent with the design process. The utilization of this contract method will also allow adequate time for the Districts Purchasing and Facilities Departments to work with the Design, Construction and Project Management community to develop the two-step criteria, selection methods and processes to be utilized, that are most fair and equitable. It would be the Administration's intent to have bidder's present a listing of potential sub contractors for major portions of the subcontractors work. This listing would identify a minimum of five subcontractors in each major work subdivision, with whom the potential general contractor had successful experience on similar projects, in the disciplines identified, within the recent past. This information would be used during the first step to evaluate the qualifications of the potential general contractor and his/her ability to put together a qualified and capable team.

NEW SOUTH ANCHORAGE HIGH SCHOOL

The method utilized for the Dimond project could also be used for the South Anchorage project. However, the General Contractor/Construction Manager option has proven to provide many benefits on projects of this size and complexity thus it should be investigated further. This can occur with no impact on the design schedule. This investigation and analysis will require the assistance of a Consulting Firm experienced in

the General Contractor/Construction Manager process, and in performing risk, cost and benefit analysis of the process. This will include an in depth review of the perimeters surrounding the Guaranteed Maximum Price. The analysis should include input from the Design, Construction and Project Management community. At completion of this analysis the results and recommendations would be forwarded to the School Board to determine if the General Contractor/Construction Manager option should be utilized for the South Anchorage High School project. The decision as to which process to use in the construction management of the new South Anchorage High School would need to be made by early December 1999. This would allow adequate time to make selections of the construction professionals to be involved no later than April 2000. The School Board will be asked to make the final decision later this school year.

BC/EC/EB/MP/sl

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