



Meeting: **Reservoir Committee & Authority Board  
Agenda Item 3.3**

**August 16, 2024**

Subject: **Construction Manager At Risk (CMAR) Request for Qualifications  
(RFQ) Preparations**

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**Requested Action:**

Receive a report on the progress being made on preparing for procuring the first Construction Manager at Risk for the Sites Project and direct Staff to work through the O&E Workgroup to address the items in the preparations checklist and come back to the full Board prior to issuing the RFQ. The first Construction CMAR selected for Sites is planned to cover the reservoir and roads elements of the Project.

**Detailed Description/Background:**

Last month Staff walked through a preparation checklist of items to be finalized prior to the release of an RFQ for procuring the Reservoir and Roads Construction CMAR. Working through the checklist is expected to provide Staff with the policy guidance necessary for conducting the procurement. Staff recommends that the Board delegate oversight of these preparations to the O&E Workgroup and that this group be empowered to direct staff on the specific process to be used and key elements of the requirements to be placed on the selected CMAR. The Board's concurrence with this approach is requested today and Staff will come back to the Board with the preparation checklist completed to the satisfaction of the O&E prior to releasing the package for statements of qualifications. This is anticipated to occur later this year.

Following is the preparation checklist including the policy questions where Staff proposes to seek concurrence from the O&E and example areas of potential impacts from these decisions.

- RFQ/Request for Proposals selection and process/criteria (including Participant involvement).
  - Policy Question: Which technical and managerial considerations (including community involvement and environmental) should be considered most important to the Authority when establishing evaluation criteria and weights?
  - Impacts: RFQ, selection of evaluation committee members, contract negotiation, delegation of authority.
- Determining the RC/AB role in the procurement and negotiation process.
  - Policy Question: Should evaluations and negotiations be staff led with oversight and advice from the RC and/or O&E, or should RC and/or O&E actively participate in evaluation and negotiations?

- Impacts: procurement schedule and resources, precedent for future procurements.
- Construction contract including general conditions and supplemental (job-site specific) conditions.
  - Policy Question: Are there items in addition to those adopted from the Local Community Working Group that should be considered in the procurement and written into the CMAR contract?
  - Impacts: Draft contract to be included in the RFQ, community commitments and benefits
- Project Labor Agreement (PLA) and Workforce Training Program in Alignment with the Board adopted Local Community Work Group recommendations.
  - Policy Questions: Should the Authority set general goals but have the PLA (or PLA-like) agreement be negotiated by the selected CMAR contractor, or should the Authority require the selected CMAR contractor to comply with a PLA negotiated by the Authority? What are the interests of the Authority in a labor agreement?
  - Impacts: Selection criteria, Project costs and schedule, community commitments and benefits, establishing the Authority's role in the commitments to/from represented labor, CMAR contract
- CMAR responsibilities for environmental compliance, including the CMAR's responsibilities for coordination and implementation commitments.
  - Policy Question: How will the Authority manage the interface risk between the mitigation contractor and the Reservoir and Roads CMAR?
  - Impacts: Project schedule risk, selection criteria, CMAR contract, Phase 3 organization
- Refining CMAR Package Scope with input from Jacobs and AECOM.
  - Policy Question: If changes to the Reservoir and Roads CMAR scope are proposed, does it fundamentally change the risk management approach in the adopted contract strategy?
  - Impacts: Scope of the Reservoir and Roads CMAR, makeup of the proposing firms
- Defining contract allowance for Self-perform vs. Subcontracting scope.
  - Policy Question: What is the appropriate balance and specific considerations when considering qualifications and experience versus securing a competitive bid for the work?
  - Impacts: Selection criteria, minimum and maximum thresholds for self-performance in the contract, makeup of the proposing firms and potentially market interest, Phase 3 organization
- Insurance and contract security.
  - Policy Question: What level of job site and project delivery risk should the Authority take on versus that which is delegated to the contractor? For

example, should the Authority consider adopting an OCIP (Owner controlled insurance program) or CCIP (contractor controlled) approach to managing insurable risks?

- Impacts: Project cost, contractual requirements for insurance, limits of liability and other securities that will be required by the contract documents, Phase 3 organization.
- Updated Procurement Policy to include construction services (minor updates expected).
  - Policy Question: None anticipated.
  - Impacts: Authority compliance with current and anticipated funding agreements.

**Prior Action:**

July 2024: Reviewed and commented on the process and timeline for procuring the first Construction Manager at Risk for the Sites Project. The first Construction CMAR selected for Sites is planned to cover the reservoir and roads elements of the Project. Staff presented on the reaffirmation of the current contracting strategy and found it is still in alignment with the goals of the RC/AB. Staff also presented the necessary list of items requiring development and buy-in from the RC/AB to proceed into procurement of the Reservoir CMAR later this year.

**Fiscal Impact/Funding Source:**

The Amendment 3 Work Plan includes sufficient budget to cover required resources and activities to implement these next steps for the adopted Contracting Strategy.

**Staff Contact:**

JP Robinette/Jeff Kivett/Pat Tangora/Cheyenne Harris

**Primary Service Provider:**

Brown & Caldwell

**Attachments:**

None.