

**CONSTRUCTION MANAGER AT RISK**  
**FOR P-32 PARKING STRUCTURE AND LIBRARY DRIVE EXTENSION**

**A Recommendation**

1. **Division and Department:** Finance and Administration Division, Facilities Management Department
  
2. **Introduction:** In February 2013, the Board of Trustees (Board) approved the schematic design and financing of the P-32 Parking Structure and Library Drive Extension, subject to final review by the Board.

Based on meetings with City of Auburn Hills representatives, it was agreed that the Library Drive Extension is consistent with the Auburn Hills master plan, is the best location for an additional entrance/exit to campus, and will assist in smoothing traffic flow. It was further agreed that a traffic study will be conducted at Pioneer and Squirrel in September 2013, and at the Library Drive Extension and Squirrel, upon project completion, to determine if any modifications to Squirrel Road traffic control (e.g. additional traffic signals, etc.) are warranted to further alleviate traffic congestion.

Due to the similar sub-trades involved in these two projects, one Construction Manager (CM) will manage both projects, allowing for maximum cost savings from economies of scale. Board approval of the CM is necessary to proceed with project planning and construction.

Oakland University (University) will be entering into a Construction Manager at Risk (CM at Risk) contract, which means the CM and not the University holds and executes all contracts issued to subcontractors. The University's contractual obligation is to the CM only, reducing the University's risk related to subcontractor contracts and performance. The CM at Risk contract will include preconstruction as well as construction services. Preconstruction services include budget management, cost estimating, scheduling, constructability reviews, and value engineering. By utilizing these services in a collaborative relationship between the University, architectural and engineering firm (Walker Parking Consultants) and the CM, the University expects a more manageable and predictable project which translates into time savings and a more cost effective construction process.

Ten firms responded to a widely distributed and advertised combined Request for Qualifications (RFQ)/Request for Proposal (RFP). A team consisting of members from both Facilities Management and Purchasing conducted a thorough evaluation of the RFQ/RFP responses, including detailed interviews, review of experience in the construction of similar facilities, and references.

**Construction Manager at Risk  
for P-32 Parking Structure and Library Road Extension  
Oakland University  
Board of Trustees Formal Session  
June 26, 2013  
Page 2**

As a result of the evaluation process, it was determined that Clark Construction Company, the lowest bidder, was not qualified for this type of project. Therefore, the selection committee recommends the lowest qualified bidder, The Christman Company, for CM based on interview results, references, experience in similar projects, and interest and enthusiasm for the projects.

The \$23,933,800 combined construction budget for both projects includes pre-construction, general conditions, and construction management fees of \$999,734, and owner's CM contingency of \$125,266 to cover possible variables and scope changes, for a total CM fee not to exceed \$1,125,000.

3. **Previous Board Action:** On February 12, 2013, the Board approved the schematic design and financing for the P-32 Parking Structure and Library Drive Extension, subject to final review of the Board.
4. **Budget Implications:** The CM fee is budgeted in the overall project cost. The proposed contract is within budget.
5. **Educational Implications:** None.
6. **Personnel Implications:** None.
7. **University Reviews/Approvals:** This recommendation was formulated by the Associate Vice President for Facilities Management, and reviewed by the Vice President for Finance and Administration, and President.
8. **Recommendation:**  
RESOLVED, that the Vice President for Finance and Administration be authorized to negotiate and execute a CM at Risk contract with The Christman Company for an amount not to exceed \$23,933,800, inclusive of CM fees not to exceed \$1,125,000; and be it further  
  
RESOLVED, that the contract be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations, and conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.
9. **Attachments:** A. Summary of P-32 Parking Structure and Library Drive Extension Construction Manager Cost Proposals

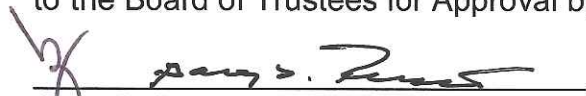
**Construction Manager at Risk  
for P-32 Parking Structure and Library Road Extension  
Oakland University  
Board of Trustees Formal Session  
June 26, 2013  
Page 3**

Submitted to the President  
on 6/20, 2013 by



\_\_\_\_\_  
John W. Beaghan  
Vice President for Finance and Administration  
and Treasurer to the Board of Trustees

Recommended on 6/21, 2013  
to the Board of Trustees for Approval by



\_\_\_\_\_  
Gary D. Russi  
President

**Summary of P-32 Parking Structure and Library Drive Extension  
Construction Manager Cost Proposals**

<b>Bidding Firm</b>	<b>Total Fee Plus General Conditions</b>
Clark Construction Company *	\$ 869,932
The Christman Company	\$ 999,734
Colasanti Construction Services, Inc.	\$1,044,794
Skanska USA Building, Inc.	\$1,100,423
Walbridge Aldinger Company	\$1,111,944
George W. Auch Company	\$1,195,665
Spencer Brothers, Inc.	\$1,253,533
Barton Malow Enterprises	\$1,397,796
Turner Construction Company	\$2,041,001
Granger Construction Company	\$2,105,150

\*Disqualified for this type of project