



COLLEGE of CENTRAL FLORIDA ADMINISTRATIVE PROCEDURE

Title: Construction Manager Contract Administration	
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Date Approved/Revised: 9/25/02, 2/28/11, 1/26/23	Division: Administration and Finance / Facilities

Section I – General

The College administration is required to develop procedures for administration of construction management contracts.

Section II – Pre-Construction Services Contract Negotiation and Preparation

After the construction manager (CM) has been selected, the Office of Administration and Finance directs the CM to prepare a Proposal for Pre-Construction Services in accordance with the “Guidelines for Construction Managers for the Preparation of Pre-Construction Services”.) The Senior Vice President, Administration and Finance, the Facilities Director, and the Project Manager meet with the Construction Manager to negotiate the pre-construction portion of the contract as well as the Construction Manager fee. This negotiation will be documented in a memorandum for the project record.

If negotiations with the first ranked firm are unsuccessful, the College may terminate negotiations with the first ranked firm and begin negotiations with the second ranked firm. If negotiations with the second ranked firm are unsuccessful, the College may terminate negotiations with the second ranked firm and begin negotiations with the third ranked firm. If negotiations with the third ranked firm are unsuccessful, the College may terminate negotiations with the third ranked firm and select additional firms from the original pool or re-advertise.

The Office of Administration and Finance prepares the Pre-Construction Agreement and transmits two originals to the Construction Manager for signature. After execution of the Agreement by the President of the College, the Office of Administration and Finance retains the original and the Project Manager and Business Office retain a copy. The Project Manager shall prepare a purchase requisition for the pre-construction services and forward it to the Purchasing Department for issuance of a purchase order.

Section III – Negotiation of Guaranteed Maximum Price (GMP)

When it is time for the Construction Manager to develop the GMP proposal, the Office of Administration and Finance directs the Construction Manager to prepare it in accordance with the “Guidelines for Construction Managers for the Preparation of Guaranteed Maximum Price Proposals.”

The Vice President of Administration and Finance, the Facilities Director, and the Project Manager meet with the Construction Manager to negotiate the GMP. This negotiation will be documented in a memorandum for the project record.

If negotiations with the first ranked firm are unsuccessful, the College may terminate negotiations with the first ranked firm and begin negotiations with the second ranked firm. If negotiations with the second ranked firm are unsuccessful, the College may terminate negotiations with the second ranked firm and begin negotiations with the third ranked firm. If negotiations with the third ranked firm are unsuccessful, the College may terminate negotiations with the third ranked firm and select additional firms from the original pool or re-advertise.

The Office of Administration and Finance prepares the GMP Amendment – This Amendment establishes the GMP, the number of calendar days for completion and liquidated damages amount. The Office of Administration and Finance transmits two originals of the Amendment to the Construction Manager for signature. The Construction Manager shall return the signed originals for signature by the President. The Construction Manager shall also include the appropriate insurance certificates and payment and performance bonds.

The Project Manager shall prepare the Requisition for Purchase Order for the contract amount and any additional amounts. The Business Office shall return the purchase order to the Project Manager.

Section IV – Insurance Certificates and Bonds

Upon receipt of the signed Amendment from the Construction Manager, the required insurance certificates and bonds shall be reviewed by the Project Manager and Risk Manager for compliance with the specifications.

Section V – GMP File

After execution of the Agreement, the Office of Administration and Finance retains the original agreement with the insurance and bonds and a copy of the following is forwarded to the Project Manager: the GMP proposal, the GMP amendment, insurance certificate, payment and performance bond.

Section VI – Bid Openings and Award Recommendations

The Construction Manager shall develop procedures for pre-qualification of all trade contractors. While the bid openings are not required to be public, the Project Manager or another representative from the College must be present when bids received by the Construction Manager are opened by the Construction Manager.

The Project Manager instructs the Construction Manager to provide a letter of recommendation for award of each bid package, a copy of each bid proposal and the tabulation form. The Project Manager maintains this information in the file.

Section VII – Requests for Self Performance

If the Construction Manager makes a request to self perform any portion of the work, it must be as a result of being the low bidder or being the low proposed price (if three quotes were provided). These payments shall be in the same manner as for other subcontractors. If circumstances (scheduling, emergencies) are such that the CM is self-performing, the CM shall include the following documents with the pay application: 1) Labor shall be documented with weekly time records; and 2) Material purchases under \$19,999 shall be documented as a catalog purchase or a verbal price; purchases of \$20,000-64,999 require two written quotes; purchases \$65,000-\$194,999 require a minimum of three written quotes; any purchase over \$195,000 requires a formal bid.

Section VIII – Payment

Pre-construction phase fees are negotiated as a lump sum amount based on a deliverable. Upon approval of the deliverable, the CM may invoice the amount as agreed upon in the contract. If any additional services have been approved, a copy of the authorization must be attached to the invoice. These invoices are sent directly to the College for payment. Construction Phase payments are paid

based on the percentage of construction completed as supported by the schedule of values. These payments are approved first by the Architect/Engineer and then by the College. The Construction Manager should submit three copies of each pay application.

Invoices and payment requisitions are approved by the Project Manager, Director of Facilities and the Senior Vice President, Administration and Finance. The application is then forwarded to the Business Office along with the signed receiving report approving payment.

As the project progresses, the Project Manager will assist the business office in projecting the amount of funds to request monthly from the Department of Education. The Project Manager will also reconcile funds monthly with the Business Office.

Section VIII – Change Orders

The Construction Manager shall request change orders that are either supported by bid or by unit prices.

Section IX – Savings

If a bid package exceeds a line item amount provided in the GMP, the entire cost is payable to the CM, provided the GMP is not exceeded. Savings in trade contracts accrue to the CM's contingency and shall be shown for each bid package on each payment requisition. General conditions and fees are line item budgets and are not interchangeable. Any change or increase in field staff or salaries must be approved by the College in writing.

Section X – Project Closeout

At the conclusion of the project, the Project Manager will assist the Business Office in final reporting, preparation of appropriate change orders for approval by the District Board of

Trustees, adjustment of contract totals, and final reconciliation of records. The Project Manager will also submit a request to close each purchase order to the Business Office.

The Project Manager will be responsible for obtaining the Certificate of Substantial Completion, Certificate of Occupancy and Certificate of Contract Completion.

Section XI – Records Retention

Records retained by the Facilities Office shall include permits, correspondence, Submittals, Requests for Proposals, Requests for Information, Phase I, II and II Documents, Bid Documents, Record Drawings, Change Orders, and all final certificates.

Vice President, Administration & Finance		Date:
Approved by President		Date: