SUBJECT: Best Value Contracting Method Procedure	Effective Date: 3/20/2013	Procedure Number: FS 2013 FPC0010	
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	Responsible Authority: Associate Vice President, Administration and Finance (Facilities and Safety)		

APPLICABILITY/ACCOUNTABILITY:

This procedure applies to Facilities Planning and Construction.

PROCEDURE STATEMENT:

The Best Value Contracting Method may be used throughout the design and construction process. This method will assure the best design and construction service based on time, quality, as well as cost, and the availability of back-up firms ready to construct the project.

DEFINITIONS:

Best Value Contracting: The award of projects to contractors that meet the best combination of price, technical qualifications, timeliness, and other criteria identified by UCF. Best value contracting is intended to provide for the best possible design and construction services for the funds allocated, by introducing competition into the design and construction process.

PROCEDURES:

Project Team Selection, consisting of:

- The Architect/Engineer, under direct contract with the university
- The Construction Estimator, under contract with the university, to confirm the budget estimates
    - A common structure for construction estimates needs to be developed by the Construction Estimator for the Construction Managers (CM) to use for comparison accuracy
- Three (3) Construction Management firms under contract with the university with pre-construction contracts
- UCF Facilities and Safety Project Management Team

Advertisement Process (Architect)

- Advertise for the Architect of Record
- Determine a shortlist based on criteria in the Board of Governors Regulations
- Conduct shortlist presentations based solely on defined scope and program budget; score based on Board of Governors criteria

- Select A/E firm
- Negotiate A/E contract, to include:
  - Architect must participate in CM selection, but not as a voting member
  - Architect is expected to make a recommendation on CM selection
  - Construction estimator must confirm CM estimates before the project can proceed to the next phase
- Award A/E contract

Advertisement Process (Construction Managers)

- Advertise for the Construction Managers
- Link the Basic Services Standard to the advertisement
- Determine a shortlist based on criteria in the Board of Governors Regulations
- Conduct shortlist presentations based on-defined scope and program budget
- Select the three (3) highest scoring firms
- Negotiate pre-construction contracts with all three (3) firms, to include:
  - CMs must participate in all design meetings and workshops
  - CMs must present estimates before the project can proceed to the next phase
  - Divide the pre-construction fee equally between the three (3) firms
- Award the three (3) pre-construction contracts

Design Process (A/E, Construction Managers, and the university)

- Orientation (before Conceptual Schematics): Meet with the A/E and CMs, emphasizing the Standards
  - A/E and CM must participate in all design meetings and workshops
  - The university expects collaboration between the A/E and the CMs
  - If any of the CM firms fails to participate, its pre-construction contract will be terminated
  - A common structure for construction estimates needs to be developed by the Construction Estimator for the CMs to use for comparison accuracy

- Advanced Schematic Phase (conclusion of the phase)
  - CMs present their estimates of probable cost in sealed envelopes to the A/E and the university
  - Sealed envelopes are opened by the A/E and read aloud
  - Construction Estimator analyzes the cost estimate
  - Construction Estimator confirms the estimates of probable cost
  - If all confirmed estimates are within the budget, the project can move forward
  - If any of the estimates is over the budget, the project must be redesigned to meet the scope and budget
  - Budget confirmation initiates moving to the next phase

- The following occurs at the conclusion of **each** of these phases:
  1. Design Development Phase 50% (conclusion of the phase)
  2. Design Development Phase 100% (conclusion of the phase)
  3. Construction Document Phase 50% (conclusion of the phase)

- CMs present their estimates of probable cost in sealed envelopes to the A/E and the university
- Sealed envelopes are opened by the A/E and read aloud
- Construction estimator analyzes the cost estimates
- Construction estimator confirms the estimates of probable cost
- If a majority of the estimates are within the budget, the project can move forward
- If a majority of the estimates are over the budget, the project must be redesigned to meet the scope and budget
- Budget confirmation initiates moving to the next phase

- Construction Document Phase 100% (conclusion of the phase)
  - Each CM bids the project separately and opens bids witnessed by the university
  - Each CM finalizes a GMP
  - Construction Managers present their GMPs in sealed envelopes to the A/E and the university
  - Sealed envelopes are opened by the A/E and read aloud
  - Construction estimator analyzes the GMPs and makes a recommendation to accept the lowest acceptable bid which meets scope and budget

- Construction Contract Negotiation
  - University negotiates a construction contract with the lowest acceptable bid which meets scope and budget
  - If negotiations with the lowest bidder fail, the University moves to the next lowest acceptable bid
  - After review of the bids, the contract will be awarded by Facilities Planning and Construction
  - Pre-construction meeting is scheduled and conducted by Facilities Planning and Construction
  - Notice to proceed is issued by the university
  - The construction is to begin as soon as possible

Approved By:	Date Approved:
Priscilla L. Kernek Associate Vice President, Administration and Finance (Facilities and Safety)	3/12/13