

Code regarding (1) when it may be appropriate to abandon the traditional competitive bid methodology in favor of a unique process, (2) how to conduct an innovative procurement, and (3) the determination of best value, which is a subjective process.

The chief procurement officer, respective contracting officer, and others supporting construction activities (especially the project management team) must have a reasonable understanding of the characteristics of the process, the advantages and disadvantages of its use, the services that are generally performed on a CM@Risk project by the contractor, and when its use should be considered. The CM@Risk is generally engaged under a separate contract through a competitive

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In general, eligible projects would be relatively large in order to provide significant savings or benefits that might offset the perceived additional cost. Complexity may be found in any area, including design, materials, sequencing, equipment installation, specialty construction, multi-trades, staging, project budgeting, constructing in occupied facilities, multiple contractors working on the same site, potential for encountering unknown conditions, etc. Schedule might be project fast-tracking, seasonal construction activities, long lead-time equipment and materials purchases, or other conditions. It is also essential that CM@Risk projects have experienced project management that possesses a strong technical understanding of both the design and constructability issues associated with the project and of structured techniques to manage the project's cost, schedule and quality.

Circumstances when CM@Risk may be appropriate:

- Large or complex projects:
 - New Construction exceeding \$20 M
 - Complex revitalization/renovation exceeding \$10 M
 - Smaller projects with multiple significant complexities
 - Project cash flow exceeding \$2.0 M per month and multiple schedule complexities
- Projects with fast-track schedules:
 - Overlapping design and construction activities
 - Constrained seasonal construction activities
 - Projects with partial funding but a directive to begin construction due to programmatic or administrative needs.
 - Ordering long-lead equipment during the design phase will reduce overall project completion durations significantly
- Specialty and complex facility construction or systems:
 - e.g.: Fire station, library, power plant, laboratories, sports arenas
 - e.g.: Complex plumbing, humidification and ventilation system
- Complex logistics and scheduling requirements:
 - Work in and around occupied spaces requiring dynamic 8b9a3o hri

Additional Considerations for Procurement Approval:

In accordance with BOR Policy P05.06.575, the Chief Procurement Officer must review and approve (and the General Counsel's Office must review and approve as to form) any request for use of an innovative procurement including CM@Risk. The request for procurement authorization must identify how CM@Risk will achieve best value for the university, identify the potential risks transferred or mitigated by using CM@Risk, and the benefits that become compelling arguments for utilizing the CM@Risk methodology for the specific project. The request should also address how the innovative procurement: will achieve reasonable competition and preserve a competitive environment for future procurements; and address public perception regarding whether it represents a fair, equitable and transparent procurement process for solicitation and selection of the contractor.

The Chief Procurement Officer and the General Counsel's Office approvals represent authorizations to utilize the CM@Risk procurement methodology, not a directive to use the methodology. Once authorized the final decision to utilize CM@Risk delivery and procurement process shall be made by the responsible project manager in conjunction with his or her contracting officer.