

**RESOLUTION FOR APPROVAL OF AN UPDATE TO  
THE CAPITAL CONSTRUCTION DELIVERY METHOD APPROVAL PROCESS**

**WHEREAS**, effective July 1, 2006, Virginia Polytechnic Institute and State University (Virginia Tech) operates as a Tier III institution in accordance with its Management Agreement and operational policies; and

**WHEREAS**, pursuant to the Management Agreement, Virginia Tech has delegated authority relating to the procurement of goods, services, insurance, and construction services; and

**WHEREAS**, a resolution for approval of the construction procurement approval process for capital project delivery was approved by the Board of Visitors June, 6, 2016; and

**WHEREAS**, the Commonwealth of Virginia 2017 General Assembly passed legislation (Title 2.2 Chapter 43.1) regulating the types of construction procurement methods available for public institutions of higher education; and

**WHEREAS**, such legislation requires Virginia Tech to update its Capital Construction Delivery Method approval process and submit the proposed updates to the Department of General Services for review and recommendations; and

**WHEREAS**, the Department of General Services has reviewed and provided recommendations, which recommendations have been incorporated into the university's updated Capital Construction Delivery Method Approval Process; and

**WHEREAS**, the Senior Vice President and Chief Business Officer has approved the Virginia Tech Construction and Professional Services Manual (VT CPSM), effective January 24, 2020; and

**WHEREAS**, the university submits for Board of Visitors approval the updated Capital Construction Delivery Method Approval Process; and

**WHEREAS**, with the approval of these updated procedures, Virginia Tech confirms that all of the required Board-level policies and procedures are in place to implement the new legislation;

**NOW, THEREFORE, BE IT RESOLVED**, that the university adopts the proposed Capital Construction Delivery Method Approval Process.

**RECOMMENDATION:**

That the above resolution approving the Capital Construction Delivery Method Approval Process be approved.

August 25, 2020

Virginia Polytechnic Institute and State University  
~~Facilities Department~~ Division of Campus Planning, Infrastructure, and  
Facilities Procedures

## Approval Process for Construction Manager at Risk (CMAR) and Design – Build (D-B) Capital Project Delivery Methods

Date: ~~September 11, 2017~~ August 25, 2020  
Revision: 42

### Purpose:

Pursuant to the Restructuring Act and in accordance with Chapter 780 (2016) Item 4-4.01 #1c and *Code of Virginia* §2.2-4378, 2.2-4379, 2.2-4381 and 2.2-4383, and the Virginia Tech Construction and Professional Services Manual (VT CPSM, January 24, 2020), the following process is adopted for use of the Construction Manager at Risk (CMAR) and Design-Build (D-B) Capital Project Delivery Methods.

### Responsible Staff:

Capital Construction ~~and Renovations (CCR)~~ (CapCon) – the Campus Planning, Infrastructure, and Facilities division university unit responsible for ~~the procurement,~~ administration, management, and implementation of Major Capital Outlay Projects.  
~~GCR~~

CapCon Project Manager (PM) – coordinates with ~~CCR~~ CapCon management and project stakeholders to recommend a project delivery method.

~~Senior Facilities Contract Officer~~

~~University Procurement Department– the division university unit responsible for the procurement and contract administration of all Major Capital Outlay Projects.~~

Procurement Department Capital Construction Contracting Officer (CCCO) – administers the capital outlay procurement process, reviews delivery method options, and manages contract development, approval, and execution.

~~Director of~~

Assistant Vice President for Capital Construction and Renovation (DCCR) (AVPCC) – provides ~~CCR~~ CapCon leadership, manages operations, and recommends project delivery methods to meet university goals.

~~Assistant Vice President for Facilities Operations and Construction (AVPFOC) – provides GCR leadership and recommends project delivery methods.~~

~~Associate~~

Vice President for Campus Planning, Infrastructure, and Chief Facilities Officer (AVPCFO) (VPCPIF) – approves project delivery methods and recommends contracts for execution.

**Procedure:**

- A. Except for projects that use the Design-Bid-Build delivery method, the construction delivery method for a capital outlay project shall be approved in writing by the Virginia Tech university's Associate Vice President for Campus Planning, Infrastructure, and Chief Facilities Officer (AVPCFO/VPCPIF).
- B. In order to obtain the AVPCFO/VPCPIF approval and document the university's determination, a written recommendation for the CMAR or D-B project delivery method will be provided to the AVPCFO/VPCPIF through the AVPFOC, Director of CCR Assistant Vice President for Capital Construction (AVPCC), and from the Capital Construction Project Manager (PM) in consultation with the Senior Facilities Contract Capital Construction Contracting Officer (CCCO). The written recommendation will justify why sealed bidding is not practicable and/or fiscally advantageous to the university. In addition, the following will be considered in recommending the CMAR or D-B construction delivery method for each capital project:

1. Considerations for Adopting the CMAR Delivery Method

- a. Construction Costs
- b. Project Complexity (difficult site location, unique equipment, specialized building systems, multifaceted program, accelerated schedule, historic designation, intricate phasing or other aspect that makes competitive sealed bidding impractical)
- c. Building Use
- d. Project Timeline
- e. Need to perform Value Engineering and/or Constructability Analysis concurrent with design
- f. Need for Quality Control and/or vendor prequalification
- g. Need for Cost/Design control
- h. Need for Project phasing

Prior to using CMAR, the University shall request review and recommendations from Virginia Department of General Services, Division of Engineering and Buildings (DEB) regarding the proposed procurement method. The request for review shall be submitted utilizing the CMAR Procurement Review Submittal Form (DGS-30-456) and shall include the proposed project schedule and University's written determination that competitive sealed bidding is not practicable or fiscally advantageous. (VT CPSM, 7.2)

2. Considerations for Adopting the Design-Build Delivery Method

- a. Construction Costs
- b. Project Complexity (simplicity)
- c. Building Use
- d. Project Timeline
- e. Need for a Single Point of Contact (DGS-30-901)

C. General Guidelines for Both CMAR and D-B Projects

A Building Committee shall be approved by the VPCPIF to interview and recommend CMAR or D-B Team for a Capital Project. (VT CPSM, 7.0.2)

The following general guidelines shall apply to university CMAR and D-B Projects:

1. At least five working days prior to the release of a CMAR or D-B ~~RFQ, Request for Qualifications (RFQ)~~, the university will provide a copy of its written determination for using either delivery method together with a signed Procurement Review Submittal Form (Department of General Services [DGS] 30-456 or DGS 30-471) to DGS for review. Upon receipt of DGS' recommendation, the university shall consider DGS comments and document the university's final determination and planned course of action in the project file and provide a copy to DGS for information.
2. The university shall have in its employ or under contract a licensed architect or engineer with professional competence appropriate to the project who shall i.) advise regarding the use of CMAR or D-B for that project and will ii.) assist with the preparation of the Request for Proposal (~~RFQ~~) and evaluation of proposals.
3. The ~~Request for Qualifications~~RFQ and RFP will include criteria for contractor selection and will establish a two-step (RFQ/RFP) contractor selection method.
4. ~~The Request for Qualifications~~CCCO shall issue a RFQ in accordance with the Manual.
- 4.5. ~~The RFQ~~ will be posted for no less than 30 ~~calendar~~ days on eVA, the Commonwealth statewide electronic procurement system. It will include a CMAR or D-B justification to support why sealed bidding is not practicable and/or fiscally advantageous.
- 5.6. The selection committee shall evaluate the firms' RFQ responses and any other relevant information and shall determine ~~two~~three to five offerors deemed best qualified with respect to the criteria established for the project in the RFQ to ~~then~~ receive the ~~Request for Proposals~~.RFP. Prior CMAR or D-B experience or experience with ~~BCOMDEB~~ shall not be required as a prerequisite for award of a contract. However, in the selection of a contractor, the university may consider the experience of each contractor on comparable projects.
7. ~~The RFQ evaluation process shall evaluate an offeror's experience for a period of ten prior years to determine whether the offeror has constructed, by any method of project delivery, at least three projects similar in program and size. (CMAR 2020, C.3.e. and D-B 2020, C.3.e)~~
8. ~~The RFQ evaluation process shall result in a short list of three to five offerors to receive the RFP. If available, the short list shall include a minimum of one DSBSD-Certified Small Business that meets the minimum requirements for prequalification. (CMAR 2020, C.3.d. and D-B 2020, C.3.d.)~~
- 6.9. For CMAR Projects
  - a. At least 90 percent of the construction work shall be subcontracted by the Construction Manager through publicly advertised competitive sealed bidding to the maximum extent practicable.
  - b. The contract with the Construction Manager at Risk shall be entered into no later than the completion of the Schematic ~~Design~~ Phase ~~of design~~, unless prohibited by authorization of funding restrictions.
  - c. The establishment of interim GMP contracts for early release packages

of construction work are permitted.

- d. GMP early release packages are limited to clearly identifiable, scheduled foundation/site preparation and long lead material procurement. Ideally, they should be for work to be performed during the initial phase of the project and billable at 100% percent before the next phase of the project. (VT CPSM, 7.2)
- ~~d.e.~~ The GMP for the project shall be established based on Working Drawings, unless waived by the VPCPIF.
- f. The criteria for the use of CMAR as set forth in the Chapter is germane and shall be limited to projects with a construction value that is in excess of \$26,000,000. With proper justification for complex projects, the Director of the Department of General Services may grant a waiver of this requirement. (CMAR 2020, B.)

#### 7.10. For D-B Projects

- a. At the RFP stage, separate technical and cost proposals are required. (VT CPSM, 7.3)
- ~~a.b.~~ Sealed Technical Proposals as described in the RFP shall be submitted to the ~~evaluation committee~~ Building Committee.
- c. The Committee will evaluate the Technical Proposals based on the criteria contained in the RFP. D-/B offerors will be informed of any adjustments necessary to make their Technical Proposals fully compliant with the requirements of the RFP. (VT CPSM, 7.3.1)
- ~~b.d.~~ Separately sealed Cost Proposals shall remain sealed until evaluation of the Technical Proposals and the design adjustments are completed.
- ~~e.e.~~ After evaluation and ranking the committee shall conduct negotiations with two or more offerors submitting the highest ranked proposals. Cost shall be a critical component in evaluations.
- f. The Committee shall evaluate and rank the Technical Proposals. The University will then open the cost proposals and apply the criteria for award as specified in the RFP. (VT CPSM, 7.3.1)
- g. The University may require that offerors make design adjustments necessary to incorporate project improvements and/or additional detailed information identified during design development. (VT CPSM, 7.3.1)
- h. The University shall award the contract to the offeror who is fully qualified and has been determined to have provided the best value in response to the RFP. (VT CPSM, 7.3.1)

#### **Reporting:**

The university shall report on completed projects that employ the CMAR or D-B delivery methods annually or as needed upon request by DGS.

#### **References:**

- Virginia Tech Management Agreement

- Virginia Tech Construction and Professional Services Manual, January 24, 2020

**Approval and Revisions:**

Initial Adoption

Approved by the Board of Visitors on June 6, 2016.

Revision 1

~~Updated~~Update Approved by the Board of Visitors on September 11, 2017.

Revision 2

~~Updated~~Update Approved by the Board of Visitors on August 25, 2020.