

#	Comments	Response	Proposed Changes
1	There is a decrease in use of GC/CM by public agencies to procure public works in Washington State.		
2	Having a level playing field and transparency during the procurement phase – including the Request for Final Proposals (RFFP) and managing a consistent qualifications based bid process has been expressed as a concern within the contracting community.		
3	The intended outcomes when the GC/CM alternative procurement contracting method was initially developed and implemented is of concern. The ability to determine and agree to a MACC during the preconstruction phase is not always occurring and as a consequence, public agencies are using the GC/CM process less.		
4	Public Agencies appear to be shifting to design build delivery for team selection and risk transfer benefits.		
5	Each public agency administers GC/CM procurement and execution processes differently. Transparency and fairness needs to be a fundamental understanding for all qualifications based Alternate Public Delivery (APD) procurements. Currently, some stakeholders are intent on requiring statutory changes to RCW 39.10. A reasonable approach to reviving GC/CM use – may involve a developing a best practices guideline. These recommendations would be available for GC/CM users to refer as a resource when processes within the GC/CM statute are interpreted differently and challenging circumstances need a balanced perspective based on real world experiences.		
6	A well thought out GC/CM Cost Allocation Matrix with the description of scope for Division 00 and Division 01 including a reference to the contract document, Section and Article Reference. Most public agencies provide with the RFQ/PA a comprehensive list to create an even playing field for proposers to understand what “bucket” to allocate their costs to determine final proposal costs and fee.		
7	Working as a single team and leveraging each members strength through design development and preconstruction activities to prepare bid packages with a level of confidence in cost, schedule and final scope of work is rewarding for all participants and provides value to all stakeholders including the public.		

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8	Progress payments are slow, with the excuse from the GCCM's being that the monthly process for the owner to review and approve the pay application is taking longer than 30 days. Timely submittal of subcontractor pay requests is a condition of the contract. There seems to be a breakdown in the process when it comes to the GCCM assembling the pay requests, and the Owner reviewing and processing the payments within the 30-day time period. Because of the relationship between the owner and the GCCM, there is a reluctance on the part of the GCCM push the owner to pay promptly. Interest is not being paid per RCW 39.76.		
9	Timely notice to the trade subcontractor of change orders that are in dispute, is not being provided by the GCCM. Requests for information regarding the status of change orders are ignored until the end of the project to see whether there is money left in the contingency.		
10	Processing and payments of change order is very slow and drawn out. Change orders are not being processed and paid in a timely manner, and interest is not being paid per RCW's 39.04.250 and 39.04.360.		
11	GC/CM process is too prescriptive		

CPARB GC/CM Committee General Contractor/Contract Manager Procedure--Uses of 39.10.340

General Contractor/Contract Manager Procedure--Uses

#	Comments	Response	Proposed Changes
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General Contractor/Contract Manager Procedure—Project Management and Contracting Requirements

#	Comments	Response	Proposed Changes
1	Consider added requirement of main contract to include minimum Contractor Contingency percentage. With no minimum requirement stated in the RCW, the actual amounts vary. Further, definition of contractor contingency use in main contracts vary. Potential option might be to specifically allow GCCM to re-negotiate this risk percentage at the time of negotiating a MACC.		
2	Clarify what the independent audit in 39.10.350 and 39.10 385 is intended to be used for.		
2a	There are some Public Agencies that use this to collect what they feel is undue profit on self- performed work performed as a lump sum.		
2b	Owners should be encouraged to complete the audit of the GCCM, MCCM and ECCM through the owner billing process as opposed to making the audit a separate and discrete process at the completion of work. By engaging the audit entity and having them participate in the billing process as the final form of approval, the administration of the contract can become streamlined and avoid additional costs currently incurred by the owners to facilitate two separate processes.		
3	39.10.350.1g(ii) states "...that if the public owner does not respond in writing to a request for equitable adjustment, change order, or claim within the specified time period, the request is deemed denied". We propose that this portion of 39.10.350 be removed as it places an undue burden on both the GCCM and the Owner in the event the Owner has not responded to a claim in a timely manner.		

General Contractor/Contract Manager Procedure — Contract Award Process

#	Comments	Response	Proposed Changes
1	<p>The Specified General Conditions should be clearly defined. GCCM is often used and best applied to projects that are heavily phased, occupied facilities or early in design with limited understanding of permitting constraints, site logistics, constraints or complexity of construction. Quantifying the amount of time key personnel and other potential general condition items that will be needed during the construction phase is thus best determined during the preconstruction phase in order to provide best value to the project. During development of the MACC time allocation and the quantification of Specified General Conditions related to project management can be based on the phasing of work, scheduling to meet stakeholder and permit requirements and responding to project specific circumstances and final construction types. The following need to be considered when creating a RFPP and the Specified General Conditions:</p>		
1a	<p>All proposers should be using the same level of effort (hours) for the scope of work defined by the public agency for evaluation purposes. Project staff and Key personnel should be clearly defined. Public Agencies should only ask for the GCCM hourly rates for labor. They should not ask for the anticipated level of effort since this will be determined during the preconstruction phase. Requiring GCCM's to identify the level of effort when determining the total cost for SGC and using for the evaluation of a proposal creates an uneven playing field. Our recommendation is to eliminate the use of lump sum SGC for the purposes of evaluation and introduce an hourly rate analysis for key personnel with an understanding that support personnel will also be determined once the scope of the project is better defined as they are typically unquantifiable at the RFP stage. This approach ensures the public agency is not over paying for SGC's or that conversely the project is inadequately staffed for the work and eliminates a potential for manipulation of the level of effort to skew the cost evaluation of the RFP.</p>		
1b	<p>Using a catch all for anticipated staffing should not be part of the SGC analysis. For example – “All other supporting staff” should not be used. It creates an uneven playing field and is best determined during the MACC development.</p>		
1c	<p>Use the Cost Allocation Matrix as the governing document for items to be included in the SGC. Blanket statements similar to <u>all other SGC Costs required by the contract documents</u> provides opportunity for error. Division 0 and Division 01 are complex and often include personnel requirements that may not be reflected in the key personnel or describe temporary construction measures that are well suited for NSS application. The Cost Allocation Matrix as the governing document ensures that all proposers are including the same scope and avoids inadvertently pushing items into the SGC that are inappropriate or unintended.</p>		

General Contractor/Contract Manager Procedure — Contract Award Process

#	Comments	Response	Proposed Changes
1d	<p>Through the use of the Cost Allocation Matrix, all items that are unquantifiable at the time of the RFP should be identified as Negotiated Support Services as opposed to SGC regardless of the scope of work. We are seeing temporary construction measures working their way into the SGC's as opposed to remaining in the NSS to either be determined when the project is better defined or paid at cost plus fee as the work is completed. For example, shoring, perimeter safety rail, temporary protection, temporary power, dumpsters, temporary barricades, these are all items that are unquantifiable until the scope and phasing of a project is defined.</p>		
2	<p>Bonds and Insurance should be evaluated separately from the SGC or the fee line items. These are components that as industry standard are calculated based on the Total Contract Cost as a percentage of the value of the work. As such, these items are applied to SGC, NSS, Fee, etc. in addition to the cost of work. By including them either as a part of the SGC or the Fee, the calculations to cover these costs become complicated and if included as a part of a lump sum value, result in either over or understated values depending on the final MACC value. If the bonds and insurance were listed as a separate item and applied to the total, this would simplify the calculation and ensure the appropriate value while remaining a part of the overall evaluation process. (If not called out separately, the bonds and insurance should reside with the fee line item because it is applied as a percentage, this ensures the value included most closely aligns with the actual calculation of cost.)</p>		
3			

General Contractor/Construction Manager Procedure — Maximum Allowable Construction Cost

#	Comments	Response	Proposed Changes
1	Consider stating in RCW that NSS shall be an “allowance” per the terms of the main contract. Meaning subject to final reconciliation via CO at the conclusion of the work.		
2	Through the establishment of the MACC the owner should expect that the GCCM will identify scope items that are missing or not fully detailed in the 90% construction documents. Values for these scopes of work should be discussed and included within the MACC and not set aside for a future change order or contingency use. The values can be included either as an allowance if there is not concurrence on the value to be included or as a part of the MACC to be controlled by the GCCM. Many of the contracts contain language indicating the GCCM is responsible for all work that is “reasonably inferable” however, there is often no mechanism to include funds for this work.		
3	The Contingency should be allocated and for the use of the GCCM for its intended purpose. In many instances these funds are essentially being used as an owner reserve and administered in the same manner as a change order. Some owners actually require the issuance of a change order increasing the administrative burden on both teams. Contingency in general, is defined by items that are the responsibility of the GCCM and should be administered by the GCCM.		
4	A follow-on question would be if a definition should be included for Contingency that is used uniformly as opposed to differently on each contract.		
5	use of risk contingency to pay for change orders and this process is also too slow		
6	DB procurement provides more cost certainty; owner’s budget not always accurate; E/M CCM’s costs always rise and that is frustrating; struggle to lock down MACC in GCCM market;		
7	Early cost certainty is paramount and GC/CM makes that difficult to achieve; need to get trade partners involved early; too much of a hassle for owners having to get in between architects and contractors.		

General Contractor/Construction Manager Procedure — Subcontract Bidding Procedure

#	Comments	Response	Proposed Changes
1	(6) (b) : The apparent low responsive bid or proposal does not exceed the available funds by the greater of one hundred twenty-five thousand dollars or two percent for projects valued over ten million dollar. Question the inclusion of these specific values for threshold to allow these negotiations. Should they be re-evaluated or changed?		
2	Question the inclusion of minimum subcontract value of 3M? Benefits of ECCM/MCCM can include projects below this dollar value.		
3	Other scopes of work could potentially benefit from alternative subcontracting option. Specifically Civil. Pro’s and Con’s associated with including other scopes could be project specific procurement decisions rather than limited by RCW		
4	The bid administration process when the GCCM is also submitting a bid should be clearly managed in a transparent manner. The responsibility for following RCW 39.10 must remain with the public agency.		
4a	The administration of bid packages the GCCM is also bidding as a trade contractor should be administered by the owner and the content of those bid packages should be thoroughly reviewed and accepted by the owner to ensure even competition. Owners should have an understanding of bid package requirements and how those requirements relate to items that are considered NSS or SGC to ensure that subcontractors bidding against a GCCM are not at an unfair disadvantage.		
4b	There should also be consistency between a package bid by the GCCM and one that is not, including an evaluation to determine if the scope included is typically performed by the trade bidding. This prevents a GCCM from including work in a bid package that may be performed as a negotiated support service and not included in the GCCM bid but required from the trades bidding.		
4c	Bids should be received and opened at the office of the owner. Having the bids opened in the office of the GCCM when the GCCM is bidding on that bid package gives the GCCM an unfair advantage.		
4d	Ensure that in a scenario where the GCCM is bidding a package, that all required positions in trade packages are also required of the GCCM in addition to base staff. This will ensure an even competition and that GCCM staff is not unfairly used to oversee both the GCCM base work and a package bid and awarded to the GCCM. Best practice would be to include a line item in the bid documents that identifies the amount included for these positions adding into the total. The line item should not be used as an evaluation, merely a subtotal to the total bid for information purposes.		

General Contractor/Construction Manager Procedure — Subcontract Bidding Procedure

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5	<p>Public Agencies should review the contract terms GCCM’s place on trade subcontractors and any questions asked during the bid period related to contract terms. Some terms and conditions are unreasonable and the trade subcontractor does not have the ability to change. (Trade subcontractors when providing a bid to a Prime Contractor on a traditional DBB project have the opportunity to include terms and conditions including exclusions, bonding requirements and assumptions. They are not able to do this when responding as trade subcontractor on a GCCM project. Without a comprehensive review of the questions and proposed subcontract by the Owner there is no opportunity for a bidder on a GCCM bid package to negotiate on the terms and conditions of the contract. It can be a take-it-or-leave-it scenario for the trade package bidder.)</p>		
5a	<p>This can lead to the GCCM having an advantage if also bidding the work.</p>		
5b	<p>It can reduce the number of subcontractors submitting a bid.</p>		
5c	<p>It can increase the cost of a bid and the public agency can be paying for risk transferred to the subcontractor from the GCCM.</p>		
6	<p>An evaluation of how and when scoring and award happens needs to occur both at the prime and trade-partner level for the GCCM, ECCM, MCCM and bid packages. This includes transparency in the GCCM, ECCM, and MCCM process that includes posting technical and interview point scoring following the receipt of pricing information but prior to publicly opening the price component. This provides transparency and assurance that technical points have not be modified or adjusted following the submission of the price. Trade partner bid packages should be publicly opened and read/posted as opened. Public Agencies should then publish final verified bid results within 24 hours for all bids including:</p> <ul style="list-style-type: none"> a. GCCM results b. Subcontractor trade packages c. ECCM and MCCM packages d. Subcontractor Trade packages where the GCCM is also competing. <p>Public records requests should not be needed to obtain this information, as is currently sometimes the case.</p>		

General Contractor/Construction Manager Procedure — Subcontract Bidding Procedure

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7	<p>Public Agencies need to be aware of a subcontractor’s perspective when responding to a subcontractor trade package put out by the GCCM. The volume of documents including the plans and specifications along with the permit requirements can take significantly longer time to sort, administer, and determine what is relevant and ultimately factor into a bid. Some GCCM’s do a better job during preconstruction to facilitate and encourage bidder participation. When not done well – results in less bidder participation and an increase in costs. Owners should be aware that complex bid documents can influence pricing and increase the overall cost of the project. Simplicity and effective communication of the scope and project requirements should be a part of the Owner review and discussion of the documents to be published. When the GCCM is developing the documents with the designer and the public agency – they should be creating trade packages to encourage participation.</p>		

General Contractor/Construction Manager Procedure--Alternative Subcontractor Selection Process

#	Comments	Response	Proposed Changes
1	Address inclusion and diversity in the selection of all project participants including the GCCM, ECCM, MCCM and subcontracting bidding community. Encourage owners to evaluate the use of the prequalification process as a means to evaluate inclusion and diversity plans to shortlist the bidding pool based on the proposed ability to meet the project inclusion and diversity goals. General Contractors are being asked to provide goals and commitments for small and disadvantaged business goals without an ability to award other than based on low bid. Using the prequalification process would allow the contractor to vet the bidding pool for approach and commitment to meeting these goals.		
2	To provide best value to the Owner through the preconstruction phase, other trades should be evaluated for inclusion in 39.10 385 as a statutory change as opposed to a best practice. Given the scope of a project consideration for the percentage of work to be performed by a given trade should be an allowable consideration in the potential use of 385. For example, a building project with significant site grading and civil work should provide an opportunity for procurement of a heavy civil contractor under 39.10.385 as a benefit to the project and providing best value, as they are best equipped to provide valuable input on pricing, phasing and schedule during the preconstruction period providing best value to the owner similar to that of ECCM and MCCM.		
3	E/M CCM project team that is part of the proposal process is not the same team that delivers the project which creates a lack of continuity between design and deliver which is a problem; More "skin in the game" for contractors in DB, so they pay closer attention in this procurement method; DB has advantage over GC/CM because entire team is together		

General Contractor/Construction Manager Procedure--Subcontract Work

#	Comments	Response	Proposed Changes
1	The general contractor/construction manager, or its subsidiaries, may bid on subcontract work or for the supply of equipment or materials if: The work within the subcontract bid package or equipment or materials is customarily performed or supplied by the general contractor/construction manager.		
2	For a designated heavy civil project, what capabilities are required for the GCCM to propose as the GCCM?		
3	If a GCCM puts out a subcontractor trade package – does the responding trade subcontractor need to customarily perform the work to bid on it? If so – what is the requirement?		
4	Public owners need to be actively engaged in the creation, review and approval of GCCM issued bid packages with respect to 39.10 390.2(a). This should be done with a focus and understanding of trade packages to ensure that any combination of trade packages is intentional and not done for the sole purpose of limiting the work of the GCCM’s project management or administration. For example, bid packages for concrete are becoming “structures” bid packages where concrete, water/damp proofing, structural steel fabrication and erection, rough carpentry, and elevators are being lumped together. This makes it difficult for concrete and/or steel erection companies to bid because they will need to coordinate other trades that they are not usually coordinating and thru the end of the project when they have no other work to perform. This disincentives competition and allows the GCCM bidding on the bid package to have very little competition.		

General Contractor/Construction Manager Procedure--Prebid Determination of Subcontractor Eligibility

#	Comments	Response	Proposed Changes
1			

General Contractor/Construction Manager Procedure—Subcontract Agreements

#	Comments	Response	Proposed Changes
1			