

The following excerpt is from the Montana Code Annotated, and must be followed when utilizing the ALTERNATIVE PROJECT DELIVERY CONTRACT method for construction contracts:

18-2-502. Alternative project delivery contract -- authority -- criteria. (1) Subject to the provisions of this part, a state agency or a governing body may use an alternative project delivery contract. A state agency or governing body that uses an alternative project delivery contract shall:

(a) demonstrate that the state agency or the governing body has or will have knowledgeable staff or consultants who have the capacity to manage an alternative project delivery contract;

(b) clearly describe the manner in which:

(i) the alternative project delivery contract award process will be conducted; and

(ii) subcontractors and suppliers will be selected.

(2) Prior to awarding an alternative project delivery contract, the state agency or the governing body shall determine that the proposal meets at least two of the sets of criteria described in subsections (2)(a) through (2)(c) and the provisions of subsection (3). To make the determination, the state agency or the governing body shall make a detailed written finding that:

(a) the project has significant schedule ramifications and using the alternative project delivery contract is necessary to meet critical deadlines by shortening the duration of construction. Factors that the state agency or the governing body may consider in making its findings include, but are not limited to:

(i) operational and financial data that show significant savings or increased opportunities for generating revenue as a result of early project completion;

(ii) demonstrable public benefits that result from less time for construction; or

(iii) less or a shorter duration of disruption to the public facility.

(b) by using an alternative project delivery contract, the design process will contribute to significant cost savings. Significant cost savings that may justify an alternative project delivery contract may derive from but are not limited to value engineering, building systems analysis, life cycle analysis, and construction planning.

(c) the project presents significant technical complexities that necessitate the use of an alternative delivery project contract.

(3) The state agency or the governing body shall make a detailed written finding that using an alternative project delivery contract will not:

(a) encourage favoritism or bias in awarding the contract; or

(b) substantially diminish competition for the contract.

PER THE MCA 18-2-502

Code Provision (1) (a)—*A state agency or governing body that uses an alternative project delivery contract shall: demonstrate...that (it) has or will have knowledgeable staff or consultants...to manage an alternative delivery contract;*

Response: The District has engaged a professional project management consulting firm and a professional Architectural firm with extensive alternative project delivery experience to assist with the management of the project.

Code Provision (1) (b)—*A state agency or governing body that uses an alternative project delivery contract shall: clearly describe the manner in which: the alternative project delivery contract award process will be conducted; and subcontractors and suppliers will be selected.*

Response: Selection of all services shall be per Montana statutes via an open public procurement processes available to all qualified contractors. The required two-stage approach shall be utilized. A Request for Qualifications will be used to short-list qualified competitors using a scoring system to rate: 1) Relevant Experience, 2) Proposed Staff, 3) Proposed Approach and 4) Fiscal Health. The District appointed Selection Committee will pass/fail Statements of Qualifications against criteria stated in the RFQ.

The short-listed competitors will prepare a response to a detailed Request for Proposal. The response to the RFP will be judged and ranked by the Selection Committee against scoring criteria which will be stated in the RFP. The four top scoring firms will be invited for formal presentations by the competitors may be held to further clarify capabilities and address Selection Committee questions. The most highly ranked competitor will be awarded the contract.

Competitors will be strongly encouraged to seek the most competitive, qualified subcontractors and local providers in order to provide the best overall value to the Owner.

Code Provision (2) *Prior to awarding an alternative delivery contract, the state agency or governing body shall determine that the proposal meets at least two of the sets of criteria described in subsections (2)(a) through (2)(c) and ...subsection (3) ...the governing body shall make a detailed written finding that:*

(a) the project has significant schedule ramifications and the alternative project contract is necessary..

(b) by using an alternative project delivery contract, the design process will contribute to significant cost savings.

Response:

Schedule Ramifications:

The Alternative Project Delivery offers the fastest delivery schedule by allowing design, materials procurement and permitting to occur in a fast-track manner in order to meet obligations. This project has significant schedule ramifications which are based on financing, bond requirements, and student placement. The project requires substantial completion and occupancy by the start of the school year 2018. This delivery option will ensure that the project schedule is adhered to.

Design Process:

By engaging a GC/CM firm(s) early to work with the A/E firm, it is anticipated that the GC/CM will provide positive impact to the overall cost, and will maintain a stringent project schedule. This delivery offers cost certainty and cost savings over Design-Bid-Build by combining the talents of the designers and GC/CM firms, and focusing them on the best design and constructability solutions within available funds. Within weeks of being selected, the GC/CM will validate the Owner's budget as adequate, or recommend budget adjustments if needed. Further, value engineering will be implemented during the design phases, wherein the GC/CM will work with the design team to propose alternate solutions with favorable cost results. This relationship will promote and foster a strong working relationship between the design firm, GC/CM and the District team.

Code Provision (3) *The state agency or governing body shall make a detailed written finding that use of an alternative delivery project contract will not: Encourage favoritism or bias...or diminish competition...*

Response: The procurement methodology employed by the District is specifically designed to encourage the broadest competition possible, and encourage aggressive pricing competition throughout this process. The Selection Committee will be further instructed to carefully evaluate all submittals against stated selection criteria and award the contracts based on the best overall value to the District.

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