

UNIVERSITY OF NEBRASKA

CAPITAL PLANNING and DEVELOPMENT

PROGRAM MANAGER (PM) SELECTION PROCEDURES

UNFP 6.3.7.3

I. Reference and Application

- A. On November 7, 2008, the Nebraska Board of Regents approved the policy for Qualification Based Selection.
- B. Application: These procedures apply to all Board of Regents approved capital projects.

II Objectives and Limitations

The objective of these procedures is to provide guidelines necessary to comply with Board Policy (RP-6.3.7) *Qualification Based Selection* and ensure once the Program Manager (PM) delivery method has been approved for a project by the Board of Regents that the process is consistent, standardized, objective, and impartial in selecting the most qualified PM firm for the best value to the University.

III. Definitions

- A. Construction Firm: Any sole proprietorship, partnership, corporation, association, or other legal entity providing construction services.
- B. Construction-Manager-at-Risk (CMR): Project delivery method in which the selection is based on qualifications, not a low bid process. The CMR is selected at the same time as the A/E is selected or at some point during the design phase (See RP-6.3.7).
- C. Construction Services: Services within the practice of construction including the process of building, altering, repairing, improving or demolishing any University structure or building or other improvements of any kind to any University real property.
- D. Design-Bid-Build (DBB): Sequential project delivery method in which the architect or engineer (A/E) under one contract designs a project, the project is publicly bid, and the lowest responsible and responsive bidder constructs the project under a second and separate contract (See RP-6.3.7).

- E. Design-Build (DB): Project delivery method in which the selection is based on qualifications or best value. The Contractor and A/E are both part of the Design-Build team and the project is designed and built under a single contract directly with the Owner (See RP-6.3.7).
- F. Design Services: Architect services, engineer services or landscape architect services. Also referred to as A/E services.
- G. Guaranteed Maximum Price (GMP): A cost-type contract (also known as an open-book contract) where the contractor is compensated for actual costs incurred plus a fixed fee subject to a ceiling price. The contractor is responsible for cost overruns, unless the GMP has been increased via formal change order (only as a result of additional scope from the Owner, NOT price overruns, errors, or omissions). Savings resulting from cost underruns are returned to the Owner. This is different from Design-Bid-Build delivery, where cost savings are typically retained by the contractor.
- H. Program Management (PM)-also known as Construction Management. PM services are procured pursuant to qualification-based selection procedures to provide the professional services of a University advocate working as an extension of the University's staff and in the University's interests to complete a project using one of the three project delivery methods: Construction Manager at Risk (CMR), Design, Bid, Build (DBB), or DB.
- I. Project Evaluation Board (PEB): Project Evaluation Board or PEB shall mean the committee selected by the University to review and evaluate all Statements of Qualifications received in response to a project Request for Qualifications. PEB members are responsible to provide fair, unbiased evaluations and assessments of submitting firms based on the University's published evaluation criteria. (See RP 6.3.8)

IV. Procedure

- A. Stages of PM Selection
 1. Request for Qualifications (RFQ) is prepared.
 2. Notice of RFQ is published.
 3. Statements of Qualifications (SOQ) are received.
 4. A Project Evaluation Board (PEB) reviews the SOQs and prepare a "short list."
 5. Interviews or discussions may or may not be held prior to a final ranking by the PEB.

6. University negotiates a Contract with the highest ranked firm.
- B. The University prepares the Project Management RFQ using a standard RFQ format (*See PM RFQ Template*). The RFQ includes:
1. The number of persons or firms to be included on the short list.
 2. Statement of whether interviews will be conducted with persons or firms.
 3. Evaluation criteria to be utilized by the Project Evaluation Board (PEB) and the relative weight of each evaluation criteria.
 4. Draft Program Management contract.
- C. Public Notice
1. A public notice is issued soliciting interested parties for a contract to provide professional services related to managing on behalf of the University the design and construction, remodeling and/or reconstruction of University facilities and structures. The public notice identifies:
 - a. Nature or description of contract work
 - b. Contract and/or project number
 - c. Due date and time for Statement of Qualifications (SOQ) submittal
 - d. Physical location for receipt of responses
 - e. Number of firms to be on the short list
 - f. University contact name, address, and phone number – an e-mail address may be provided if desired
 2. Two separate advertisements of the public notice in appropriate Nebraska newspapers are required: one each week for two consecutive weeks.
 3. Letter of notification with the public notice may also be sent to all program and construction management firms that have indicated an interest in a University project.
- D. Evaluation Criteria
1. The Director of Facilities Planning and Management or designee, hereinafter referred to as Director, is responsible for creating the detailed evaluation criteria that shall be used in the evaluation and selection decision.

2. The PM selection criteria contained in the PM RFQ Template should be used as a starting point in creating the criteria.
 3. The most important criteria carry the most points relative to the point total.
- E. Project Evaluation Board (PEB) (See RP 6.3.8)
1. An Evaluation Board is composed of a minimum of five persons
 - a. Director of Facilities Planning and Management or designee
 - b. Two campus designated persons
 - c. Two external (Project Evaluation Board Pool) members.
 2. The Director of Facilities Planning and Management is the designated Chairperson
 - a. Acts as an impartial referee
 - b. Conducts the proceedings for the benefit of all concerned
 - c. Votes only as a tiebreaker
 - d. Provides the Board with a summary of the selection process to verify that evaluations are as consistent as possible
 3. PEB Responsibilities
 - a. Evaluation based on published criteria only
 - b. Avoidance of even the appearance of bias or conflict of interest
 - c. Preservation of integrity of evaluation process
 - d. No leading questions asked of firms during interviews
 - e. No correspondence or communication with firms without providing the same information to all of the firms
 - f. No preferential treatment
 - g. Same basic questions asked of all firms
 4. Project Evaluation Board members should each complete the Confidentiality and Conflict of Interest Certification form (See UNFP 6.3.8.1).
- F. Review Statements of Qualifications (SOQs)
1. After receipt of the SOQs, they are distributed to each Project Evaluation Board (PEB) member with a score/ranking form.
 2. Published criteria from the RFQ are included so each Board member is aware of the evaluation criteria.

3. PEB members independently review and evaluate each SOQ.
4. PEB members then meet to make a recommended short list.
5. Discussion is held and significant deviations are noted and discussed by the PEB members to ensure all appropriate information is considered.
6. Final calculations are individually made and each member ranks the respondents.

G. Develop Short List

1. In order of preference, based on criteria published in the RFQ, the PEB recommends a Short List of PM firms deemed to be the most qualified to provide the required professional program management services.
2. The number of persons or firms on the Short List shall be the number of persons or firms specified in the RFQ, which will typically be a minimum of three firms.
3. If a smaller number of responsive and responsible firms respond to the solicitation than required for the Short List, the PEB may proceed with the selection process with the remaining persons or firms if at least two persons or firms remain. The University may also re-advertise, as the director deems necessary or appropriate.
4. Short List selection and order of preference is determined based on demonstrated competence and qualifications.
5. The Short List is approved by the Vice-President of Business and Finance in consultation with the Vice-Chancellor of Business and Finance at the campus where the project will be constructed.

H. Conduct Interviews or Discussions with Short Listed Firms

1. Short Listed firms are invited to participate in an interview with the PEB.
2. All Short Listed firms, no matter their ranking in the original Short List, begin the interview/discussion selection process with equal status.
3. Participants from the selected Short Listed firms will be limited by the number and key positions the PEB wants involved.
4. Specific direction will be provided to the short list firms regarding time limits and aspects of the project to be prepared to discuss.

5. No presentation and no presentation material will be allowed in this phase of the evaluation.
6. Upon completion of the interview and discussions, and based on the evaluation criteria, the PEB members will rank the firms most qualified for the proposed project. Ranking is based on a combination of both the written SOQ and the interview/discussion.

I. Contract Award

1. The University shall award the contract to the PM firm whose proposal receives the highest ranking under the method of scoring in the Request for Qualifications. No other factors or criteria may be used in the evaluation.
2. There will be no binding contract for the project until the contract documents with the selected PM firm have been approved by the Vice President for Business and Finance and signed by the President.
3. The University's file for the contract awarded shall contain the basis on which the award is made.

J. General Considerations

1. Until award and execution of a contract by the University, only the name of each firm on the Short List shall be available to the public. All other information received by the University in response to the Request for Qualification or contained in the SOQs shall be confidential in order to avoid disclosure of the contents that may be prejudicial to competing PM firms during the selection process. The SOQs shall be open to public inspection after the contract is awarded and the University has executed the contract. To the extent that a PM firm designates and the University concurs, trade secrets and other proprietary data contained in an SOQ remain confidential.
2. The University may cancel a Request for Qualifications or reject in whole or in part any or all SOQs if it is in the best interest of the University. The Director shall make the reasons for cancellation or rejection part of the contract file.