



Associate Vice President Policy & Procedure #9

TITLE **AMENDMENT(s) FOR CONSTRUCTION MANAGER (CM) CONTRACT TO ESTABLISH GUARANTEED MAXIMUM PRICE (GMP)**

OBJECTIVE AND PURPOSE To ensure timely processing of the Construction Manger (CM) Contract Agreement establishing the Guaranteed Maximum Price prior to issuing a Notice to Proceed can take place.

RESPONSIBILITY **ACTION**

FACILITIES PLANNING DIRECTOR

- ◆ Within (45) days prior to the anticipated Notice to Proceed, The Facilities Planning Director is to ensure that a request for encumbrance authorization and release has been transmitted to the BOG in accordance with Florida State Statute 1013.31(2)(a,b).
- ◆ Submit to the Vice President's Administrative Assistant the following
 - a) GMP recommendation transmittal (**Attachment "A"**)
 - b) A/E recommendation letter to accept the Guaranteed Maximum Price Proposal (GMP)
 - c) CM's Guaranteed Maximum Price Proposal (GMP)
 - d) Request release of funding money from BOG.
 - e) COIP (most recent)
 - f) Calculations for liquidated damages are formulated as follows:
 daily interest cost = $\frac{\text{GMP amount} \times .07}{365 \text{ days}}$
 - g) Affidavit from the CM stating that all hourly rates included in the GMP Documents are the actual rates for the personnel who will be working on the project, and that should the CM change personnel, the adjusted rate will never exceed the hourly rate stipulated in the GMP Document, but will be adjusted if the new personnel rate is lower. In addition, CM shall provide a spreadsheet detailing the position & name, total project hours, labor burden rate and total labor cost for each proposed employee, from which invoicing shall comply. An example is shown in **Attachment "B"**.

ADMINISTRATIVE ASSISTANT

- ◆ Within (5) working days of receipt of GMP recommendation transmittal, prepare the GMP Amendment and the Performance & Payment Bonds with a cover letter and transmit package to the Vice President for review and approval.

VICE PRESIDENT

- ◆ Review and approve GMP for further processing.

ADMINISTRATIVE ASSISTANT

- ◆ Contact General Counsel to expedite review and obtain signature.
- ◆ Upon obtaining General Counsel's signature on (5) originals of Amendment, forward all (5) originals to the Construction Manager (CM), along with Performance & Payment Bonds, for execution.
- ◆ Upon written receipt of executed Amendment, Payment & Performance Bonds, Certificate of Insurance from the Construction Manager (CM), and approval of insurance requirements, Fax the Amendment, Payment & Performance Bonds, Certificate of Insurance, original Contract pages 1 and signature page to the insurance consultant.

Issued By: Donaudy	Date Issued: 4/2001	Date Revised: 7/2008	Effective Date: 4/2001
APPROVED:	Vice President	Assistant V.P.	Director

- ◆ Follow-up with insurance consultant that paperwork was received for review and approval of insurance compliance.
- ◆ Transmit the (5) executed Amendments received from the CM to the Vice President's Office.

VICE PRESIDENT

- ◆ Transmit (5) executed original Amendments to the University President for final execution.
- ◆ Upon receiving the (5) original executed Amendments from the University President forward the Amendments to the Vice President's Office for final distribution.

ADMINISTRATIVE ASSISTANT

- ◆ Prepare Notice to Proceed letter for Vice President's signature. Notice to Proceed will be effective the date of the letter. Transmit letter and an executed Amendment to the Construction Manager (CM).
- ◆ Forward, via email to the Engineer Tech/Designer, the CM Notice to Proceed date of Project #, A/E firm name and contact person for the project and telephone number to obtain the design and contract documents in accordance with the Agreement Between Owner and Architect/Engineer, Article 2.1.3. for the project.

ATTACHMENT

- ◆ *Guaranteed Maximum Price Recommendation Transmittal - Attachment "A"*
- ◆ *Labor Overhead Costs – Sample of detail to be provided in GMP & CM invoices- Attachment "B"*

OFFICE OF THE UNIVERSITY ARCHITECT & VICE PRESIDENT

GUARANTEED MAXIMUM PRICE RECOMMENDATION

TRANSMITTAL

PROJECT NO: _____

PROJECT TITLE: _____

PROJECT MANAGER CHECKLIST

- _____ 1. CM's Guaranteed Maximum Price (GMP) Proposal Dated: _____
- _____ 2. Calculations for Liquidated Damages in accordance with AVP Policy & Procedure #9
- _____ 3. A/E Recommendation Letter to accept the GMP
- _____ 4. Copy of Approved COIP (most recent)
- _____ 5. Affidavit from CM stating that all hourly rates included in the GMP Documents are the actual rates for the personnel who will be working on the project, and that should the CM change personnel, the adjusted rate will never exceed the hourly rate stipulated in the GMP document, but will be adjusted if the new personnel rate is lower.

FACILITIES PLANNING SENIOR ACCOUNTANT

- _____ 6. Encumbrance Authorized for Project Funds
(has been requested _____), (is authorized _____)

FACILITIES PLANNING DIRECTOR

The above items have been reviewed and Facilities Planning recommends the acceptance of the enclosed GMP for the above project.

Director of Facilities Planning (Signature) Date _____

ATTACHMENT "A"

LABOR OVERHEAD COSTS

SAMPLE OF DETAIL TO BE PROVIDED IN GMP AND CM INVOICES

FOR EXHIBIT PURPOSES ONLY								
(1)	DETAIL SHOWN IN GMP							
	Labor Type/Position	Employee Name	Total Project Hours	Hourly Base Rate	Labor Burden Rate	Total CM Labor Costs		
	Superintendant	John Brown	2000	\$ 55.00	1.60	\$ 176,000.00		
	Manager	Tom Smith	2000	\$ 50.00	1.60	\$ 160,000.00		
	Supervisor	Peter Jones	2000	\$ 45.00	1.60	\$ 144,000.00		
	Secretary	Mary Johnson	500	\$ 25.00	1.60	\$ 20,000.00		
	Total					\$ 500,000.00		
(2)	DETAIL SHOWN IN CM INVOICES							
	Labor Type/Position	Employee Name	Total Project Hours	Hourly Base Rate	Labor Burden Rate	Total CM Labor Costs		
	Superintendant	John Brown	160	\$ 55.00	1.60	\$ 14,080.00		
	Manager	Tom Smith	160	\$ 50.00	1.60	\$ 12,800.00		
	Supervisor	Peter Jones	160	\$ 45.00	1.60	\$ 11,520.00		
	Secretary	Mary Johnson	40	\$ 25.00	1.60	\$ 1,600.00		
	Total					\$ 40,000.00		
(3)	EXAMPLE OF LINE IN SCHEDULE OF VALUES							
Item	Description	Scheduled Value	Previous work	Work this invoice	Total Completed	% Complete	Balance to Finish	Retainage Value
1	CM Labor Fee	\$ 500,000.00	\$0.00	\$ 40,000.00	\$ 40,000.00	8.00%	\$460,000.00	\$4,000.00

ATTACHMENT "B"