



STATE OF CONNECTICUT  
DEPARTMENT OF CONSTRUCTION SERVICES



Governor's Bill 33 AAC Project Delivery at Department of Transportation  
Testimony of Donald DeFronzo  
Acting Commissioner of Construction Services

Transportation Committee  
February 22, 2012

Good morning Senator Maynard, Representative Guerrero, Senator Boucher, Representative Scribner and distinguished members of the Transportation Committee. Commissioner DeFronzo apologizes for not being able to join you today. For the record, my name is Allen Herring, Chief Engineer for the Department of Construction Services (formerly Public Works). I am here today to provide comments on Governor Malloy's Governor's Bill 33 "An Act Concerning Project Delivery at Department of Transportation." Governor's Bill 33 provides that, as an alternative to using a design-bid-build contract model, the Department of Transportation may designate specific projects to be completed using a construction-manager-at-risk contract with a guaranteed maximum price, or a design-build contract. To assist the Committee with its review of this proposal, the Department of Construction Services (DCS) hereby provides the Committee with our experience with the construction manager-at-risk (CMR) project delivery method.

Concerning the CMR delivery option, a design professional consultant is selected through a qualifications-based selection process to prepare the design and the construction documents. The CMR is chosen through qualifications-based and best value selection processes. The CMR provides pre-construction services during the design phase, and oversees project management issues and the coordination of activities during construction. The CMR publicly bids and holds the trade contracts. The CMR takes on the performance risk by providing a Guaranteed Maximum Price for the construction of the project.

Under the design-build option for project delivery, design-build teams composed of a general contractor and architect/engineer compete in a qualifications-based screening process followed by a competitive sealed proposal selection process. A design-build team is chosen based upon its proposal providing the best value to the state. DCS and the design-build team enter into a contract wherein the team agrees to design and build the facility for the total cost set forth in its proposal.

In the design-bid-build or "low bid" project delivery method, which is set forth in the DCS bidding statutes, C.G.S. Sec. 4b-91 et seq., a design professional consultant is selected through a qualifications-based selection procedure. The consultant develops the design and construction documents. A general contractor is selected through the competitive sealed bid process. The general contractor holds all of the subcontracts.

DCS received the statutory authority to utilize the CMR project delivery method in 2007. DCS developed the templates for the CMR family of documents over the course of the next year, and entered into its first CMR agreement in 2009 for Gateway Community College. Presently, we have five CMR projects in various stages of the design and construction process.

The CMR project delivery method has certain advantages over the design-bid-build or "low bid" delivery method. One advantage is that high quality contractors are willing to participate and submit qualifications and proposals as part of the quality-based and best value selection process. Once selected, there is now a single point of responsibility regarding the management and coordination of the work. This delivery method provides for an open book cost accounting. For projects where the CMR is selected during the early stages of the pre-construction phase of the project, the CMR provides its knowledge and expertise in the review of the design, including estimating its construction cost and offering value engineering to

reduce such cost when necessary. The relationship among the CMR, DCS and the client agency is a cooperative one.

Our experience with CMR projects, furthermore, is that DCS receives a high level of support from the CMR, through its provision of an appropriate number of qualified personnel for the particular project. There are less issues coordinating the work than with similar low bid projects. The trade bidding process, furthermore, allows for a greater opportunity to evaluate the qualifications and abilities of all of the trade contractors.

It should be noted, in addition, that the selection process for the CMR has been very competitive and that the CMR fees have been in the 1%-2% range.

In sum, DCS has had very favorable experience to date utilizing construction managers at risk in our projects, and believes that the CMR model provides the state with many advantages. Thank you for the opportunity to testify. I will be happy to answer any questions that members may have.