



approach for CHCCS.

## **Key Advantages of CMAR Over D-B-B and PD-B**

### **1. Enhanced Cost Control and Early Budget Certainty**

- CMaR allows the construction manager to be involved during the design phase, providing cost estimates, value engineering, and constructability reviews.
- A Guaranteed Maximum Price (GMP) is established early, offering budget security and reducing the risk of cost overruns.
- In contrast, D-B-B lacks early contractor input and often leads to change orders and budget uncertainty.

### **2. Improved Schedule Management**

- CMaR enables early procurement of long-lead items and phased construction, reducing overall project duration.
- Unlike D-B-B, which requires a fully completed design before bidding, CMaR accelerates project timelines through overlapping design and construction phases.

### **3. Increased Collaboration and Transparency**

- CMaR fosters a team-oriented approach where the owner, architect, and construction manager work collaboratively throughout the project.
- This method promotes transparency, aligns goals, and enhances decision-making, which is particularly valuable in complex school environments.

### **4. Retention of Design Control**

- CHCCS maintains direct contracts with both the designer and the CMaR, preserving design oversight and educational stakeholder engagement which is desired by the district.
- In contrast, PD-B transfers design responsibility to the builder, potentially limiting input from CHCCS and reducing flexibility in the design process.

### **5. Reduced Risk for CHCCS**

- The CMaR assumes the risk for construction performance under the GMP, protecting the district from cost escalations and delays.
- D-B-B places greater risk on the owner due to the sequential nature of the process and less integrated team communication.

## **North Carolina Statutory Requirements for Selecting Construction Management at Risk (CMaR)**

Under North Carolina General Statutes (NCGS), the use of Construction Management at Risk by public entities, including school districts, is regulated to ensure transparency, fairness, and accountability in public procurement.

Specifically, NCGS § 143-128.1 governs the use of the CMaR method and outlines key requirements that a school board must follow:

### **1. Board Resolution Requirement**

Before proceeding with CMAr, a Board of Education must formally adopt a resolution that states the reasons for selecting this delivery method. This is a mandatory step to document why CMAr is deemed to serve the best interests of the project and the public.

The resolution must:

- Justify the use of CMAr over traditional delivery methods (e.g., Design-Bid-Build or Progressive Design-Build).
- Be adopted in an open meeting with the resolution and justification recorded in the minutes.
- Address how CMAr will promote the interests of the public through cost control, schedule advantages, or project complexity.

## **2. Public Notice and RFQ Process**

Once the resolution is adopted:

- The district must issue a Request for Qualifications (RFQ) to solicit proposals from potential construction managers-at-risk.
- The RFQ must be publicly advertised and follow the competitive qualifications-based selection process outlined in NCGS § 143-64.31 (also known as the Mini-Brooks Act), which prohibits cost as a selection factor at the RFQ stage.

## **3. Contracting and GMP Requirements**

- The CMAr must provide a Guaranteed Maximum Price (GMP) for the construction work once design reaches an appropriate level of completion.
- The GMP must be included in the contract and is subject to oversight and approval by the school board.
- The CMAr assumes the risk for delivering the project within the GMP and is responsible for subcontractor selection in compliance with NCGS § 143-128 bidding requirements.

## **4. Oversight and Compliance**

- CHCCS must comply with all applicable public contracting laws, including minority and women-owned business participation goals (per NCGS § 143-128.2).
- Records of the selection process, resolution, and CMAr performance must be maintained for public review to ensure accountability.

## **Conclusion**

Given the complex, sensitive nature of educational facilities and the district's need for fiscal responsibility, schedule adherence, and stakeholder engagement, Construction Management at Risk (CMAr) offers the most balanced, transparent, and efficient delivery method for CHCCS. It combines the collaborative benefits of early contractor involvement with the security of cost and schedule control

ensuring that district goals are met with minimal disruption to students and staff.

The State of North Carolina requires a formal and transparent justification process when a public school district like CHCCS selects Construction Management at Risk as a delivery method. The board resolution is a critical legal step that safeguards public interests by ensuring that CMaR is used appropriately, competitively, and in alignment with statutory requirements.

In accordance with North Carolina General Statute 143-128.1(e), district staff recommends that the Board of Education make a determination which allows the utilization of CMaR services. Staff has determined that such utilization is in the best interest of the project, as well as the district has compared the advantages and disadvantages of using the construction management at risk method for the given project in lieu of other delivery methods identified in NCGS 143-128(a)(1) through NCGS 143-128(a1)(3).

**FINANCIAL IMPACT:**

None.

**PERSONNEL IMPACT:**

None.

**SUGGESTED ACTION:**

Board of Education approval for the use of construction management at risk construction delivery method with the Carrboro Elementary School Replacement Project.

**RESOLUTION:**

Be it, therefore, resolved that the Board of Education approves the use of construction management at risk construction delivery method for the Carrboro Elementary School Replacement Project.