



OFFICE OF THE STATE ARCHITECT  
STATE BUILDINGS PROGRAM  
POLICIES AND PROCEDURES

INTEGRATED DELIVERY METHODS

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**Statutory Requirements**

House Bill HB07-1342, **CRS 24-93-101 to 108**, enacted into law during the 2006/2007 legislative session and effective August 3, 2007 creates “**Article 93 Construction Contract**” which establishes for any agency of state government an optional alternative public project delivery method to be known as INTEGRATED PROJECT DELIVERY or IPD.

**24-93-106(2)**: “The agency responsible for the IPD contract shall select, the Participating Entity whose proposal is the most advantageous and represents the best overall value to the state.”

**24-93-106(3)(b)**: “The criteria for evaluation of a proposal, which criteria may provide for selection of a proposal on a basis other than solely the lowest costs estimates submitted;”

**24-93-107**: “The Executive Director of the Department of Personnel may establish supplemental provisions that are designed to implement the provisions of this article.”

**R24-105-101-03(c)**: Adequate public notice through a Request for Proposals (RFP) must be given at least thirty calendar days from the date of submission of proposals.

**24-93-103(4)**: “INTEGRATED PROJECT DELIVERY” or “IPD” means a project delivery method in which there is a contractual agreement between an agency and a single participating entity for the design, construction, alteration, repair, improvement, demolition, maintenance, or financing, or any combination of these services, for a public project.”

**24-93-103(5)**: “IPD CONTRACT” means a contract using an Integrated Project Delivery Method.”

**24-93-103(6)**: “PARTICIPATING ENTITY” means a partnership, corporation, joint venture, unincorporated association, or other legal entity that provides appropriately licensed planning, architectural, engineering, development, construction, operating, or maintenance services as needed in connection with an IPD contract.”

**Excerpts from 24-93-105: PREQUALIFICATION OF PARTICIPATING ENTITIES**

“Requests for qualifications may contain the following elements and such additional information as may be requested by the agency:”

- Description of proposed project
- Relevant budget considerations
- Type of company of Participating Entity (i.e. partnership, joint venture etc.)
- Past experience of Participating Entity to completes projects of similar size, scope, or complexity
- Past experience of Participating Entity’s proposed staff

- Evidence that Participating Entity has all applicable licenses, registrations, and credentials required to provide the proposed services and listing of any revocations or suspensions
- Criteria for prequalification
- Where an APPRENTICE TRAINING PROGRAM certified by the Office of Apprenticeship located in the Employment and Training Administration in the United States Department of Labor exists in the state, or a comparable program for the training of apprentices is available in the state:

A). Each Participating Entity shall demonstrate access to the certified program or a comparable alternative, and

(B). each subcontractor, at any tier with a contract value of two hundred fifty thousand dollars or more shall demonstrate access to the certified program or a comparable alternative.

### **Excerpts from 24-93-106: EVALUATION AND AWARD**

“Requests for Proposals for IPD contracts **shall**, at a minimum, include the following evaluation factors and sub factors that shall be used to evaluate the proposals and capabilities of Participating Entities:”

- Price
- Design and technical approach to the project
- Past performance and experience
- Project management capabilities, including financial resources, equipment, management personnel, project schedule, and management plan
- Craft labor capabilities, including adequacy of craft labor supply and access to federal or state-approved apprenticeship programs, if available

“Requests for Proposals **may** contain additional relevant factors and sub factors as determined by the agency, which may include:”

- The procedures to be followed for submitting proposals
- The criteria for evaluation
- The procedures for making awards
- Performance standards
- Description of drawings, specifications, or other submittals
- Relevant budget considerations
- Project schedule
- Stipend, if any

### **Implementation of Article 93 through SBP/OSA Policy**

It is the intention of the Office of the State Architect/State Buildings Program to implement **Article 93, Integrated Delivery Method** through “fast-track” project delivery methods used on large state funded projects where qualifications and price are considered as the basis for selection.

**Agencies are required to consult with OSA/SBP for approval to use an integrated project delivery method prior to commencing the solicitation process for A/E or Construction Services.**

### **Construction Manager/General Contractor (CM/GC) (State Form SC-6.5)**

- The Request for Proposal (RFP) incorporates the requirements of 24-93-106 and is referred to as:

*Request for Proposals for an Integrated Project Delivery Method Utilizing Construction Manager/General Contractor (CM/GC) Services*

- The RFP can be viewed and downloaded at the SBP/OSA website.
- The contract for Construction manager/General Contractor (CM/GC) is as listed on the SBP/OSA Web site.
- State of Colorado CMGC contracts are considered CMGC at risk as the Guaranteed Maximum price is set at the end of the Design Development phase of design.

### **Design/Build (DB)**

The Request for Proposals (RFP) incorporating the requirements of Article 93 is referred to as:

*Request for Proposals for an Integrated Project Delivery Method Utilizing Design/Build Lump Sum (LS) Services*

or

*Request for Proposals for an Integrated Project Delivery Method Utilizing Design/Build Guaranteed Maximum Price (GMP) Services*

- The RFP's can be viewed on-line and downloaded at the SBP/OSA web site.
- The contract for Design/Build Lump Sum (LS) is SC-8.0 as listed on the SBP/OSA web site.
- The contract for the Design/Build Guaranteed Maximum (GMP) is SC-9.0 as listed on the SBP/OSA web site.

### **Definitions Critical to Integrated Project Delivery**

A more comprehensive list of definitions can be found in the General Conditions of the Agreements (State forms SC-6.51, SC-8.1 and SC-9.1)

#### **Direct Cost of Work**

The term "Direct Cost of Work" shall mean those costs directly linked to the physical construction of the project including material, labor and equipment and subcontractor costs. Exhibit A of each agreement further delineates Fee versus Direct Cost of Work.

#### **Fixed Limit of Construction Cost**

The term "Fixed Limit of Construction Cost" shall set forth a dollar amount available for the total Construction Cost of all elements of the Work as specified by the Principal Representative.

It is typically established when an appropriation is approved as part of the Project Budget and subsequent Construction Project Application (SC4.1)

**Guaranteed Maximum Price**

The term "Guaranteed Maximum Price" shall mean the maximum amount for which the Work shall be accomplished and it shall be computed by the Construction Manager and approved by the Principal Representative.

The list of items that should be included and defined by the CM in the GMP:

- Construction Managers Fee (As defined on Exhibit A of the Base Agreement)
- General Conditions Fee (As defined on Exhibit A of the Base Agreement)
- Estimate of all work that needs to be performed
- Allowances that cannot be defined by an estimate
- Any add or deduct alternates
- Bidding Contingency
- Construction Contingency

**Lump Sum Contract Price**

Includes the Pre-Construction Services Fee, Construction Services Fee, General Conditions Fee and Direct Cost of Work. Note it does not include contingencies until they have approved through a change order and incorporated into the Fees or Direct Cost of Work.