

Construction Management Consultant Services Guideline

Summary of Policy

Consultant Construction Management Services are required to implement Capital Projects at the Los Angeles County Metropolitan Transportation Authority (the agency). The construction of capital projects is complex and requires a variety of many experienced people with construction background to manage the various aspects of the work. Construction Management Consultants are used to:

- Supplement staff during periods of heavy work load.
- Construct large and complex capital projects where specialized knowledge is needed.
- Directly monitor and control costs, schedules, quantity and safety of work performed by contractors.

It is the policy that contracting out of Construction Management Consultant Services be established at 9.6% of the total project cost. The Construction Committee must be notified of any increase in the cost of Construction Management Consultant Services that are greater than 9.6% of total project cost, regardless of project size.

Construction Management Consultants function as point of contact and is responsible for the coordinating and managing the myriad of global tasks prior to, during, and after completion of design and construction.

Historical Perspective

Before this policy was adopted, the criteria used to estimate the cost of Construction Management Consultant Services included:

1. the size, type and duration of construction projects; and
2. specialized expertise required

After award of the contract, any changes that staff wanted to make had to be within the project's budget and if in excess of \$200,000 are approved by the Board.

Every construction project that is undertaken requires Construction Management consultant services to provide constructability reviews during the design stage, as well as to provide management assistance during construction activities to ensure that the agency's interests are protected so that it receives a completed quality project within budget and on schedule. Construction management can be performed in any of the three following scenarios:

1. Contract out the Construction Management services to outside consulting firms;
2. Perform the construction management with in-house staff; and
3. Perform Construction Management with a combination of in-house staff and outside consultant staff working under agency direction as part of an integrated project organization.

In November 2000, the Board directed staff to submit a cost guideline for Construction Management Consultant Services to the Construction Committee. Staff reviewed the practices of other public agencies and determined that Construction Management Consultant Services for various size projects ranged from 6% to 14% of the overall Project budgets. An analysis of the Metro Red Line Segment 3, North Hollywood Extension Project, which opened ahead of schedule and within the original budget, revealed that Construction Management Consultant Services costs were 9.6% of the total Project Budget. The Board adopted the latter figure as its guideline for future construction projects.

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Last Board Action

February 22, 2001 – Construction
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Board approved the guideline for
Construction Management Consultant
Services costs.