

**AGENCY CONSTRUCTION MANAGEMENT (ACM) POLICY**  
**Council Policy No. 127/18**

**PURPOSE:**

It is the policy of City Council to require the City to receive the best value for their major projects. Should Council consider it in the taxpayer's best interest the Agency Construction Management (ACM) Method can be used.

**POLICY BACKGROUND:**

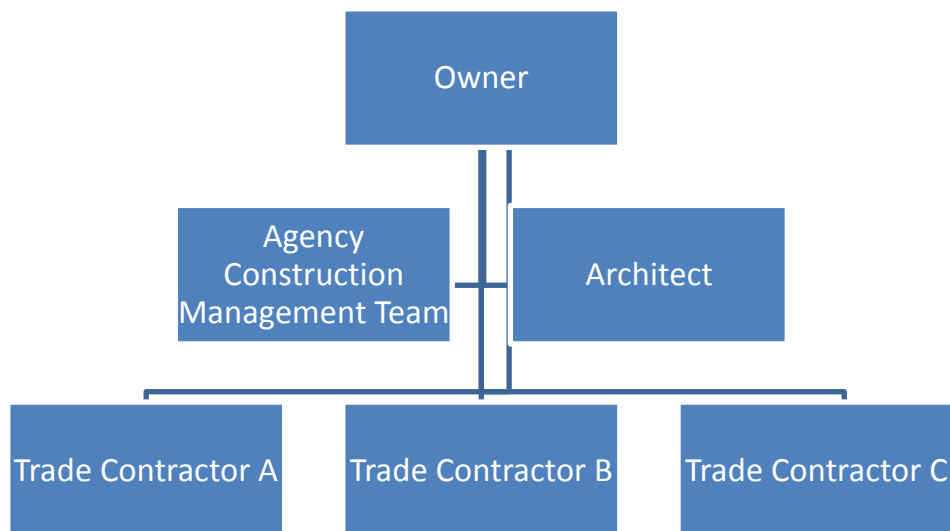
The City is obligated to its taxpayers to ensure that with any project undertaken the best value for dollar spent is achieved.

**POLICY PRINCIPLES:**

Where Council has considered it in the taxpayer's best interest to use the Agency Construction Management Method, the following applies:

**DEFINITION:**

In Agency Construction Management, the construction manager performs all project management roles as well as providing field supervision and coordination of individual trade contractors. The Agency Construction Management team acts as the owner's construction agent. Contracts are made directly between the owner and the designer or trade contractor. The agency construction model is well-suited to projects without tight time constraints, or with highly developed design documents. It also represents the highest level of cost savings to the owners. In all cases, the fiduciary responsibility is directly with the owner unlike the traditional Construction Management method whereby the fiduciary responsibility of the trade contractors is to the General Contractor.



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**BENEFITS OF THE AGENCY MANAGEMENT CONSTRUCTION METHOD:**

- The process offers the City significant control
- The City has a defined requirement and a fixed price
- The fiduciary responsibility of the ACM team and the Trade Contractors is to the City of Fort St. John.
- Provides design and construction expertise to the City without conflict of interest or increase in profit
- Permits more participation by qualified local trade contractors
- The multiple trade construction contacts are fixed-price based on complete documents with little room for change orders
- The ACM team is responsible to protect the City's interest exclusively.

**IMPORTANT FACTORS:**

The four important factors in ACM are:

- Represent the City's interest exclusively
- No incentive for increased Construction Management fee
- Flexible management staff resources
- Recognized and proven project delivery method.

**GUIDING PRINCIPLES IN PURCHASING UNDER THE ACM METHOD:**

The following principles will guide the Agency Construction Management process:

- Transparency in process
- Competitive based on several factors - pricing, scheduling, credibility (ie bonding) etc.
- Fair and Respectful environment

**ROLE OF AGENCY CONSTRUCTION MANAGEMENT TEAM:**

The ACM team will act as the City's agent in the following areas:

- Evaluating and presenting trade contractors' bids for the City's selection
- Drafting and distributing trade contracts
- Manage scope, schedule and quality compliance of trade contractors during construction
- Review and authorize all contractor pay requests recommendations provided by the Project Director for payment
- Manage document controls such as change orders etc.

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**OVERSIGHT COMMITTEE:**

An Oversight Committee (OC) will be established when dealing with a project using the ACM method. The Oversight Committee will consist of:

- Two (2) Council representatives, one of which will be the chair
- City Manager or designate
- General Manager of Community Services
- Director of Finance
- Technical Management Committee liaison
- User group representative (optional depending on the project)

The purpose of the OC will be to review the decisions made by the Technical Committee, to provide guidance and direction on emerging issues and to report back to Council. The OC will meet on an “as required basis.” The frequency of meetings will be determined per project by the OC and can be adjusted during the course of the project as the committee deems appropriate. The OC will have bi-monthly regular-status reports available to Council and bring forward any issues, with recommendations, that require Council’s approval as required.

**TECHNICAL MANAGEMENT COMMITTEE:**

A Technical Management Committee (TCM) will be established when dealing with a project using the ACM method. The TMC will consist of the following representatives or other additional representatives as may be required from time to time:

- Owner’s Representative
- Construction Manager
- Site Superintendent
- General Manager of Community Services and or Designate
- Main User Group Department Representative
- Architect

Administrative support for both the TMC and the OC will be determined by the General Manager of Community Services. The TMC would provide progress reports to the OC and keep them apprised of any issues related to the project. The TMC would make recommendations on any changes to the project for review by the OC.

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TECHNICAL MANAGEMENT COMMITTEE: (continued)



POLICY OBJECTIVES:

To ensure the best value for tax dollar spent on City projects.

PURCHASING PROCEDURES:

Using the guiding principles as outlined above, the following procedures will guide the purchasing

1. Contracts will be entered into where applicable and will follow the City's Purchasing and Tendering Policy – Council Policy No. 22/14
2. All Tenders and RFP's will be posted on the City's website and BC Bid as a minimum requirement. Advertising on or in other procurement websites and mediums will be determined by the Technical Committee.
3. The purchasing decision shall utilize a matrix of factors, with varying weights per factor. A matrix can include but is not limited to: price, schedule, bonding etc. The Purchase Decision Matrix will contain values for all factors considered and such a matrix must be retained on file together with the quotes. The Purchasing Decision Matrix will be supplied to all proponents as a part of the RFP.

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4. Payments to be made on a timely basis and where applicable discounts for quick payment should be utilized to reduce project costs.

Successful proponent would be the highest evaluated proposal based on the Purchasing Decision Matrix. Where evaluations are equal the preference would be to a local provider.

**Sample Decision Matrix:**

<b>FACTOR</b>	<b>WEIGHT</b>
<b>Bonding</b> <ul style="list-style-type: none"> <li>• No Bonding – 0</li> <li>• Bonding – 15</li> </ul>	15
<b>Scheduling/Timing</b> <ul style="list-style-type: none"> <li>• Available, flexible, shortest reasonable period required to complete – 30</li> <li>• Available, flexible, time to complete not shortest reasonable period – adjusted based on timing – 10 to 29</li> <li>• Available, not flexible – adjusted based on timing to complete – 1 to 9</li> </ul>	30
<b>Capability/Experience</b> <ul style="list-style-type: none"> <li>• Scoring based on depth of resources and experience with proponent that has largest depth of resources and sufficient experience getting full score</li> <li>• If requested, reference check result should also be factored into capability/experience scoring</li> </ul>	15
<b>Cost</b> <ul style="list-style-type: none"> <li>• Lowest cost – 40</li> <li>• All other based on percentage difference (negative percentage difference = 0)</li> </ul>	40
	100