

HOUSE BILL NO. 5280

December 05, 2019, Introduced by Rep. Warren and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding section 1268.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 1268. (1) If the board of a school district or**
2 **intermediate school district or the board of directors of a public**
3 **school academy undertakes a project for the construction,**
4 **reconstruction, installation, demolition, maintenance, or repair of**



1 a school building that will cost \$25,000,000.00 or more, the board
2 or board of directors shall contract for the services of an owner's
3 project manager to serve as the board's or board of directors'
4 project representative and consultant during the planning, design,
5 and implementation for the construction, reconstruction,
6 installation, demolition, maintenance, or repair of the school
7 building. For projects that cost less than \$25,000,000.00 under
8 this section, the board or board of directors may contract for the
9 services of an owner's project manager to serve as the board's or
10 board of directors' project representative and consultant as
11 provided in this section.

12 (2) The basic duties of the owner's project manager must
13 include, but are not limited to, all of the following:

14 (a) Providing advice and consultation during project planning,
15 feasibility, and design.

16 (b) Providing value engineering.

17 (c) Providing project scoping.

18 (d) Providing independent cost estimating.

19 (e) Providing project cost management.

20 (f) Providing project schedule management.

21 (g) Providing general contractor and subcontractor
22 prequalification, when applicable, and selection, negotiation with,
23 and oversight of the designer and general contractor or
24 construction manager for the project.

25 (h) Ensuring the timely preparation of control budgets and
26 schedules on a time scale, which must serve as control standards
27 for monitoring timely, on-cost performance of the project.

28 (i) Assisting in project evaluation including, but not limited
29 to, written evaluations of the performance of the designer,



1 contractor, construction manager, and any subcontractor involved in
2 the project.

3 (3) Total compensation for owner's project manager services
4 must not exceed 3% of the total project cost, excluding land
5 acquisition cost, as estimated in a third-party cost estimate
6 documented in the total project cost developed based on a schematic
7 design approved by the board of a school district or intermediate
8 school district or the board of directors of a public school
9 academy. The fee described in this subsection does not include land
10 survey, geotechnical evaluation and investigation, aerial survey,
11 third-party cost estimating, materials testing, commissioning
12 agent, quality inspection agents, owner third-party consultants, or
13 any other specialized consulting services requested by the board or
14 board of directors and subcontracted by the owner's project manager
15 on behalf of the board or board of directors. Compensation for an
16 owner's project manager during planning, feasibility, and schematic
17 design must be based on scope of services and associated fee, which
18 must be payable monthly and must be captured within the owner's
19 project manager total fee of not more than 3% of total project cost
20 approved through the schematic design approved by the board or
21 board of directors. Authorization for each subsequent design phase
22 after schematic design and for the construction phase of the
23 owner's project manager services will be negotiated and contracted
24 timely with the advancement of the project by the board or board of
25 directors.

26 (4) The board of a school district or intermediate school
27 district or board of directors of a public school academy must use
28 a qualifications-based selection process to procure the services of
29 an owner's project manager under this section.



1 (5) As used in this section:

2 (a) "Owner's project manager" means an individual,
3 corporation, limited liability company, partnership, sole
4 proprietorship, joint stock company, joint venture, or other entity
5 engaged in the practice of providing project management and project
6 control services for the construction and oversight of building
7 projects. The owner's project manager professional-in-charge is a
8 person registered as a professional engineer with at least 10 years
9 of experience in project management and project controls in the
10 design, construction, and managing of building projects or, if not
11 registered as a professional engineer, a graduate of an accredited
12 engineering school with at least 15 years of relevant experience in
13 project management and project controls in the design,
14 construction, and managing of building projects. The owner's
15 project manager is independent of the designer, general contractor,
16 construction manager, and any subcontractor involved in the
17 project.

18 (b) "School building" means either of the following:

19 (i) A building used primarily to provide instruction to pupils.

20 (ii) A recreational or athletic structure or field intended to
21 be used by pupils.

