

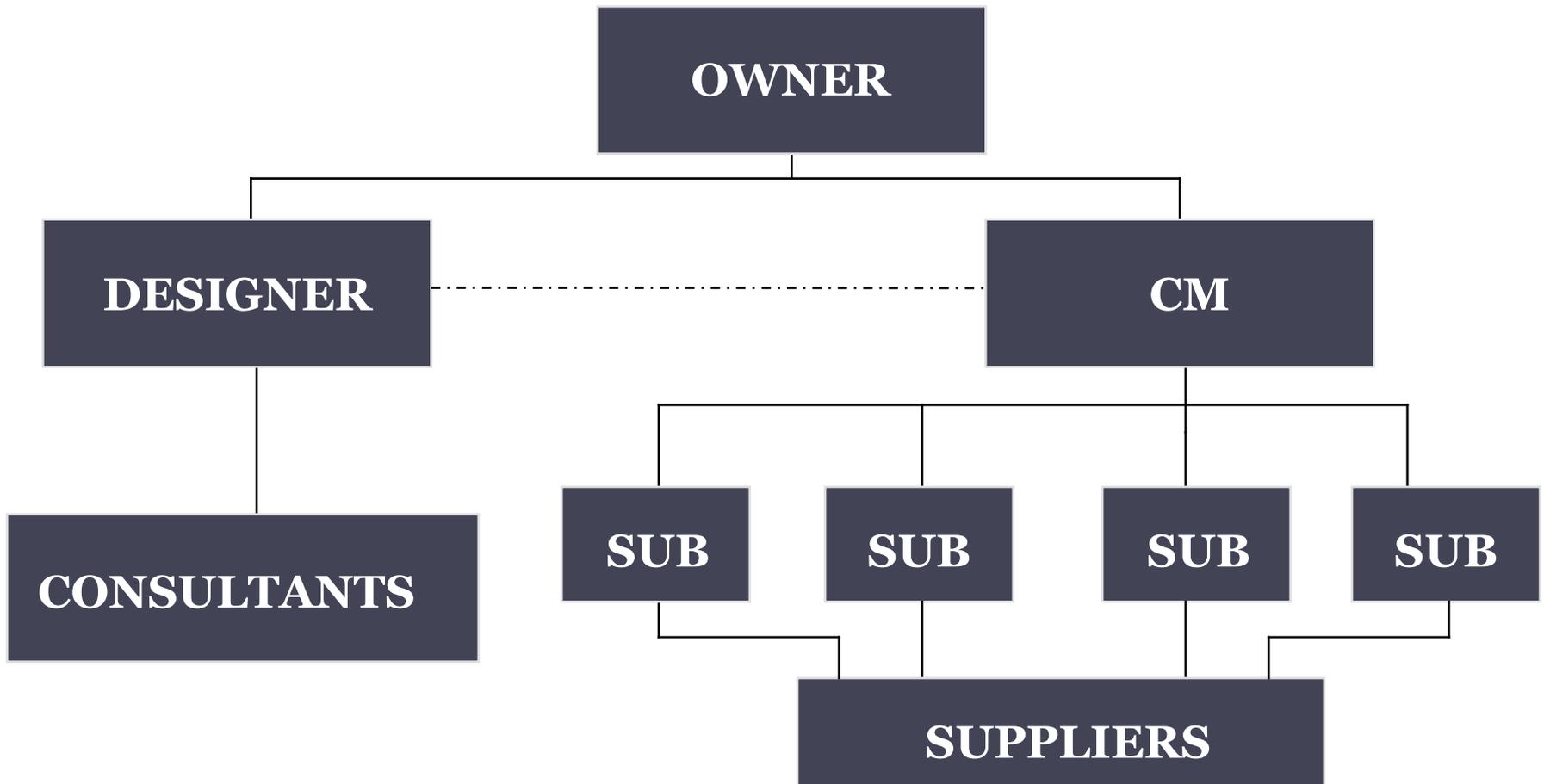
# Construction Management At Risk Process



# Construction Management At Risk

- Construction may be procured only by competitive sealed bidding, with the following exceptions (Sec 2.2-4306):
  - **Design-Build**
  - **Construction Management at Risk**
- Owner must justify and have approval to use Construction Management (CM At Risk or CM/GC) by DEB
- CM is usually selected early and makes input to design/system selection

# Construction Management At Risk



# CM At Risk or CM/GC

- CM is a 2 step process, RFQ then RFP
- RFQ Step 1:
  - Request statements of Qualifications (CO-16) from interested firms
  - Include Attachment 1 to show the Qualification factors the responders should address.
  - Request past CM project experience and request references to verify data

# Construction Management At Risk

- RFP Step 2:
  - Evaluate Qualifications and select those fully qualified and suited for project for interview
  - Provide information on project to include descriptive narrative, site location information, floor plans, general construction budget, and schedule to CM's.
  - Invite CM's for interview.

# Construction Management At Risk

- CM's should address the following during Interview presentation:
  - Company approach to providing CM At Risk services
  - Proposed CM Project Manager describes his duties and approach
  - Proposed CM Superintendent describes his duties and approach
  - Based on project description provided, describe the "Preconstruction Services" the CM would propose and describe the value this would be to the Owner.
  - Provide estimate of CM Fee for proposed "Preconstruction Services"

# Construction Management At Risk

- Interview (cont):
  - Provide estimate of the Construction Management Fee expected for this project
  - Provide estimate of the “General Conditions” fee that would be expected for this project and provide a completed GC Matrix indicating what is included.
  - Provide estimated requirements for a “CM Contingency” if asked to provide a Guaranteed Maximum Price (GMP) when documents are an *owner stipulated percentage* complete
  - Discuss SWAM experience and proposed SWAM involvement

# Construction Management At Risk

- Rank order and select 2 (or 3) as fully qualified and deemed better suited for this project
- Provide selected CM's with a revised Scope of Work with clarifications as appropriate, a copy of plans at current status, and other project specific information along with a Request For Proposal to include
  - Preconstruction Services Fee
  - Proposed CM Fee
  - Proposed “General Conditions Fee”
  - Proposed CM Contingency amount based on *owner stipulated percentage* docs
- Is GMP within the Construction Budget?

# Construction Management At Risk

- Review, Evaluate and Negotiate with CM proposers based on the requested information provided, clarifications provided, and criteria detailed for selection in the RFP
- Select “Fully Qualified and Best Suited” CM for contract for Phase 1 “Preconstruction Services” with option for Phase 2 “CM At Risk” construction contract if an acceptable GMP can be agreed upon

# Construction Management At Risk

- CM “Pre-Construction Services” are Non-Professional Services that typically begin at Schematics
- CM “Pre-Construction Services” include
  - cost estimates
  - availability of materials
  - availability of specialty subs
  - constructability reviews
  - Goals for SWAM Utilization and reporting requirements

# Construction Management At Risk

- A/E still performs the normal functions of design services
- A/E Construction phase services may vary and should be included in the A/E Fee Negotiations
  - Phased Construction
  - Trade Packages
  - Additional CA Services



# Construction Management At Risk

- Schedule Pre-Design Meeting with BCOM to include the Owner, A/E and CM at Risk GC to discuss:
  - Schedule and phasing of construction
  - VE requirement, unless waived
  - Phased construction requires BCOM approval of Preliminary documents prior to Partial Building Permit submissions

# Construction Management At Risk

- Partial Building Permits are acceptable and may include:
  - Site and Utility Work
  - Foundations
  - Structure
  - Core and Shell
  - Full Building
- Permits are cumulative

# Construction Management At Risk

- CM receives bids from subs on trade packages and awards trade contracts
- Subcontracts are open book to include Owner's input
- CM holds all trade subcontracts
- CM is responsible to Owner to finish on time and within GMP

# Construction Management At Risk

- A/E produces coordinated design about 65% to 90% complete for CM to use for pricing to establish Guaranteed Maximum Price
- Owner still must have A/E and Project Manager/Project Inspector to perform construction period services
- Owner must contract for Special Inspections

# CM at Risk - Negative Aspects

- The RFP process and sketchy or ill-defined scope & criteria make for an uneven playing field between proposers
- Partial/uncoordinated submittals to the Bldg Official can extend the time to review and issue a permit
- A/E's fee for services will be higher
- Requires more Owner time and experience for project management and oversight

# CM at Risk - Positive Aspects

- May allow earlier award of construction contract due to phasing
- RFP process allows consideration of factors other than price
- Allows Contractor to have input into design of systems
- Allows Contractor to have input to control costs
- Allows Owner's input on subcontracts