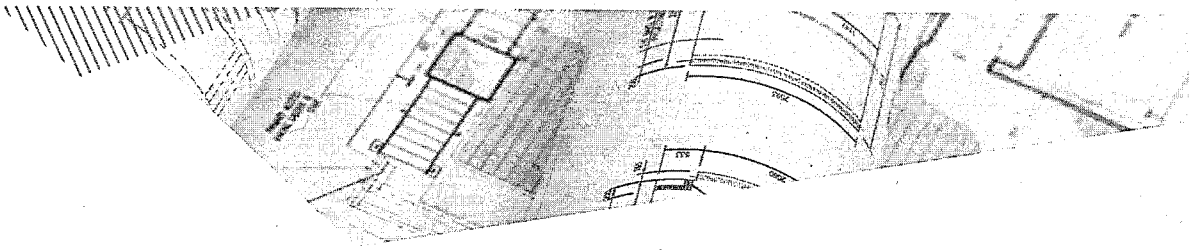

RJM CONSTRUCTION

The trusted alternative for construction contracts

Investment in construction projects for municipal facilities is challenging. Leaders seek to spend tax dollars as wisely as possible, while ensuring the facilities are well constructed for the long term. In general, the Construction Management delivery method is a smart choice. This process gives the city control over the entire process from start to finish and provides an on-time project with improved quality and reduced change orders.

There are two methods in which a Construction Management contract can be delivered. RJM works with cities to determine the best contract for their project.

Construction Manager Advisor

In the Construction Management Advisor (CMa) delivery, a contracting partner is selected based upon qualifications of the type of project being constructed. The construction manager provides a host of pre-construction services including phasing planning, developing the pre-construction schedule and budgeting throughout the entire design process. The construction manager serves as an extension of the city staff, meeting with various user groups and reviewing architectural plans for completeness and constructability.

Because the CMa is providing budgeting services during the entire design process, they will identify costs exceeding the budget and make recommendations to bring it back into alignment. They will foresee items unclearly noted in the plans and make provisions for this work in bid packages, eliminating opportunity for change orders.

While the CMa delivery has benefits, there are also drawbacks. In this delivery method, the city enters into a contract with each individual subcontractor on the project. This presents risk to the city as they are contractually responsible for subcontractor failure.

Subsequently, the number of contracts increases city staff administrative time. With each contract comes monthly pay applications for each contractor and documentation of any design changes.

Because the CMa does not hold any of the contracts or a guaranteed maximum price, there can be a perception of lack of ownership by the CMa regarding project schedule and budget.

Construction Manager at Risk

To address drawbacks of CMa delivery, many cities have elected to utilize the Construction Manager at Risk (CMr) delivery method. This process provides the advantages of CMa while allowing the city to execute a single contract with the CMr.

Different from CMa delivery, the CMr holds a contingency for unforeseen conditions and the city holds a contingency for scope changes. This is the only perceived disadvantage of the CMr process.