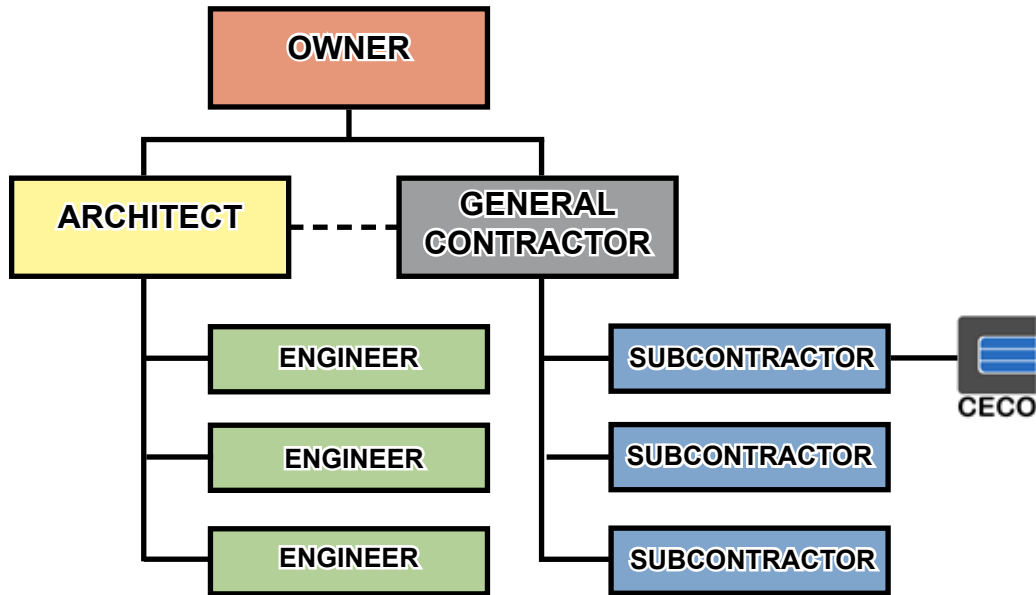


CM at Risk

Characteristics

- Two contracts - architect and general contractor
- Linear but accommodates fast-track delivery with phasing
- Contractor / CM is chosen on qualifications



Advantages

- Selection of contractor based upon qualifications, experience and team
- Key subcontractors involved early, and allows owner and contractor quality screening
- Contractor provides design phase assistance in budget and planning
- Continuous budget control possible
- Faster schedule than traditional bid; fast track construction possible
- Ability to obtain Guaranteed Maximum Price (GMP) earlier in process
- Theoretically, more teamwork between design firm and contractor
- Provides more ability to handle change in design and scope
- Theoretically, reduced changes and claims once in construction
- Best suited for large new or renovation projects that are schedule sensitive, difficult to define or subject to potential changes; also for projects requiring a high level of construction management due to multiple phases, technical complexity or multi-disciplinary coordination.

Disadvantages

- Difficult for Owner to evaluate the GMP or determine whether the best price has been achieved for the work
- Costs more than traditional bid due to reduced competition in pricing of contractor overhead, fee and sub-contract costs
- Costs often increase due to “details” not in the GMP
- CM may expand budget to create future savings