

GC/CM Best Practices Outline

0. Construction Services

a. Roles and Responsibilities

- . Explanation how roles are different than other delivery methods? – Expand upon precon roles developed separately?

a. Construction Manager – Needs work

- i. Is a prime sub for “self perform” work

b. Owners Role – needs work

- i. Owners Rep?

c. Design Team – needs work

b. Risk Management

1. Leveraging the preconstruction phase, specific techniques and greater detail on how project risks will be managed is the outcome. Through the construction phase, the team should be in a more advantageous position on risk management.

- a. Allowances may be a part of subcontracted scopes of work which require reconciliation after the scopes are completed. Allowances are often used where a scope may not be quantifiable during the bid process.

- b. Unit pricing, or the combination of units plus an allowance can be an approach to any ambiguity in existing site conditions. Geotechnical conditions or hazardous materials work are two scopes which often employ unit pricing in the bid process to position on change management.

- c. Negotiated Support Services include a wide range of jobsite activities and costs related to means and methods. This budget category effectively allows real time communication between GCCM and owner on cost to date prioritizing scheduled progress. When adverse weather conditions impact projects, often TESC costs increase, temporary enclosure and weather projection work, and/or temporary heat efforts can all be impacted. The project team can “react” to the dynamics of weather or other factors beyond everyone’s control to continuously modify the as planned approach to the benefit of the project.

d. Financial Management –

- . Payments, Changes, Contingency, NSS, Allowances, Mini-MACC’s, Multiple GMP’s, SGC’s.

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- a. Flexibility is an asset within GCCM delivery from a contracting standpoint. This can add complexity to financial management.
- b. Tracking – Monitoring – Reporting
 - i. The project team should develop a system of cost controls and accounting which tracks the project financial position throughout the work. It should be detailed in a fashion that tracks the different aspects of all project budget categories with alignment to how these categories fall within the risk management the contract defines.
- e. Contract Change (Process)
 - . Contractor Contingency (no change to TCC) or Owner Change (change to TCC)
 - i. Teams should endeavor to expedite processing of all changes.
 - Contractor Contingency Use – “approval by owner shall not be unreasonably withheld”
 - May or may not be evaluated by Design team on behalf of owner. Owner is responsible for review and approval.
 - Owner Change (add to GMP, TCC) – administrative process varies across public owners typically take longer.
 - Most likely IS evaluated by design team through traditional process.
 - The definition of contractor contingency use vs owner change should be defined within the main contract. The responsibility of each party, with respect to the type of change is defined.
 - Project teams should also recognize when either type of change adds or reduces costs to other budget categories. Example would be survey within NSS that a change in scope creates additional effort on.
 - ii. 39.04.360 – Payment of undisputed amounts. Interest applies when beyond timelines.

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- iii. Pay Applications – Build a culture which values prompt payment.
 - SOV detailing is critical to setting the process up for efficiency. – Mobilization costs, material vs labor costs separated. Itemize work through phases of projects separately to reflect a more accurate cost over time reality for the project.
 - SOV detailing which breaks out and appropriately details payment processing and support for the benefit of small and diverse businesses. Cash flow is a priority for all small business.
- a. .350g – change from 60 days to 30 days – deemed denied language etc

0. Close Out

- a. Cost Reconciliation
- b. Audits
 - 1. The scope of audit should be adequately defined within the main owner contract.
 - a. GCCM: NSS, cost reimbursable so all detailed costs subject to review. GCCM, company owned equipment costs as well as third party vendors, subcontractors, and GCCM labor.
 - b. Alternative Subcontractors: If utilized, their scopes are subject to audit to prove the accounting of costs. All self perform scopes of work.