

Construction Management vs Lump Sum Project Delivery



Your Experience?



Faulty Premise:

All firms are equally qualified



FOR TODAY

What is Lump Sum

What is CM at Risk

Advantages and Disadvantages

Key Considerations When Choosing CM



Clay Cockrill



- Certified Construction Manager (CCM)
 - Design/Build Associate (DBIA)
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- 1996 – Bricktown Ballpark, L.S.
 - 2002 – OKC Airport, L.S. CM
 - 2005 – University of Oklahoma, CMaR
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Gary Armbruster



- Principal with MA+ Architecture
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- 23 years in architecture, completing more than \$300-million in Construction Management Projects.
 - Multiple CM projects by MA+/Manhattan including several for OU and Norman Public Schools.
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- Accredited Learning Environment Planners (ALEP)
 - Governor appointee to the Oklahoma School Security Commission and the Oklahoma Board of Architects

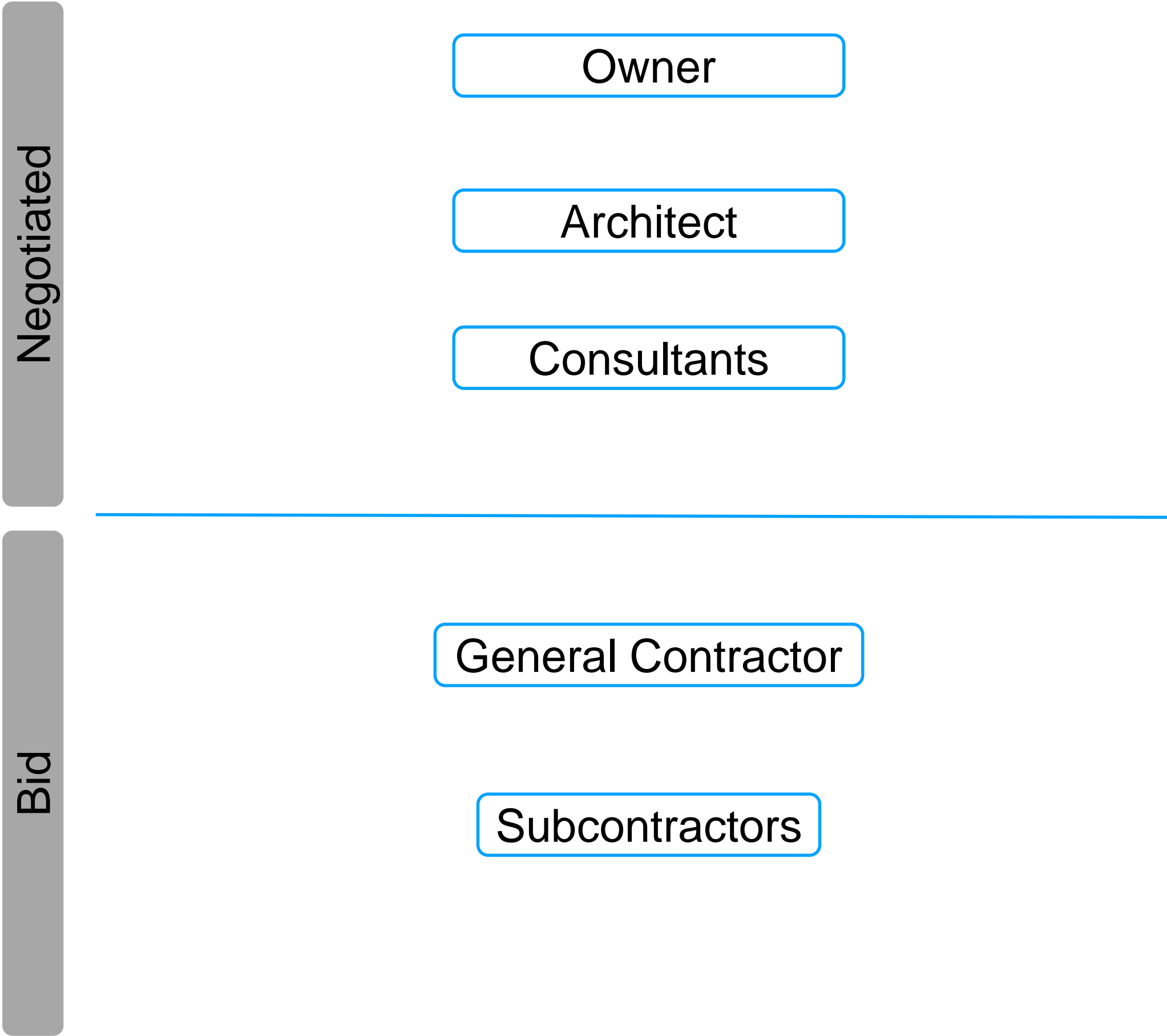
Jerry McConnell



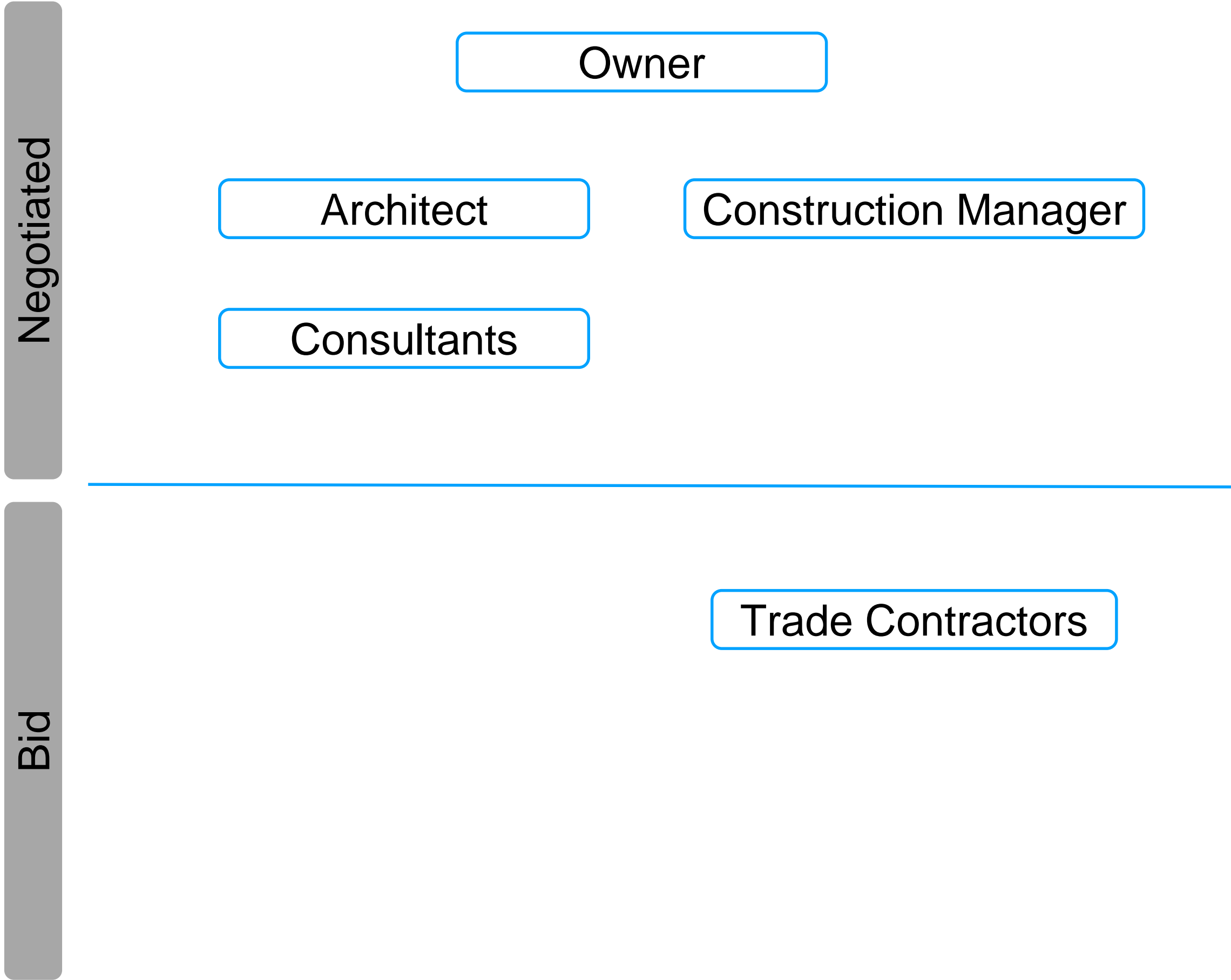
- Director, Facility Operations at Moore Norman Technology Center
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- Masters of Education (M.Ed.) in Administration, Southwestern Oklahoma State University.
 - Overseen construction of multiple projects across the campus footprint.
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- 11 years in current position
 - Accredited Technology Center Administrator

Lump Sum Bid vs Construction Management at Risk

Lump Sum General Contractor



Construction Manager at Risk



Advantages of Lump Sum

- Lowest first-cost
- Impartiality
- Don't have to meet with Salespeople

Advantages of CM at Risk

- Select partner based on qualifications
- Preconstruction budgeting, constructability and scheduling
- Lower risk of poor performance
- Cost transparency



Disadvantages of Lump Sum

- No choice in General Contractor
- Costs start low and go up
- Change claims oriented delivery
- Confrontational contractual arrangement



Disadvantages of CM at Risk

- Initial Cost is higher as design process begins
- Subcontract pricing and contracting is visible
- CM selection process involves RFQ, shortlist, presentations and award

When to Choose L.S.

- Project scope is well defined in design documents.
- The work does not involve a lot of different subcontractors.
- Project scope is simple.
- Quality is assured regardless of who the contractor is.



When to Choose CM

- Budget information is difficult to project.
- Project involves multitude of trades and scope of work is complex.
- Successful outcome is not assured but mission critical.
- Project contains high risk elements

Key Considerations when selecting a CM

- Knowledge of CM Process
- Knowledge of cost in local market
- Knowledge of local subcontractor market
- Understanding of Title 61
- Safety record and statistics
- Client testimonials – demonstrated past performance





**WHAT
ELSE?**

