Getting the Best Value for Our Construction Dollars
A Primer of Construction Delivery Methods for Owners (from an Owner's Biased Viewpoint)

Often referred to as Design/Bid/Build, this method is the one with which most Owners are familiar. It is a linear process where one task follows completion of another with no overlap possible. Plans and specifications are completed by the architect and then bids are issued. Contractors bid the project exactly as it is designed with no changes allowed. A guaranteed maximum price (GMP) is provided by the CM when selected. Contractors bid on a design that they have no control over. The price is fixed and there is no allowance for unforeseen costs. Contractors are generally only responsible for the work they bid on. This method is preferred for projects that are budget sensitive, but are not schedule sensitive.

Iniitially, CMs were used as “Project Managers” to help coordinate construction activities. CMs prepare a Guaranteed Maximum Price (GMP) to the Owner derived from a guideline or cost estimate prepared by the Owner. CMs are typically used in projects that are highly time sensitive, such as large new or renovation projects that are scheduled sensitive. CMs provide design phase assistance in budget and planning. Faster project delivery than traditional bid. Faster project delivery than CMAR. Fast track construction possible. Guaranteed price possible early in process. Price is fixed and not subject to change. The CM provides a single point of responsibility for design and construction. Contractors bid the project exactly as it is designed with no changes allowed. The price is fixed and there is no allowance for unforeseen costs. Contractors are generally only responsible for the work they bid on. This method is preferred for projects that are budget sensitive, but are not schedule sensitive.

**CONSTRUCTION MANAGER AT RISK (CMAR)**

This version, prepared by Maricopa Community Colleges, is posted at: https://www.marccommunitycolleges.org/ default/files/Construction%20delivery%20methods.pdf

- **Advantages**
  - Single point of responsibility for design and construction
  - Contractors bid on a design based on specifications, experience and team
  - Contractors provide design phase assistance in budget and planning
  - Faster project delivery than traditional bid. Faster than CMAR. Faster track construction possible
  - Guaranteed price possible early in process
  - Price is fixed and not subject to change
  - The CM provides a single point of responsibility for design and construction

- **Disadvantages**
  - Contractors are given too much control over the project.
  - Contractors may not be as motivated to complete the project on time or within budget.
  - Contractors may not have the expertise to complete the project on time or within budget.

**DESIGN/BUILD (D/B)**

- **Advantages**
  - Contractors bid on a design that they have no control over. The price is fixed and there is no allowance for unforeseen costs. Contractors are generally only responsible for the work they bid on.
  - Fast track construction possible
  - Guaranteed price possible early in process
  - Contractors are given more control over the project.
  - Contractors may be more motivated to complete the project on time and within budget.

- **Disadvantages**
  - Contractors may not have the expertise to complete the project on time or within budget.
  - Contractors may not be as motivated to complete the project on time or within budget.
  - Contractors may not be given enough control over the project.

**Bridging**

- **Advantages**
  - Contractors bid on a design that they have no control over. The price is fixed and there is no allowance for unforeseen costs. Contractors are generally only responsible for the work they bid on.
  - Fast track construction possible
  - Guaranteed price possible early in process
  - Contractors are given more control over the project.
  - Contractors may be more motivated to complete the project on time and within budget.

- **Disadvantages**
  - Contractors may not have the expertise to complete the project on time or within budget.
  - Contractors may not be as motivated to complete the project on time or within budget.
  - Contractors may not be given enough control over the project.