CONSTRUCTION MANAGEMENT SERVICES
Provide valuable help to a project

A Construction Manager (CM) is the construction professional on the project team who works with the Owner and Design Professionals. Typically selected in the early stages of a project, the Construction Manager provides helpful input on such items as budgets, schedules, value engineering, constructability, phasing, etc. during the design phase. The CM also manages the bidding, subcontracting, and construction phase of the project.

A CM’s services may be contracted in two manners:
1. Where the Construction Manager is “at risk” (CMC), or
2. Where the Construction Manager serves as an advisor to the owner (CMA).

There are several industry contract forms available that describe the responsibilities of a CM. The type of form that is used will depend on whether the CM is an Advisor only or an Advisor and Constructor. Coordinate this agreement with all other agreements used with the related parties of the design and construction team.

The Construction Manager as Agent (CMA) is employed by the owner to act as an adviser during both the pre-construction and construction phases. The Construction Manager as contractor (CMC) is engaged to provide pre-construction and construction services. During pre-construction the CMC provides construction expertise, estimating, and scheduling services. During construction, the CMC performs contracting, purchasing, and supervising of construction by guaranteeing the cost of the project and signing subcontracts, in which case the construction manager acts as a contractor and not an adviser.

Selection of a CM should be based on experience and qualifications.

Typical qualifications an owner should look for in selecting a CM include:
- Successful completion of previous projects comparable in design, construction, and complexity
- Recommendations of previous clients
- Demonstrated leadership and teamwork qualities
- Knowledge of local construction community
- Ability to provide accurate and meaningful cost estimates
- Ability to perform value engineering services
- Individual personnel who will be assigned to the project
- Overall corporate commitment to the project
- The CM’s financial strength
Select the CM as early in the project’s design phase as possible.

A qualifications-based selection process should be used. Please refer to Construction Guideline *Engagement of Professional Design Services* for QBS recommended procedures.

Private owners have more flexibility in selecting CMs and defining their scope of services (e.g., allowing a CM to self-perform various portions of the work).

On public projects, agencies may be restricted in selecting CMs and the services they can provide.

Provisions to consider in any Construction Management agreement include:

- The responsibilities for establishing the budget and the schedule for the work.
- The CM role in providing services to investigate existing conditions.
- Identification of the party representatives for the owner, designers and CM.
- The responsibility for, and the extent and scope of, scheduling and cost estimating services.
- At what point in the design process that the design professionals have a right to rely on the cost and schedule information provided by others.
- The identification of consultants that will be retained by either the Owner or CM.
- The responsibilities for coordination of the information and services to be delivered by the Owner, CM and other consultants.
- The establishment of milestones in the pre-construction and construction phases.
- The identification of the anticipated construction delivery system.
- The staffing plan for the CM.
- The CM responsibilities for oversight of the safety programs.
- LEED documentation requirements for project certification.

Special provisions to consider in the agreement when the CM is an Advisor include:

- Whether the CM will continue on the project when a Contractor is selected.
- The CM responsibilities for allocating the work among bidders.
- The CM responsibilities during construction, with attention to duties that sometimes overlap the traditional architectural services such as: the right to reject work, order tests, assist in change orders, approve Applications for Payment and assist in the determination of Substantial Completion.
- The responsibilities of the CM for coordinating Owner-provided materials and labor.
- For Cost-of-the Work contracts, the CM duties to provide and update the Control Estimate for the Project.
- The CM responsibilities for progress reports.
- The CM role in dispute resolution procedures.

Special provisions to consider in the agreement when the CM is a Constructor include:

- Separate methods of compensation for the pre-construction and construction phases.
• Whether the Construction Contract Sum will be based on a Stipulated Sum, Guaranteed Maximum Price, or the Cost of the Work without a Guaranteed Maximum Price.
• Whether the CM will be allowed to self-perform any of the work.

A complete list of the CM’s responsibilities should be contained in the contract. These duties typically include:
• Cost estimates at programmatic, schematic, design development, and construction document phases, including establishment of GMP required
• Review of design documents during their development
• Recommendations for site use and improvements
• Evaluation of alternative building systems, materials and equipment
• Preparation of project schedules for both the design and construction phase
• Review of design details for constructability
• Review of documents for labor jurisdictions
• Recommendations on packaging of the work for bidding
• Advertising, solicitation, and motivation of subcontractor bidding
• Assistance in achieving project DBE participation goals
• Reviewing bids for scope and compliance with bidding and construction documents, awarding and/or making recommendations for award of contract
• Management and administration of construction, closeout and warranty phases

REFERENCES
ConsensusDOCS 500: Owner/Contractor Agreement with GMP
ConsensusDOCS 510 Owner/Contractor Agreement without GMP
AIA C132-2009 Owner-Construction Manager Agreement
AIA A132-2009 Owner-CM Contractor with GMP -- FOLLOW UP WITH JOHN FOR NEW AIA #S (3)
AIA A134-2009 Owner-CM Contractor without GMP
General Conditions for all CM: AIA A232-2009 General Conditions for the Contract
Construction Management Association of America (CMAA)

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