

Construction Manager vs. General Contractor

PRESENTED BY: SEAN GORDON, V.P. TRINH & ANTHONY IZZI

Presenters



Sean Gordon, Director for Buildings & Grounds, Community Consolidated School District 93

He has 15 years of experience in commercial HVAC, three years as a building engineer at District 87 and has spent the last 10 years at CCSD93. He is the past chair of the IASBO Maintenance & Operations PDC, holds both CPMM and CPS certifications. Currently, Sean is Director for the IASBO Board of Directors.



V.P. Trinh, Principal, ARCON Associates

V.P. manages architectural design teams from project beginning to end. He is involved in Design Development, Construction Documents, Specification Writing, Bidding, Construction Management and Close-out for New Construction, Additions and Remodeling.



Anthony Izzi, Vice President, F.H. Paschen

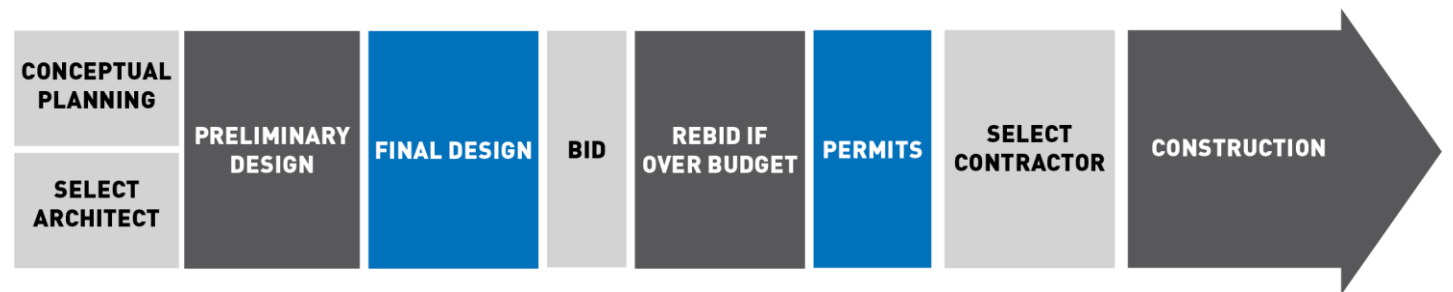
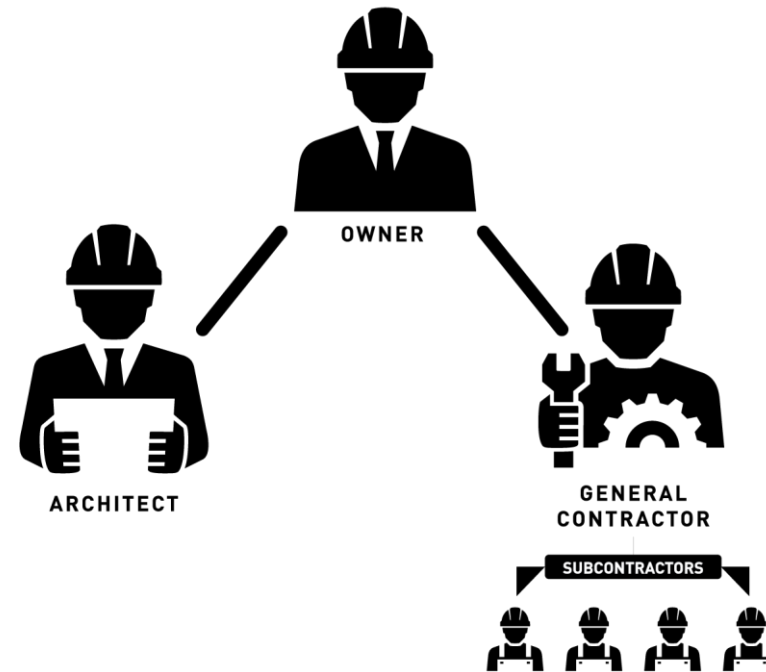
Anthony has over 20 years of construction industry experience and is currently a Vice President at F.H. Paschen, where he started as an intern. He is well versed in various procurement delivery methods, including CM@R, Design/Build, and Cooperative Contracting.

Should I hire a General Contractor or a Construction Manager?

- What are the differences?
- Which one is “*better*”?
- Why would I pick one over the other?
- How do I hire one vs. the other?

General Contractor

- Design / Bid / Build Method, or “lump sum”
- Seen as the traditional method
- Linear: one phase is completed before another phase starts
- Construction firm is selected based on the lowest qualified bid
- Owner holds a separate contract with the Architect and the GC, who then holds contracts with subs



Benefits

- Easy to analyze the results – who's the lowest bidder?
- One bid package for construction
- Most used – understood by all parties, owners, architects, GCs, subs
- Checks & balances between Architect and GC
- Extensive interaction between Architect and Owner; Architect acts as Owner's Rep



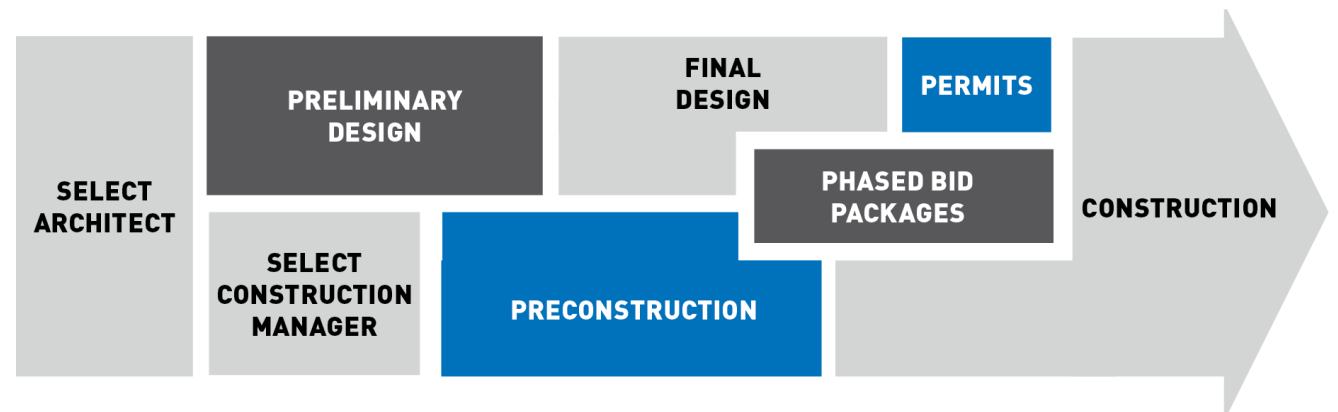
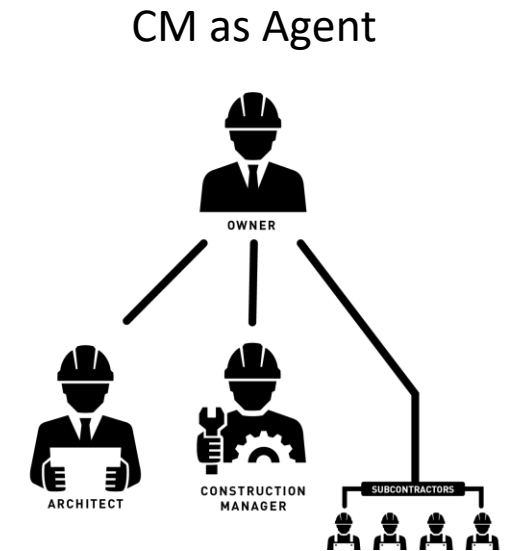
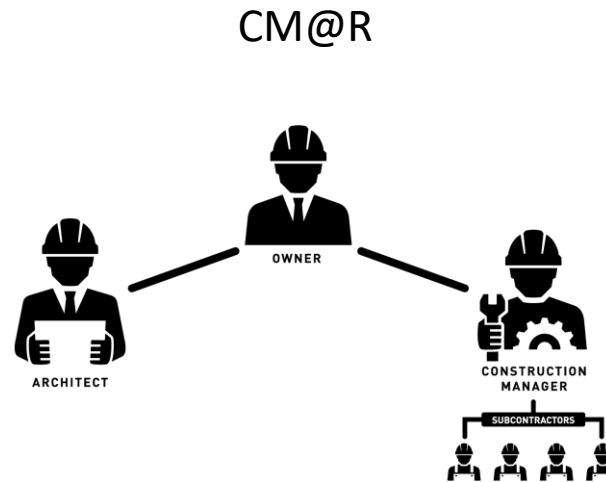
Concerns

- Low bidder may not be qualified to do the job
- Lack of input during the design process from construction team
- Less opportunity for Owner to review subcontractors
- Can increase probability of change orders
- Construction does not start until design is complete; no opportunity to overlap phases
- If a project is over budget on bid day, it can cause delays and additional costs for drawing modifications and re-bidding



Construction Manager

- Allows owner flexibility to elect a contractor on several other factors other than solely price
- Contractor selected on qualifications and fee
- After CM is selected, they bid out trade packages which are then awarded to the lowest qualified subcontractors
- 2 options: CM @ Risk (or constructor) or CM as Agent



Benefits

- Allows for more owner control in selecting a CM staff
- Selection of construction firm is based on qualifications
- Accuracy of price estimates are enhanced through early contractor involvement in preconstruction
- Reduced change orders
- Option to fast-track by phasing bid packages
- Projects can be completed more quickly because design & construction can overlap
- COVID Impact: budgeting / preconstruction very critical when dealing with material lead time issues



Concerns

- May need to educate decision makers on the process as CM is not the traditional method
- Reimbursable cost structure can lead to administrative issues (CM@R)
- More owner involvement and time commitment during preconstruction and construction (CM@R)
- Multiple contracts held by the owner can cause administrative challenges (CMA)
- CM does not guarantee cost or time of completion because they don't hold the trade contracts (CMA)
- Owner takes on more financial risk (CMA)





Our Story at CCSD 93

2011 – Early Childhood Center – Construction Manager as Agent

2015 – Renovations at Elsie Johnson – General Contractor

2016 – Renovations at Roy De Shane – General Contractor

2017 - Renovations at Carol Stream – General Contractor

2018 – Renovations at Stratford – General Contractor

2019 – Renovations at Heritage Lakes and Jay Stream – General Contractor

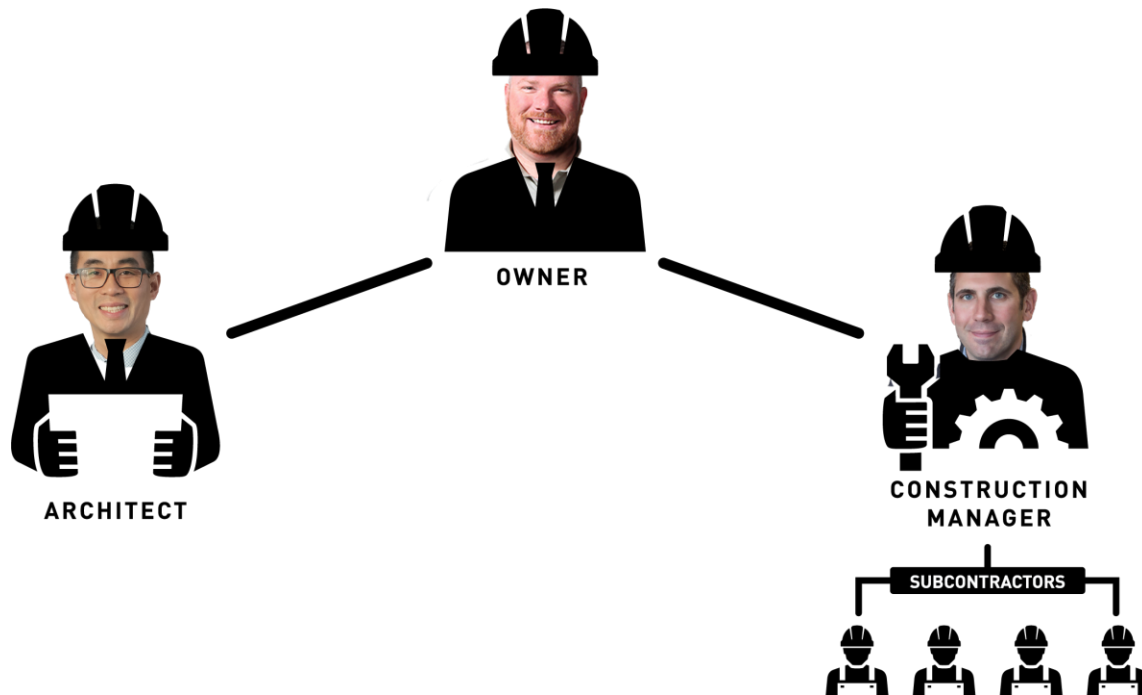
2020 – Addition and Renovations at Jay Stream – CM @ R

2021 – Renovations at Western Trails – CM @ R

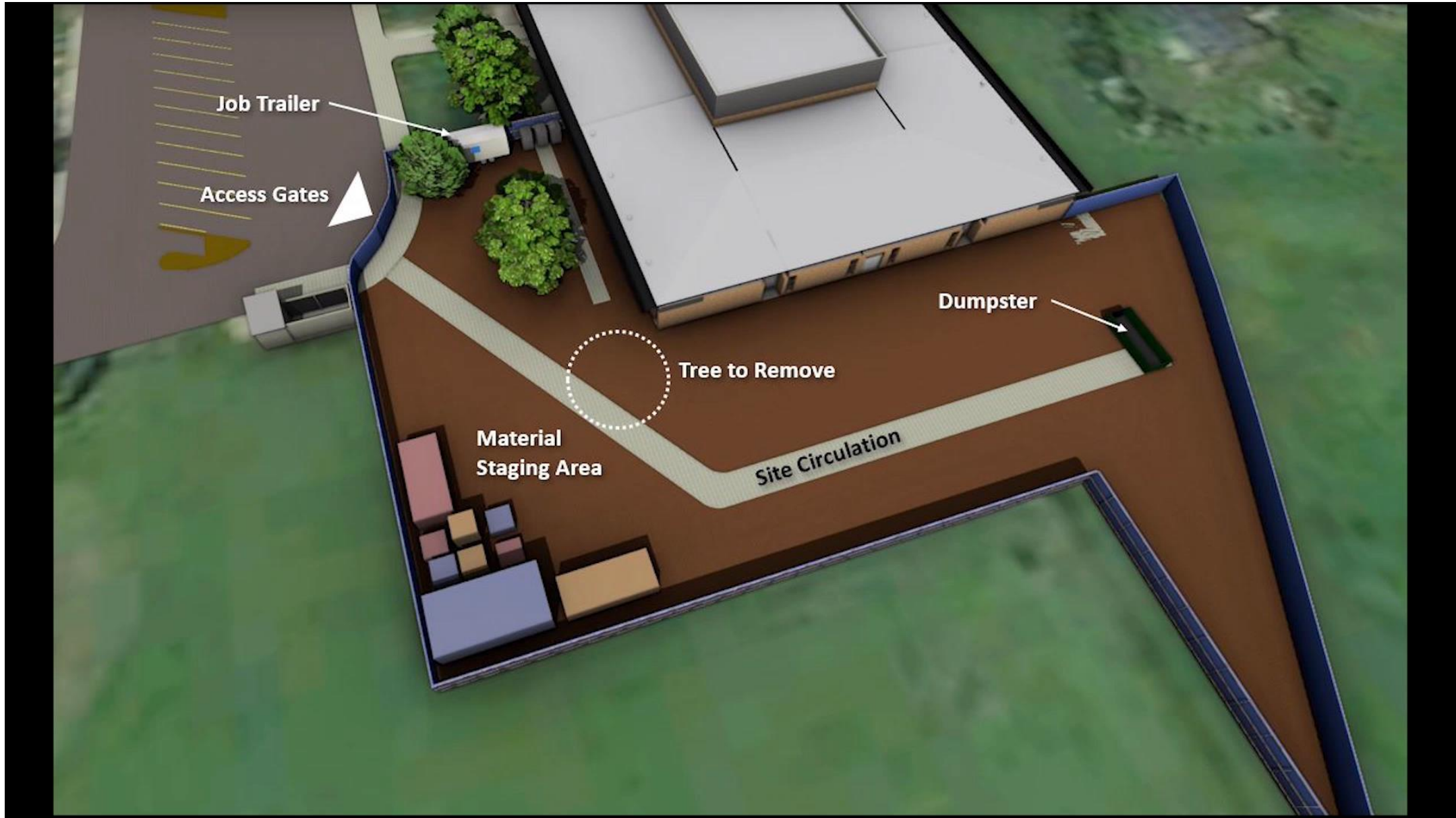
2022 – Renovations at Cloverdale – CM @ R



Our Story at CCSD 93



- In 2020, decided to switch to CM@R for our Jay Stream Project
 - 5000 sf addition that needed to be completed prior to the next school year with minimal disruption to the operations
- Why did we switch to CM?
 - Schedule & Size
 - Issued an RFP and interviewed qualified CMs
- Selected a CM that addressed our concerns





Which one is “*better*”?

- Dependent on the project
 - Size
 - Complexity
 - Schedule
 - State of the Market / Market Volatility
 - Project Type



Questions
