

Using a Design Build or Construction Management at Risk approach to your next construction project?

Have you considered...

Asking your contractor to provide a phased design and estimating approach that allows you to determine the feasibility of the project with a limited initial investment for design and estimating services.

The final cost of a construction project can vary greatly depending upon the many different choices of materials or systems that make up your project. Initial choices can influence numerous later choices. Major savings in both design costs and actual construction costs can be realized by comparing real prices on critical building components and systems prior to incorporating them into the final design.

Reviewing the capabilities of the design professionals that will be providing the engineering services for your project.

Every building project is completely unique. Does the experience, background services and general attitude of the design professionals, match your buildings requirements as well as your own companies temperament.

Asking your contractor or his design team help you evaluate both the operational cost and the long term energy efficiency of the proposed building.

Many outdated and inefficient products are available at highly discounted prices. While your initial project cost may appear to be very competitive, the long term operational and maintenance costs can outweigh any initial savings in a very short period of time.

Reviewing the financial stability, regulatory requirements and safety records of the contractors that are bidding on your project.

Your contractor will be responsible for carrying sizable financial obligations for extended periods of time, as well as meeting all industry regulatory and safety requirements. If a contractor is unable to meet these obligations, your projects completion schedule as well as your business operations could be in jeopardy.

Asking the contractor to identify the actual estimating, project management, and field supervision team that will be involved in your project.

Your key staff and associates will interact with the design and construction professionals involved in your project far more than you may expect. Being comfortable with the people that will be in your "house" for an extended time period is very important.

Interviewing other owners, subcontractors, material and service suppliers who have worked with your contractors and their designated team.

A construction project involves an extended team of other businesses who will have worked together on many other projects over the years. Their opinion of the management experience, and construction capabilities of the various area General or Design Build contractors is invaluable.

Conducting a preliminary review of local zoning, building and utility codes.

Even a small change in scope, required to meet and unanticipated code or regulation, can mean a 10 -15 % change in your projects cost.

Using a standard construction industry contract.

Standard AIA construction contracts have been developed to be fair to owners, designers and contractor and have been tested by over more that 100 years of case law.

Agreeing on labor rates, markups, fees, and reimbursable items for both the designated project and all subsequent change orders.

Initial prices provided by contractors to owners, who believe they are getting competitive bids, are at best, budget cost estimates and will change substantially during the actual design and bidding phases of the project. Without an agreement to review all costs and locking in labor rates, markups and fees, your contract is in fact a blank check to the contractor.

Asking your your contractor to provide an Open Book, Guaranteed Maximum Price (GMP) for the project with a 100% give back of all savings.

Design-Build construction is by default, a cost plus approach to building. While requiring more involvement on your part to review subcontractor and supplier selection and subsequent invoicing, the advantage of knowing that you have a guaranteed cap on your project's cost, as well as the potential to realize some savings at the end of the project are significant advantages.

Discussing how the project schedule will impact your business operations, as well as how the impact of weather, material and labor availability, and local and state codes and regulations will affect the project cost and schedule.

Because construction projects come together over extended periods of time, volatile material prices, availability of required labor resources, seasonal and unanticipated weather cycles, and changing codes and regulations can greatly impact your project cost as well as your own businesses operational costs. Understanding these variables in advance of actual construction can significantly reduce their impact on your project and business.

Establishing ways to evaluate the quality, cost of long term maintenance, and warranties for the many parts and systems that will make up your building project.

Many parts and systems that make up today's buildings carry extended warranties of varying lengths as well as other expectations for extended durability.

Responsible early planning can provide huge financial savings as well as significantly reduce the risks and stresses related to your construction projects.

Consider the Alvada Advantage

