

COGENCE Alliance

Owners + Architects + Engineers + Contractors

Inspire. Educate. Unite.



Mission + Purpose

Cogence *(Latin)*

“To drive together” or “Thinking that is well organized”

The purpose of the Alliance is to bring Owners and Developers, Architects and Engineers, Construction Managers and Contractors, and Allied Industry Professionals together to **advocate** and be a **resource** for improved project delivery.

For more information visit us at www.cogence.org

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Cogence Partner Core Values

Cogence Alliance Partners engage with the Industry to make the work better together for the future.



Each partner is committed to:

- ***Understanding*** diverse backgrounds, experiences, and beliefs
- ***Exchanging*** ideas through conversation and debate
- ***Being responsible for positive outcomes*** over time,

with a lifelong passion to learn, grow, and stay curious – while having fun!

Part 1: Project Delivery Methods - Construction Manager at Risk (CMR)

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Facilities Design and Construction
The Ohio State University

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Project Delivery Methods: Construction Manager at Risk (CMR)

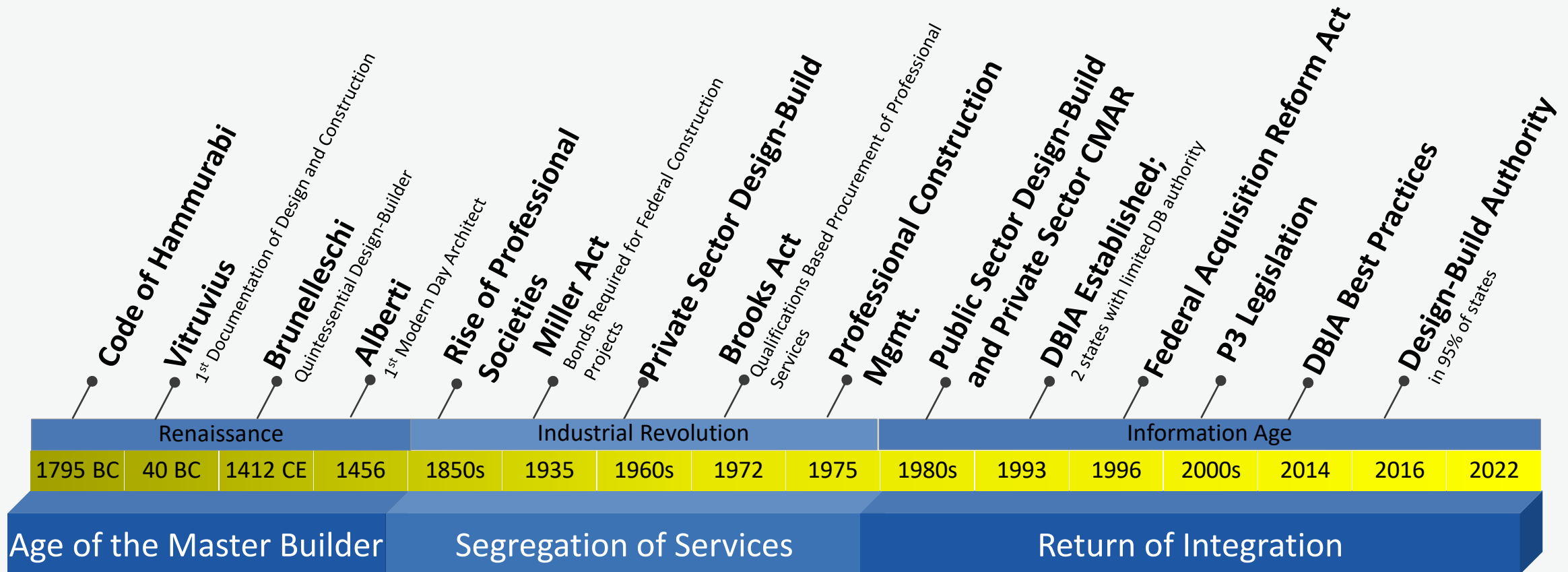




Agenda

- Project Delivery Overview
- What Makes Up A Project
- Why OSU Chooses CMR
- What Does Research Say
- Breakout: Issues With CMR
- OSU Tools And Techniques
- Breakout: Solution For CMR

History of Project Delivery



Facilities Design and Construction

By the Numbers

PROJECTS COMPLETED LAST FISCAL YEAR

(JULY 2022 TO JULY 2023)



NUMBER OF PROJECTS COMPLETED

400 Projects
\$1.020B Sum of Payments



TYPES OF DELIVERY (## of Projects)

80% "Under 250" (Typically IDIQ GC or D/B)
10% GC (Public Bid)
5% CMR
5% D/B (with or without cGMP)



TYPES OF DELIVERY (\$\$ of Projects)

\$ 26M± "Under 250" (Typically IDIQ GC or D/B)
\$ 66M± GC (Public Bid)
\$ 911M± CMR
\$ 53M± D/B (with or without cGMP)



CURRENT OPEN PROJECTS (as of August 2023)

1484 "Active"
338 "Preliminary"
134 "Administrative Close Out"
36 "On Hold"

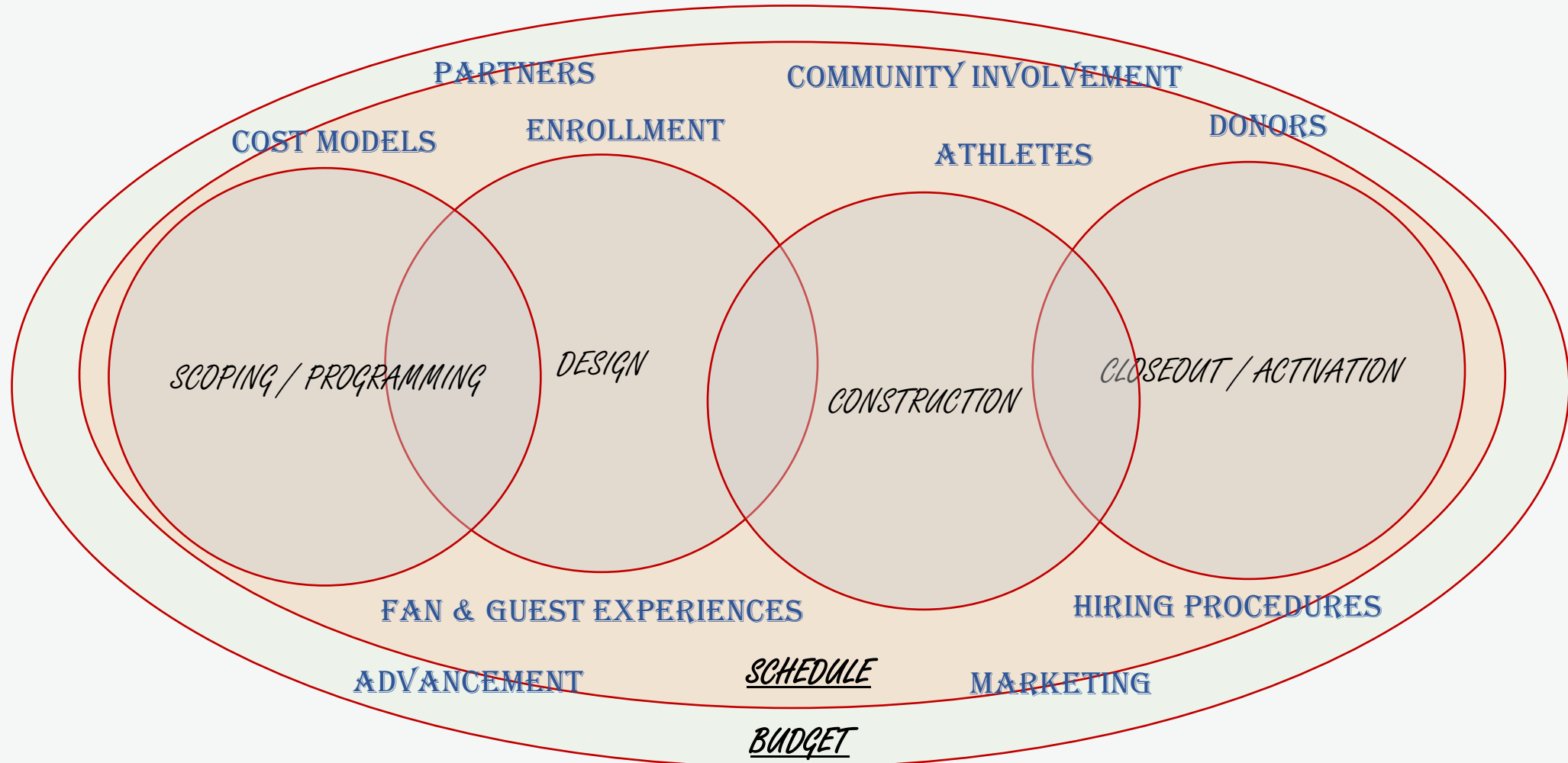


“Trying to manage a project without project management is like trying to play a football game without a game plan.”

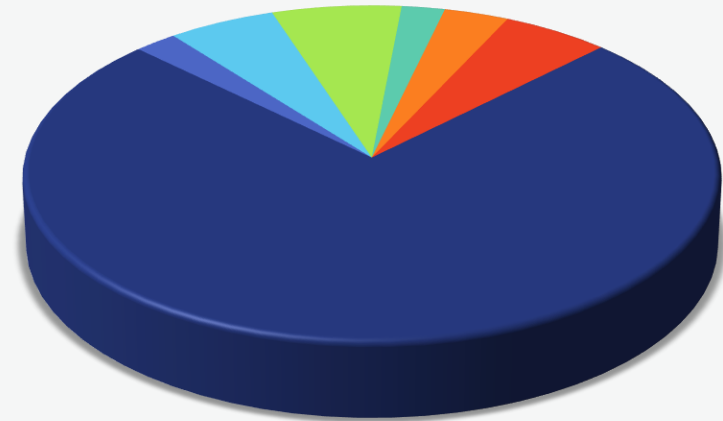
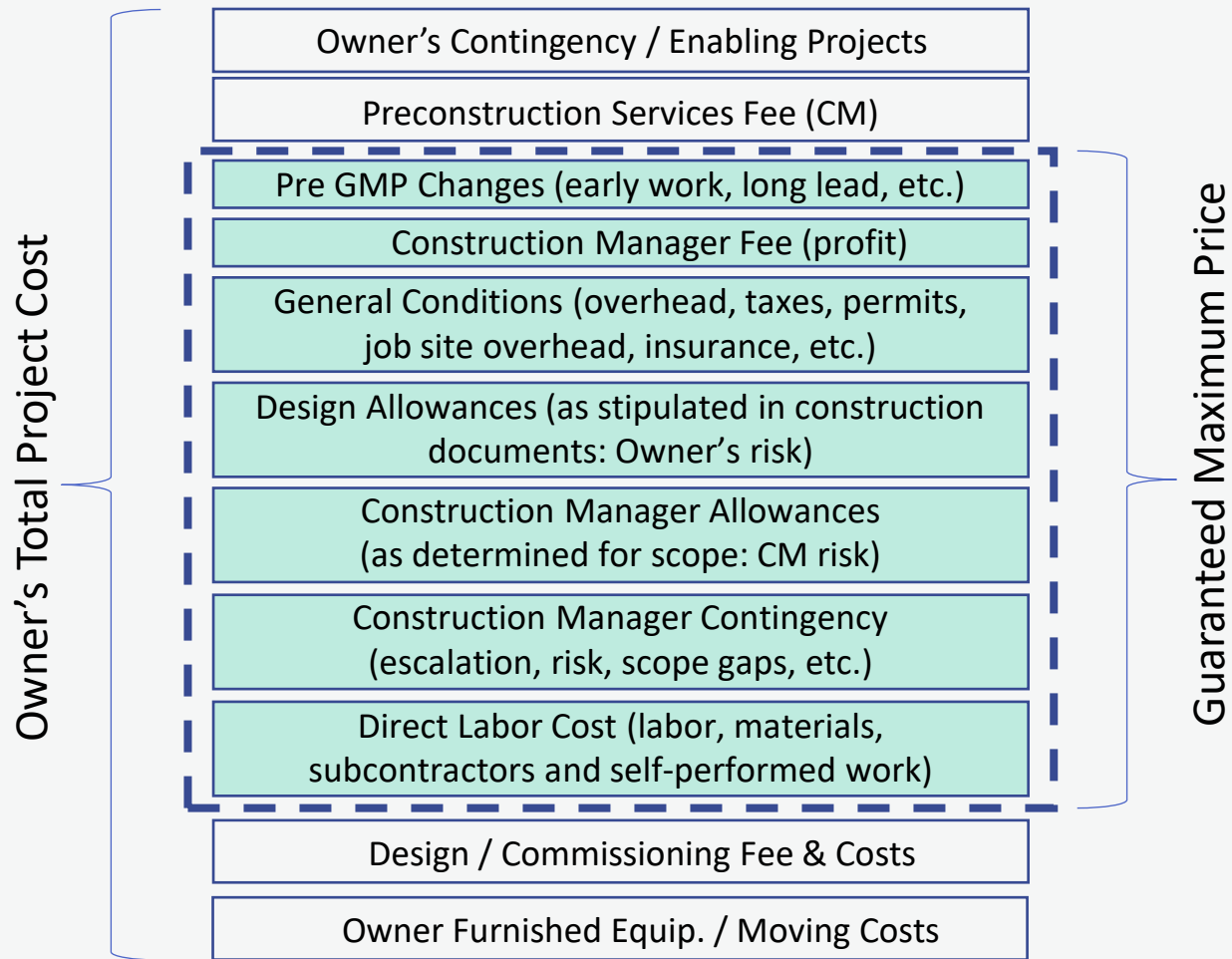
**What is a Project and How does OSU
Decide to Deliver via CMr?**



Total Project Delivery



What Goes Into a GMP?



- Pre GMP Changes
- Construction Manager Fee
- General Conditions
- Designed Allowances
- Construction Manager Allowances
- Construction Manager Contingency
- Direct Labor Costs / Trade Packages

Factors to Consider for Project Delivery

1

PROJECT COMPLEXITY

Multiple Phases, Uncommon Subcontractors, Atypical Scopes, Early Engagement

2

PROJECT RISK

Dollar Amount, Cost Control, Occupancy, Logistics

3

PROJECT SCHEDULE

Expediting, Long Lead / Early Procurement, Trade Input

4

PROJECT UNIQUENESS

Preconstruction Needs, Customer Needs, Design Assist



Why does OSU choose CMr?



LEVEL OF TRUST

Familiarity with OSU, State of Ohio, Med Center, etc.



TEAM COLLABORATION

Integrated team of CM, AE, Cx at onset of project.
Design assistance from trades.



REDUCTION OF RISK

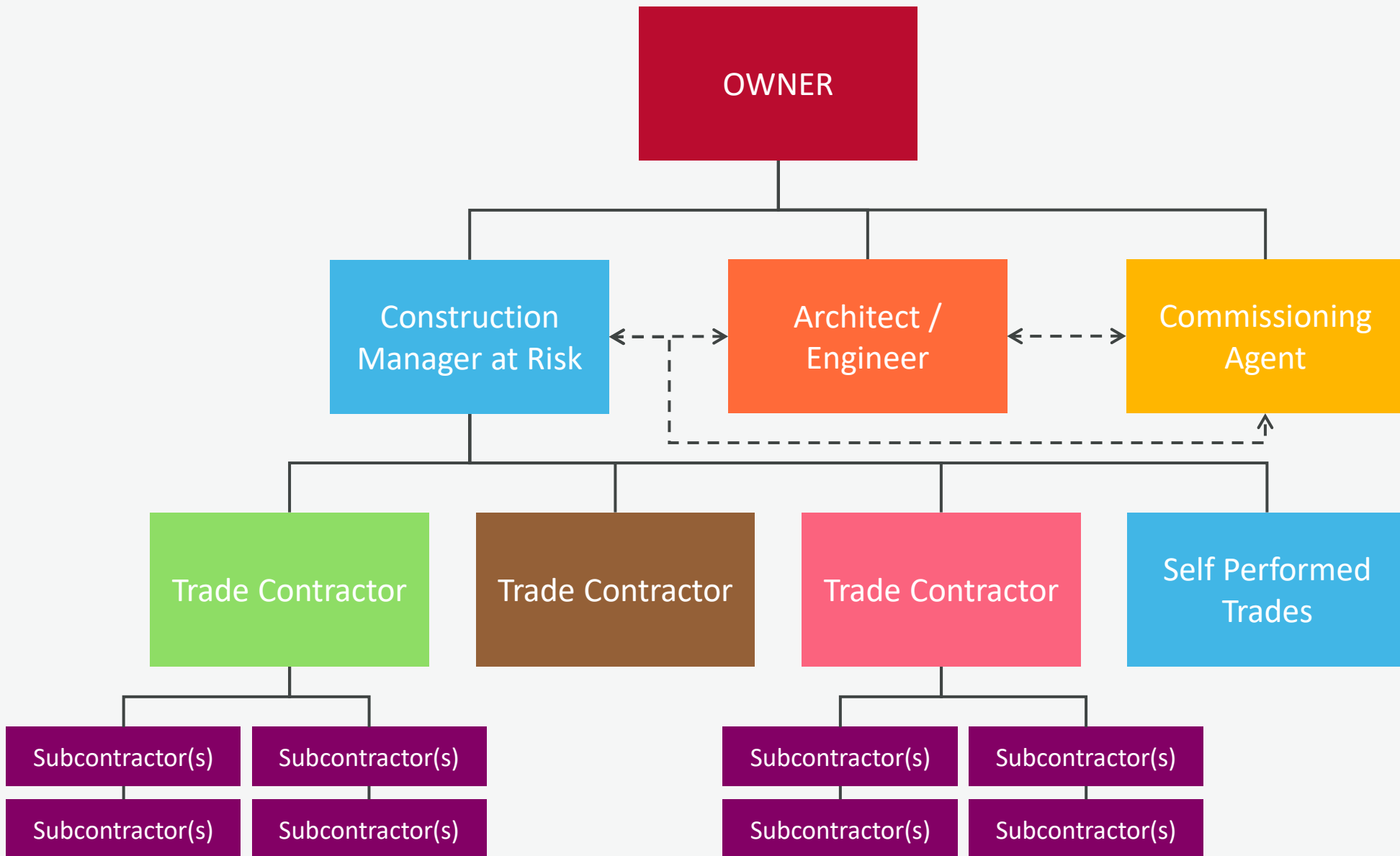
Avoid unqualified low bid issues.
Collaboration on selection of the subcontractors.
GC's ability to carry high costs.



TRANSPARENCY AND PARTNERING

Open book estimating, bidding, and pricing.
Collaboration on CMr contingency and allowances.





Why does OSU choose CMr?



HIGH LEVEL OF EXPERIENCE & ESTIMATING

Familiarity with multiple trade partners and market.



TEAM STRUCTURE / DESIGN CONTROL

Engagement of CM during design for constructability and cost perspectives while maintaining a direct owner relationship with the design team.



ENHANCED SELECTION

Can select construction team on quals and cost.



SPEED TO MARKET

Pre-GMP change orders.
Long lead items – early procurement / prefabrication.
Phased GMP / phased construction management.

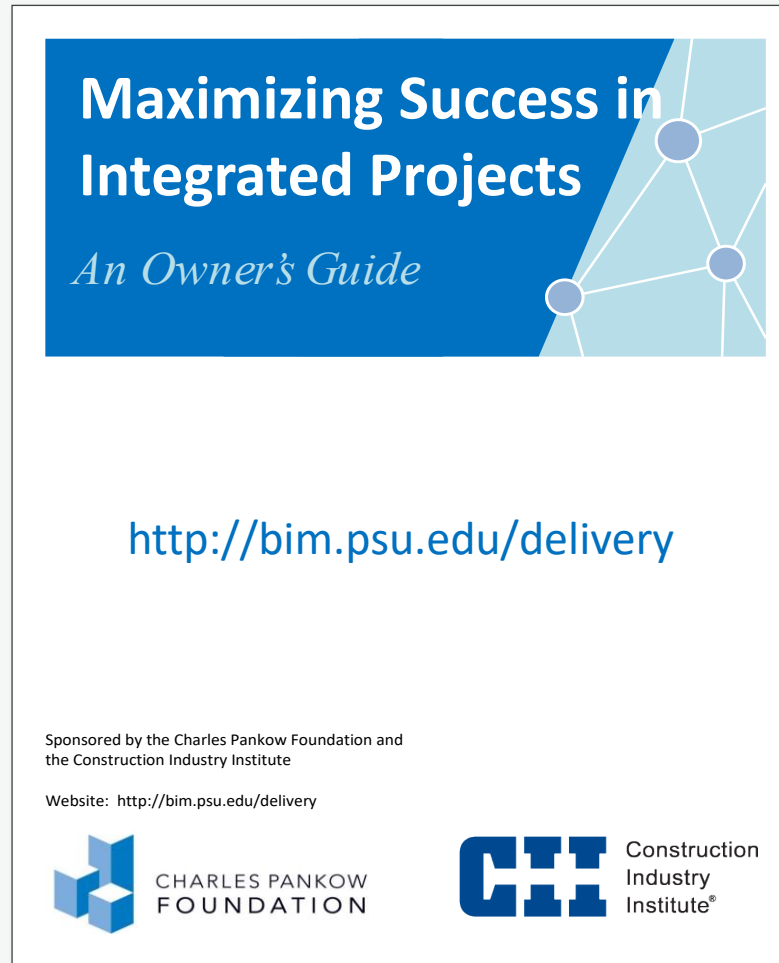


PRE-CONSTRUCTION SERVICES

Logistics, estimating, constructability, etc.
Extra cost to project above D-B-B.



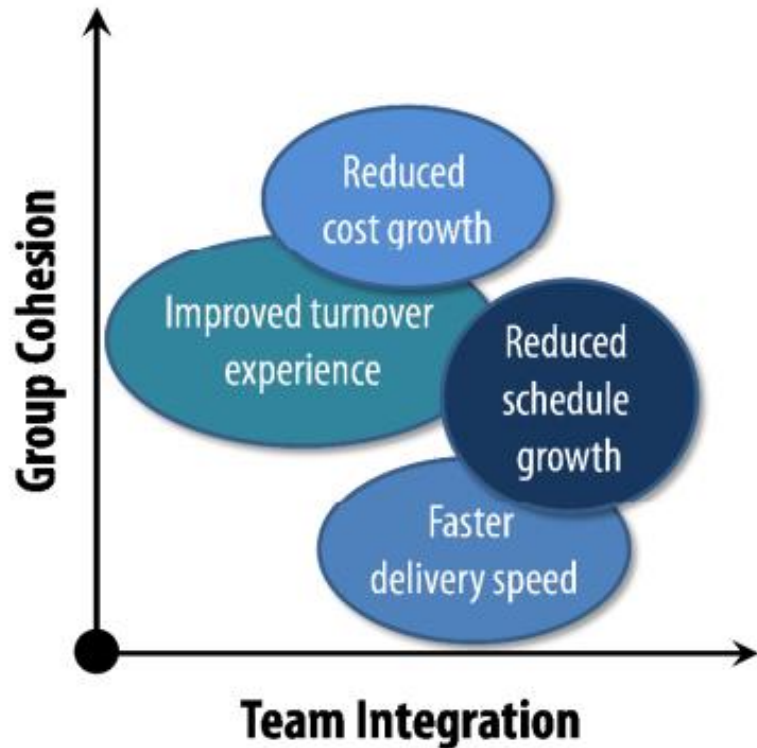
How Does OSU's Choice of Project Delivery Methods Match the Research



A Guide to assist Owners in a workshop to determine the best delivery strategy for their organization

- Legislative
- Process
- Management
- Behavior

How Does OSU's Choice of Project Delivery Methods Match the Research



Three themes emerged for enabling the critical success factors of team integration and cohesion.

1. *Early involvement of the core team*

Early involvement, not only of the primary builder but also of critical design-build or design-assist specialty contractors, was essential to a successful delivery. Similarly, participation does not stop at the front end for the designers. Continuous interaction throughout the construction phase, including co-location and increased sharing of BIM will maintain a highly level of integration after design completion.

2. *Qualification-based selection of core team*

Projects with the most cohesive teams focused more heavily on qualifications and used an interview process to assess the quality of the individual team members.

3. *Transparency in cost accounting*

The use of open book accounting in contracts during the delivery process is invaluable in the development of trust within the core project team.

Breakout 1:

Issues with CMR Delivery

Tools and Techniques

Incorporating Collaborative Methods for Project Decisions



OSU FDC's Principles

- Select the whole team early
 - Both CM and DB provide framework for early involvement of the whole team
- Transparency in Selection of Design Professionals and CMs
 - Qualifications are core to selection process
- Transparency in Estimating Cost
 - Major investment in developing in-house cost estimating software

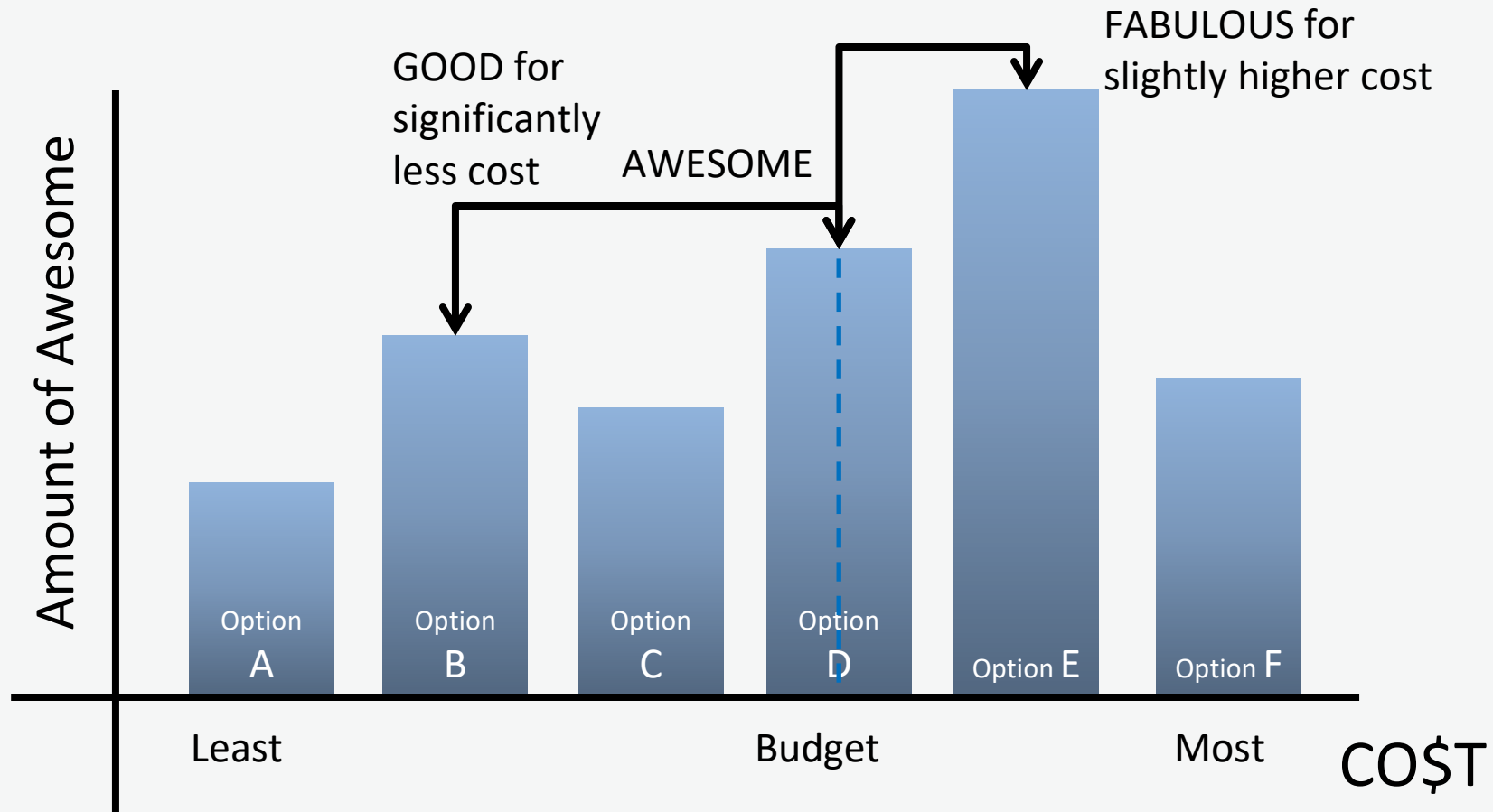


Target Value Design Collaborative Innovation

- Target Value Design (TVD) is “a management practice that drives the design and construction to deliver customer values within project constraints.” (G. Ballard, 2009)



Choosing by Advantage



Breakout 2:

Solutions for CMR Delivery

Please join us for parts 2-4 of the
continuing series on Project Delivery
Methods:

November 16: Design-Build
January 18: Design-Bid-Build
March 21: IPD