



II. PROJECT DEVELOPMENT PROCESS

E. CONSTRUCTION CONTRACTS – FORMS OF DELIVERY

Construction Manager-at-Risk and Construction Manager-as-Agent are the preferred contracting methods for large capital projects.

It is the policy of the University to select construction manager-at-risk for State capital improvement projects as defined in G.S. 143-128.1 and G.S. 143-128.2 on project specific criteria.

Construction Manager at Risk has been authorized as an approved Construction procurement method. The State Law may be accessed in its entirety at www.ncleg.net and searching for 'Senate Bill 914/S.L. 2001-496'. Consideration of the Construction Manager at Risk construction procurement method is encouraged for projects costing 5 million or more. The Construction Manager undertakes to act as the Owner's fiduciary and to furnish professional construction management services during the design and construction phases of the project.

1. *Construction Manager at Risk (or as Agent)*

Once Facilities Planning has chosen the Construction Manager Delivery method, the University will advertise and select a Construction Manager during the initial stages of the project's design. The Construction Manager will be contracted to provide Pre-Construction Services, and thus will attend regularly scheduled meetings with the Project Designer and other consultants to advise on matters relating to site use, improvements, selection of materials, building methods, construction details, building systems and equipment, and construction phasing and sequencing. The Construction Manager will work closely with the University's Commissioning Coordinator to plan and schedule staff training and equipment testing.

a) **Guaranteed Maximum Price**

Shortly after the submission of the construction documents to the State Construction Office for final review, the Construction Manager will develop and provide to the Owner a Guaranteed Maximum Price, which will include all construction costs, and all other projected costs including the Construction Manager's fees, the Guaranteed Maximum Price contingency and General Conditions Allowance. The Guaranteed Maximum Price will set out each anticipated trade contract amount, the Construction Manager's fixed fee, General Conditions reimbursable costs items including on-site field staff, and all project related costs.

b) **Construction Phase Services**

During the Construction Phase, the Construction Manager will provide services as required to effect the complete construction of the Project and to maintain the established Guaranteed Maximum Price of the Project.

2. *Single/Prime Contract*

The single contract is the most commonly used contract type. Plans and specifications are prepared by the design professional and become part of the bidding documents. A single contractor is then selected by the University to perform the work. The standard Long Form, Short Form, and Brief Form construction documents have been prepared for those cases where a single contract is awarded.



Samples of construction documents developed for CM@Risk/Agent and Single Prime contracts are available from the State Construction Website under Forms [section](#).