

SMPS



Society for Marketing Professional Services
South Florida



2006 BOARD OF DIRECTORS

PRESIDENT
Juli Edwards
URS Corporation

VICE PRESIDENT
Carlos Lopez
Ross & Baruzzini

SECRETARY
Connie Williams
Compass Office Solutions

TREASURER
Johann Ali
CRB Geotechnical and Environmental Services, Inc.

PROGRAMS/EDUCATION DIRECTOR
Judy Wong
Director of Marketing

MEMBERSHIP DIRECTOR
Philip Danforth
LM Engineering, Inc. d/b/a GFA International

SPONSORSHIP DIRECTOR
MacKenzie Ross-Fidler
Retzsch, Lanao Caycedo Architects

CHAPTER ADMINISTRATOR
Susan Julien
Advanced Designs Productions, Inc.

PAST PRESIDENT
Jeffrey Zalkin
Centex Construction

ADVISORS
Alexandra Brown
Centex Construction
Jenifer Johnson
J2, Inc.

WHITE PAPER



A word from the President

We kicked off our year with a standing room only event. I am honored to have a great team of professionals that make up our Program Committee: Program Director, Judy Wong, Director of Marketing, James A. Cummings, Inc.; and her Committee members Cathy Boyce, Principal, PGAL; and Crystal Kauffman, Slattery and Associates; who put together such an awesome event. A special thank you goes to Crystal Kauffman, of Slattery and Associates for compiling the results and presenting the information in a paper.

Juli Edwards
SMPS South Florida
Chapter President

SMPS SOUTH FLORIDA SEPTEMBER 13, 2006 Program Wrap-up

THE SOCIETY FOR MARKETING PROFESSIONAL SERVICES.
SERVING THE BUILT AND NATURAL ENVIRONMENT.

Prepared by — Crystal Kauffman, Slattery and Associates



SMPS South Florida Chapter hosted a standing room only crowd in September. Owners, consultants and construction managers came together for lunch and a lively discussion on the timely delivery system of **Construction Management at Risk**. The lunch program resulted in a record turn out for the Chapter and was attended by 120 members of South Florida's building and design industry as well as governmental clients from a half dozen public agencies including county, city, school district, community college and university representatives.

Following a buffet lunch and 30 minutes of opening remarks by the panelists to outline the major issues surrounding the Construction Management at Risk construction delivery system and the burning question on everyone's mind "**who takes the risk**". Participants divided into three separate discussion groups. Each group featured three key members including an owner, an architect and construction manager who lead the discussion with an audience of approximately 40 people.

Once thought to be the only way to go in the construction delivery of public projects and initiated by the State of Florida's Department of Management Services in the mid 90s, the CM at Risk delivery system has been adopted by most public agencies throughout the state. In recent years many clients and architects are questioning the process as and its validity in establishing and maintaining pricing early in the design process initially considered being one of the major advantages of CM.

The CM at Risk delivery system continues to be the preferred method for construction delivery, all agreed that changes are needed to ensure that project scopes, budgets, schedules and the

VISION:

A community to enhance and inspire a legacy of excellence.

OUR MISSION:

To provide a valuable A/E/C resource for firm and individual growth through innovative educational, leadership and relationship opportunities.

SMPS

Society for Marketing Professional Services
South Florida



Owners are benefiting from the approach. Following is a summary of the suggestions made to improve the process and there were plenty of action items to go around:

Owner Suggestions

- Hire the CM Early
- Make decisions quickly
- Consider Builder's Risk Options/limitations
- Consider private providers for plan review/inspections
- Utilize a CM to help develop the budget/capital plan
- Tap into industry activity (ENR) to invest in futures to procure materials
- Create "master schedule" and adjust budgets accordingly
- Proper lines of communication with trades
- Identify time factors
- Address 5% builder's risk by using conglomerate purchase
- Keep an open mind to pre-con suggestions
- # Submittals (FAU)
- Quicker decisions while maintaining quality



Architect Suggestions

- Be proactive in programming with the Owner
- Maintain schedules for deliverables
- Bring Construction Manager on board early in the process
- Deliver Cost estimates earlier
- Awareness of budget requirements/constraints
- Realistic escalators
- More accountability
- Make sure design works with budget



Construction Manager Suggestions

- Get them involved early – in the conceptual plans
- Educate the team on the cost breakdown
- Spend more time negotiating with subcontractors
- Experienced pre-con personnel assigned to project
- Tap into industry activity (ENR) to invest in futures to procure materials
- Create "master schedule" and adjust budgets accordingly



VISION:

A community to enhance and inspire a legacy of excellence.

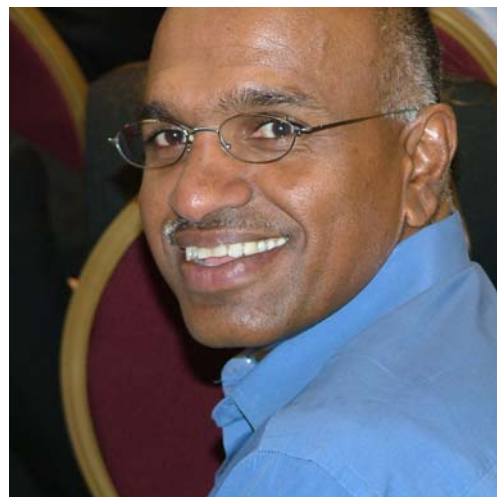
OUR MISSION:

To provide a valuable A/E/C resource for firm and individual growth through innovative educational, leadership and relationship opportunities.



- Early detection of budgeting problems and resolution
- Correspondence with Architect to achieve proper estimate
- Under promise/over deliver
- Fast track price holds
- Bid project prior to GMP
- Use real market pricing, not database pricing

This was an excellent program as it provided an open forum for participants to discuss a subject that has far reaching impact and implications. In the end, we can summarize that as in all relationships...it's all about communication and keeping dialog and communication lines open from the project's inception. In order for the CM at Risk approach to work to the benefit of all parties, we must first recognize that we are one team – OWNER, ARCHITECT, CONSTRUCTION MANAGER with one purpose – to deliver a quality building that meets the client's program requirements economically and timely.



VISION:
A community to enhance and inspire a legacy of excellence.

OUR MISSION:
To provide a valuable A/E/C resource for firm and individual growth through innovative educational, leadership and relationship opportunities.



Society for Marketing
Professional Services

South Florida



WHITE PAPER

PROGRAM PARTICIPANTS

MODERATOR: Sam Ferreri, AIA
Principal, Schenkel Schultz Architecture

GROUP 1

The Client:
John Chesher, PE
Director of Palm Beach County Capital Improvements Division

The Architect:
Paul Slattery, AIA
President of Slattery & Associates

The Construction Manager:
Ed Meinzingler
Senior Vice President, Catalfumo Construction

GROUP 2

The Client: Joe Sanches
Facilities Director, Palm Beach County School District

The Architect:
Lance Courtemanche, AIA
Principal with Tercilla Courtemanche Architects

The Construction Manager:
Jack Ullrich
President of CR Klewin Construction Company

GROUP 3

The Client:
Tom Donaudy
University Architect & Associate Vice President, Florida Atlantic University

The Architect:
Ian Nestler
Principal, PGAL

The Construction Manager:
Ray de la Feuilliez
Vice President, James A. Cummings, Inc.

These pages are aimed at supporting those working in the A/E/C industry, and provide information on the latest policy developments and educational practices that impact on its work. All White Papers carry a disclaimer that states that they are not intended to substitute for legal or other professional advice. If opinions are expressed, this disclaimer states that opinions are those of the author and do not necessarily reflect the position of SMPS. SMPS South Florida handles all requests for permissions to reprint. The White Papers are a benefit of membership, and SMPS South Florida members may print and use the White Papers in carrying out their duties without special permission. SMPS South Florida members who teach or lecture in the industry are generally granted permission to use them in teaching. The White Papers may not be stored or distributed electronically by any entity except SMPS South Florida. If you have questions, or to obtain permission to reprint the White Papers in other publications, please contact Juli Edwards (Juli_Edwards@URSCorp.com).

VISION:

A community to enhance and inspire a legacy of excellence.

OUR MISSION:

To provide a valuable A/E/C resource for firm and individual growth through innovative educational, leadership and relationship opportunities.