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HOW AND WHEN DO I SELECT A BUILDER/GENERAL CONTRACTOR (GC)?

A builder/GC may be selected at nearly any point in the *Plan*, *Design* or *Bid* phases, the timing of which may come with advantages and disadvantages. This timing determines the *delivery method* of a construction project. Just like each delivery method has advantages and disadvantages, each GC/CM is better at building certain project types and executing certain delivery methods than others. We use our experience with many different GCs, CMs and delivery methods to help you determine what the best fit for your construction project is.

> Note: industry jargon that you are likely to hear often is included in italics. Throw around these terms to impress your friends!

Here are the most common delivery methods:

Traditional design-bid-build. An architect develops complete *construction documents* (CDs) that are issued for bidding. Typically, multiple GCs submit binding bids on the project, either by invitation only or by open public request, and a contract is awarded to one GC based on the lowest bid (construction cost). This method is required for most publicly funded projects. Alternatively, one GC may be selected by an interview process (not based on construction cost).

Pros: accurate construction costs (in theory); usually provides multiple bids.

Cons: slowest/longest duration delivery method; may promote undesirable corner-cutting; cost savings may not be shared with you; higher risk for conflict.

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Fast-track. A *construction manager* (CM) or *construction manager-at-risk* (CMAR) facilitates the *Build* phase in stages, where construction begins with partially completed CDs and a *conditional building permit*. The architect continues to develop CDs stage-by-stage, in sequence. For fast-track to be effective, the CM/CMAR must be selected early in the *Design* phase. The CM/CMAR will first provide either a binding *guaranteed maximum price* (GMP) or non-binding cost estimate, based on the anticipated construction work in the incomplete CDs.

> **Pros**: quickest/shortest duration delivery method; construction work is typically billed for actual cost (based on material and labor); cost savings may be shared with you.
>
> **Cons**: only one "bid" for the work; early estimate for construction cost may increase as CDs are completed; may involve additional CM overhead fees; fast-track may pigeonhole future decisions.

Design-build. This delivery method provides a one-stop shop, where a single entity (often a real estate developer, architect or construction professional), known as a *designer-builder*, selects both a designer (architect) and builder (GC) to be part of his or her team.

> **Pros**: one-stop shop for you; improved collaboration (in theory) between designer and builder.
>
> **Cons**: less individual control for you over architect and GC; designer-builder may have motivations that are not in your best interest; may involve additional overhead fees.

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