

Hickory Campus Phase 2B-Phase 5 CM@R Question Follow Ups

- a. The first method is a “hard” GMP, wherein the CMAR must provide a fixed GMP to Appalachian State University (Owner) prior to the receipt of publicly bid trades, no earlier than the DD phase of design, and no later than 10 days after the Designer submits Final Review construction documents. Is this the intended methodology? **Answer: Yes, as was stated at the mandatory pre-bid meeting, this is the intended method specified by SCO Guidelines.**
- b. If the answer is “yes”, then what is the Owner’s intent regarding reconciling a total cost of the publicly bid trades that exceeds the fixed GMP value for the cost of work? **Answer: We will follow SCO Guidelines.**
- c. Does the Owner intend to tell the CMAR, this is completely their risk, and they have to “eat” the delta and perform the work in the contract duration? **Answer: We will follow SCO Guidelines. We will ask to value engineer the project as a first step.**
- d. Will the CMAR be able to utilize construction contingency to cover this variance (even though this is not an authorized CM contingency use in the Section II General provisions)? Or, will the Owner direct the CMAR and Designer to work collectively to make changes to the documents, VE trade bids post-bid, and adjust scope and schedule to align the fixed GMP cost to the revised cost post bid with VE, design changes and negotiations (also not addressed in Section II General Provisions or the General Conditions of the contract form OC-15)? **Answer: We will follow SCO Guidelines. We will ask to value engineer the project as a first step.**
- e. The second method is the PGMP, wherein the CMAR provides a preliminary GMP for the authorization to proceed with public trade bids. After the trade bids are received, the cost is reconciled and a final GMP contract sum is incorporated into the PGMP by a reconciliation change order. Is this the intended methodology? If the answer is “yes”, then what is the Owner’s intent regarding reconciling a total cost of the trade bids that exceeds the PGMP? **Answer: We are not using this method.**
- f. Will the Owner direct the CMAR and Designer to work collectively to make changes to the documents, VE trade bids post-bid, and adjust scope and schedule to align the fixed GMP cost to the revised cost post bid with VE, design changes and /or provide additional funding? **Answer: Yes.**
- g. Lastly, what is the expectation when/if the project encounters hidden conditions (concealed or unforeseen) for how the burden of these costs will be carried under the General Conditions (OCM-15) and the General Provisions of the contract? Will all or a subset of these be funded through Owner Change Orders/Savings or through the use of Construction Contingency? If there is a distinction between any subset (concealed vs unforeseen vs other) as to how these costs will be funded, please provide a clear distinction between the two conditions so that any financial exposure can be determined. **Answer: We will follow SCO guidelines.**