

2018 Cost Planning Final Exam

name: _____

**answer in English or Korean*

1. State the differences and similarities among BOT (Build-Operate-Transfer), BTO (Build-Transfer-Operate) and BTL (Build-Transfer-Lease) in terms of payback method, object facility, project risk sharing between the parties, and whether and how the government guarantees project revenue stream during operation.



2. Explain the main difference between ‘escalation’ and ‘contingency’, which are common mark-up categories in the contract price.



3. 'Unit price' can be a good contract type in terms of risk management. Provide an appropriate example to justify this argument.

4. In the case of 'design-build at fixed price', what are the potential problems on design quality? In what conditions? Explain your answer focusing on contractual and functional relationships among project functions.

5. Continuing with ‘design-build at fixed price’, what are the potential risks for the contractor? Explain your answer focusing on contractual and functional relationships among project functions.

6. State the differences and similarities between General Contractor and Construction Management (CM) at Risk in terms of trade selection/subcontract, preconstruction service, and guarantee of construction performance (time, cost, quality safety). Also discuss the hot issues raised in the construction industry in association with CM at Risk.

7. State the main difference between Joint Venture and Consortium in terms of objectives, operating period, legal meaning and equity investment.

(bonus) State the difference between love and friendship.