What is Design-Build Delivery?

Design-Build is a method in which one entity (a design-builder) forges a single contract with the owner to provide architectural, engineering design and construction services.
How Does It Differ from Conventional Delivery?

- Singular responsibility
- Quality
- Cost savings
- Time savings
- Early knowledge of firm costs
- Risk allocation/management
Six Phases Of A Conventional Project

1. Enthusiasm
2. Disillusionment
3. Panic
4. Search for the Guilty
5. Punishment of the Innocent
6. Praise & Honors for the Non-Participants
Six Phases Of A Design-Build Project

1. Enthusiasm
2. More Enthusiasm
3. Calm
4. Search for Innovative Solutions
5. Added Value and Rewards for the Owner and Private Partner
6. Praise & Honors for the All Participants
Applicable Project Situations

- Project types of a familiar nature
- Defined scope
- Those which have been previously constructed by the Owner
Design Build Projects

- Environmental facilities
- Education facilities
- Dormitories
- Jails and prisons
- Parking structures
- Data centers
- Medical facilities
- Courthouses
- Administration buildings
- Convention centers
- Transportation projects
- Office buildings
A recent report by the ASCE states “There is no reason that design-build cannot be used on most types of construction projects, including traditional civil infrastructure projects.”
Example Wastewater & Water DB Projects

- Lee County Three Oaks Wastewater Treatment Plant
- Nassau County MBR Wastewater Treatment Plant (JEA)
- Surface Water Component of the Tampa Bay Regional Water Treatment Plant
- Lee County Brackish Wells & Reverse Osmosis WTP
Caveats

- Complexity of the process
- Challenge in converting owner needs to performance-based language
- Availability of design liability insurance and/or performance and payment bond
Challenges

- Applicable public policy
- Political implications
- Staff familiarity with design-build project delivery
- Willingness to cast off the warm fuzzy design/bid/build sweatshirt
Opportunities

- Multiple design solutions
- Material/systems innovations
- Early involvement of the builder
- Emergency response
Procurement Considerations

- Qualifications Based Selection (QBS)
  -- OR --

- Two-Step Process
  - Prequalify offerors/proposers
  - Request separate cost and technical proposals
  - Choose design-builder based on Best-Value
  - Use stipulated sum contracts when selection is price competitive
Selection/Evaluation Process

The Competitive Design-Build Process

- Owner:
  - Facility Planning
  - Project Criteria Definition
  - Select Qualified Design-Builder
  - Evaluate and Select Best Value

- Action Steps:
  - Project Advertisement
  - Request for Proposals (Qualification)
  - Proposals
  - Design-Build Contracts
  - Design/Construction
  - Agreed Upon Project Statement

- Design-Builder:
  - Interact with Design-Builders
  - Select Qualification Statements
  - Prepare Design/Construction Solutions and Management Agreements

- Facility in Full Operation
Keys to Successful DB Projects

Starting Considerations

✓ Set aside traditional processes and relationships
✓ Facilitate early involvement of key decision makers
✓ Balance responsibility and risk ~ risk allocation can make or break project
✓ Develop succinct criteria specifications
✓ Include requirement for financial guarantee
✓ Consider the need for an owner’s design-build consultant
Keys to Successful DB Projects

Competitive Considerations

✓ Ask for reasonable submission requirements
✓ Consider the applicability of a stipend or honorarium
  ➢ Level of design provided with RFP
  ➢ Level of design required by RFP
Keys to Successful DB Projects

Evaluation Considerations

- Identify selection criteria and weighting to potential offerors
- Conduct a balanced evaluation by creating knowledgeable judging panels
- Conduct separate evaluation of cost and qualitative issues
Issues to Address

Ensure:

✓ Integrity of the procurement process
✓ Cost and quality control
✓ Access for many contractors to engender competition
Issues to Address

Contract Issues:

- Payment Terms
- Contingency and Shared Savings Provisions
- Disproportionate or Concurrent Liquidated Damages
- Bonding and Insurance Limitations
- Indemnification
- Existing Utilities and Differing Site Conditions
- Long Term Inflation and Material Escalation
- Permitting
- Contract Standards
- Performance Guarantees
DB or Not DB

Design-build works when you have:
- The right project
- Good project definition
- Mutual trust
- Effective communication
- Efficient procurement process
- Commitment to quality
- Willing to act as a “team” ~ partnering and trust
- Quick conflict identification and resolution
Views on Design-Build Generally Favorable

A recent study by the State of California Legislative Analyst’s Office stated, “The counties and cities that have used design-build generally expressed favorable opinions of the process. Almost all reported that compared to the traditional design-bid-build process, it took less staff time to construct a project and resulted in fewer claims and less litigation. To a substantial degree, this is because the local agency is removed from disputes between architect/engineer and the construction contractor. They also indicated that by awarding a fixed price contract, design-build provided more price certainty.”
Want To Learn More?

- DBIA National Education Courses
- Florida Chapter
  - Regional program participation
  - Chapter Committee involvement
  - Regional Steering Committee participation
  - Sponsorships

Go to: Fldbia.org