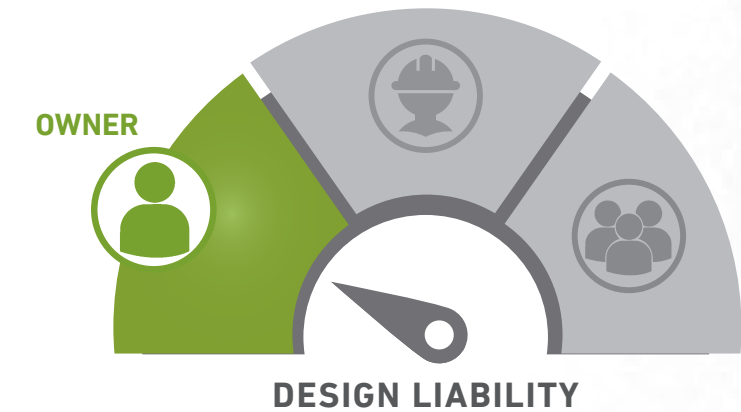
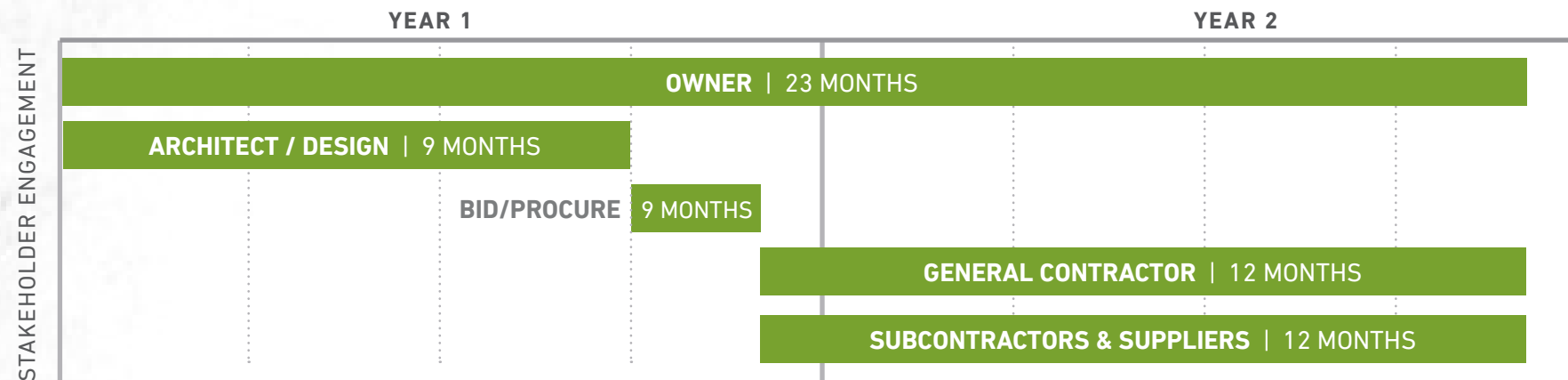


# PROJECT DELIVERY METHODS

## DESIGN-BID-BUILD



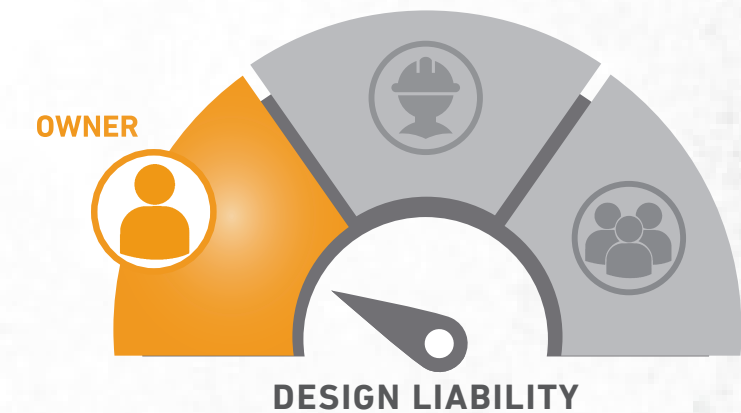
**PROS**

- + **Bidding** – Competitive bidding of work to General Contractor
- + **Clarity of Scope** – Project scope finalized prior to start of construction
- + **Single Bid Package** – A/E prepares one set of bid documents vs. phased “bid packages”

**CONS**

- ⊗ **Reduced Quality** - No input during design phase from contractor on alternative materials, equipment, or methods that may save money, improve quality, or save time
- ⊗ **Delays & Cost Over-runs** - Schedule delays due to redesign when bids come in over budget
- ⊗ **Change Orders** - If project scope is incomplete or unclear, it may result in adversarial relationships and potential claims
- ⊗ **Limited Collaboration** - No opportunity to design to a target budget
- ⊗ **Limited Space for Innovation** - General Contractor has no opportunity to bring solutions that save time and money
- ⊗ **Lack of Input** - No Owner input for subcontractor selection
- ⊗ **Increased Time of Delivery** - Total duration of project delivery is typically longer
- ⊗ **Reduced Opportunity for Savings** - All cost savings accrue to General Contractor; no open book accounting

## CONSTRUCTION MANAGER AT RISK



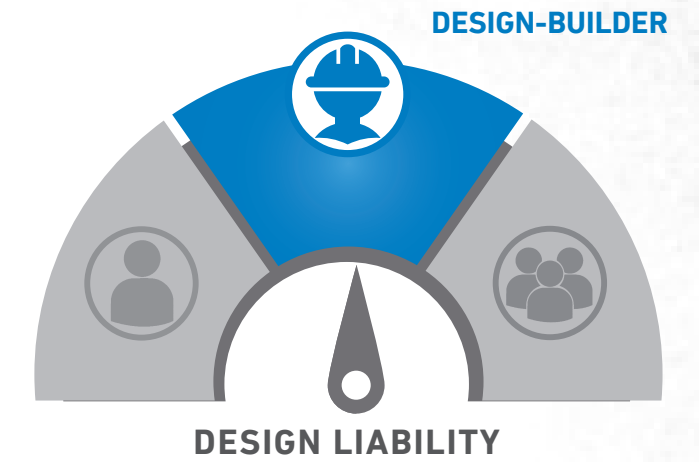
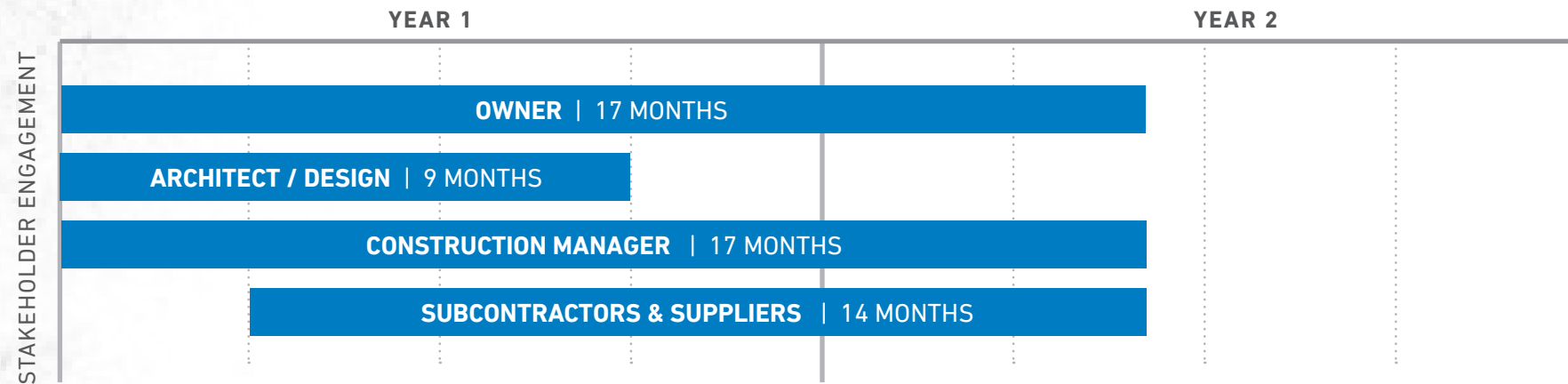
**PROS**

- + **Open Book Accounting** – Savings accrue to Owner or are shared
- + **Faster Delivery** – Early CM involvement allows for earlier start of construction and schedule compression
- + **Bidding** – Competitive bidding of work to subcontractors
- + **Procurement Input** – Owner input on all subcontractor selections
- + **Financial Certainty** – CM manages project budget throughout design and construction
- + **Highly Collaborative** – Owner, CM and A/E team work collaboratively
- + **Improved Quality** – CM input on alternative materials, equipment or methods that may save money, improve quality or save time
- + **Contract Price** – Contract Price based on the defined scope is established prior to construction

**CONS**

- ⊗ **Bid Packages** – Includes the use of multiple “bid packages” produced by the design team increasing risk to Owner
- ⊗ **Fewer Qualified Firms** – GCs with experience delivering projects in a D-B-B role may lack preconstruction and construction management capabilities
- ⊗ **Owner Effort** – Requires more owner resources up front

# DESIGN-BUILD



## PROS

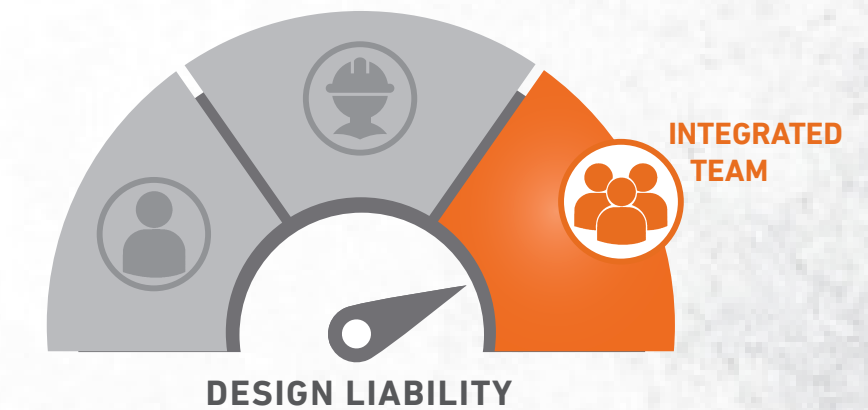
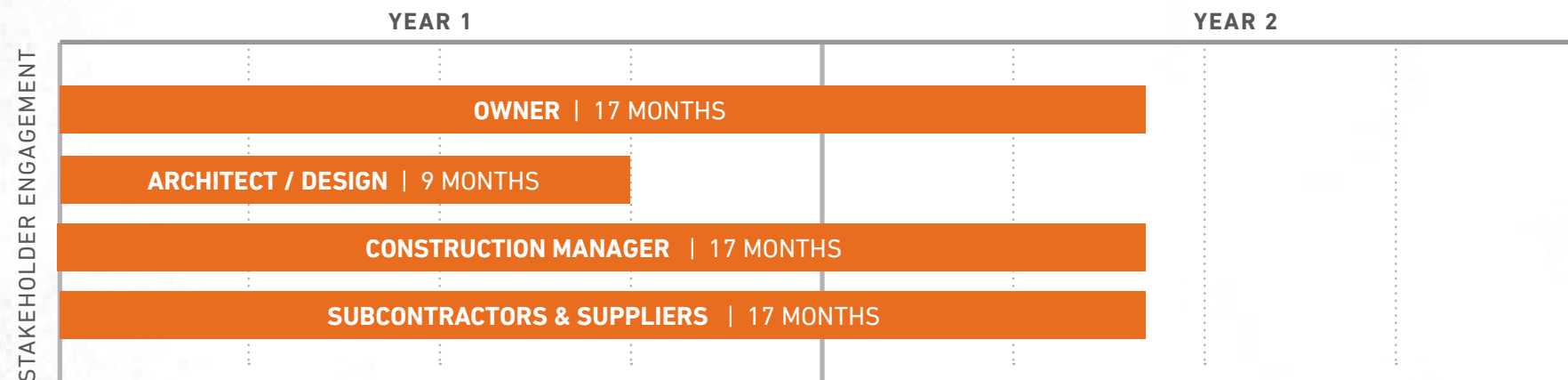
- + **Single Source of Responsibility** – One entity is held accountable for design, cost, schedule, and performance
- + **Relationship with Designer** – The Owner/Designer interface is maintained, while being enhanced by Design-Builder participation
- + **Faster Delivery** – Collaborative project management means work is completed faster with fewer problems
- + **Better Quality** – Design-Builders meet performance needs, not minimum design requirements, often developing innovations to deliver a better project than initially imagined
- + **Cost Savings** – An integrated team is efficient and innovative
- + **Procurement Input** – Owner input on all subcontractor selection
- + **Open Book Accounting** – Savings accrue to Owner or are shared
- + **Decreased Administrative Burden** – Owners can focus on the project rather than managing disparate contracts
- + **Reduced Risk** – Design-Build team assumes additional risk, shifting the risk away from the Owner
- + **Bidding** – Competitive bidding of work to subcontractors
- + **Contract Price** – Contract Price established prior to construction; earliest certainty of price
- + **Bid Packages** – Risk of multiple bid packages carried by Design-Builder



## CONS

- ⊗ **Fewer Qualified Firms** – GCs and CMs with experience delivering in a D-B-B or CMAR role may lack expertise in D-B delivery
- ⊗ **Procurement Laws** – When used in the public sector, only permitted by certain Federal Agencies, States or Municipalities

# INTEGRATED PROJECT DELIVERY



## PROS

- + **Highly Collaborative & Integrated** – Owner, CM and A/E team work collaboratively as one team
- + **Faster Decision-Making** – Collective team buy-in promotes a faster decision-making process.
- + **Scope & Budget Alignment** – IPD uses a target cost approach maintained through consistent, real-time trending reports
- + **Minimal Scope Gaps** – Early on-boarding of trade partners mitigates cost escalation and scope gaps
- + **Cost Savings** – An integrated team manages change in a more nimble, effective manner and eliminating redesign costs
- + **Improved Productivity** – An achievable workflow minimizes waste and rework
- + **Shared Risk & Rewards** – Risks and rewards are managed collaboratively
- + **Open Book Accounting** – Savings accrue to Owner or are shared
- + **Target Cost** – Established prior to design; earliest certainty of price
- + **Procurement Input** – Owner input on all subcontractor selections



## CONS

- ⊗ **Less Familiarity** – Owners and architects less familiar with this process are less inclined to pursue it
- ⊗ **Fewer Qualified Firms** – Fewer firms have delivered projects via IPD
- ⊗ **Trust Isn't Automatic** – This approach requires all team members to "buy in" to a change in culture and approach