



Design-Build Reform Toolkit

Table of Contents

I.	Design-Build Reform Overview.....	Page 1
II.	Legislation	
	A. Option #1 – Design-Build – QBS.....	Page 5
	B. Option #2 – Design-Build – Constructor Fees.....	Page 8
	C. Option #3 – Design-Build – Bridging.....	Page 12
	D. Option #4 – Design-Build – Concept Design and Price.....	Page 16
III.	Construction Manager At-Risk Issue Brief.....	Page 20
IV.	Project Delivery Methods Diagram.....	Page 21

OVERVIEW: DESIGN-BUILD REFORM CAMPAIGN 2013

The Project Delivery Task Force of the AIA State Government Network and AIA staff have identified issues associated with design-build laws across the country. This document is intended to help your state tackle identified problems by giving you some negotiation strategies and suggested legislative language to advance reform in your state.

Benefits of design-build:

1. Offers clients a single point of responsibility.
2. Potential for faster project completion.
3. Potential for fewer change orders.
4. Potential for superior control of project costs.
5. DB/QBS and DB/Contractor Fees offer opportunity for implementing philosophy of Integrated Project Delivery (maximum owner collaboration in design from the beginning).
6. May be better suited for complex projects.

Detriments of design-build:

1. Contractual duties owed to design-builder rather than client eliminating or obscuring duties and protections typically provided to the client
2. Higher economic risk for architect under DB/Concept Design & Price with stipend.
3. Higher economic risk for 2nd architect under DB/Bridging.
4. Stipends, if offered at all, provided to unsuccessful proposers under DB/Bridging and DB/Concept Design & Price, rarely cover architect's costs and typically require architect to forfeit ownership of design proposal content.
5. DB/Bridging and DB/Concept Design & Price provide limited opportunity for implementing philosophy of Integrated Project Delivery (owner not a true collaboration partner in design until after Design-Builder is selected).
6. Method in which contract is awarded typically circumvents architecture procurement requirements resulting in these services to be procured like a common commodity, rather than according to the qualifications of the professional.

Legislative Strategies

(1) Coalition Building: There are varying opinions among those involved in vertical infrastructure (buildings) and horizontal infrastructure (roads & bridges) about the advantages and disadvantages of design-build for public projects. This paper specifically intends to address vertical infrastructure legislation. However, an important legislative strategy is to identify the position of horizontal infrastructure interests and either invite them to join in support, or otherwise create an exception for them in proposed legislation.

It is important to form a coalition with other advocates of design-build. These may include the Design-Build Institute of America (DBIA), Associated General Contractors, and the American Council of Engineering Companies (ACEC), among others.

(2) Aim High Knowing that Compromise Will Be Required



OVERVIEW: DESIGN-BUILD REFORM CAMPAIGN 2013

When your state component is faced with design-build legislative proposals, here is a negotiation strategy that could help: Since AIA staff research indicates that Construction Manager At-Risk avoids many of the problems associated with design-build, advancing CM at Risk as a preferred alternative should be your state's response. See CM At-Risk Issue Brief (page 20) to aid your advocacy efforts in this regard.

Should your state's approach to advance CM at Risk as an alternative to design-build fail, a back-up negotiating plan could be as follows: ***In order of preference***, here are some design-build models that best advance and protect the interests of architects and public clients. Refer to the matrix "Design & Construction Delivery Methods for Public Projects" and the References at the end of this paper for sources of detailed information.

Design-Build Models:

- (1) DB/QBS Model (See "AIA DB Legislation – QBS")
- (2) DB/Contractor Fees– QBS for single D-B team, with submittal of limited contractor general conditions and other fee-type costs, no design proposal until after D-B selection. (See "AIA DB Legislation –Constructor Fees")
- (3) DB/Bridging with Stipend - QBS for owner's architect to prepare preliminary design documents; concurrent first-phase QBS selection of 3 D-B teams; second-phase RFP process with selected D-B teams competing on basis of total cost proposals to complete the design documents and construct the building.
- (4) DB/Concept Design & Price with Stipend– first phase QBS selection of 3 D-B teams, second phase RFP process with selected D-B teams competing on basis of conceptual design and total cost proposals to complete design documents and construct the building, with statutorily required stipends for unsuccessful proposals; reasonably limit the scope of conceptual design submittals. (See "AIA DB Legislation – Concept Design & Price with Stipend")

(3) The Process

Initial Drafting Process

Depending on whether your state component is attempting to modify existing law or whether your state component is responding to a new design-build legislative proposal, your first goal should be advancing a design-build procurement process that is purely qualifications-based selection. Use the AIA suggested legislation (above in #1) as a starting point. You will, of course, need to modify the AIA suggested legislation to fit with your state's existing statutory framework. Usually, the fewer modifications you can make to existing law, the better so select the provisions that work for your existing statutory framework and draft a proposal to share with other interested stakeholders. Start with AGC.

If you do not have DB legislation in place, use the AIA suggested legislation as your initial proposal to other interested stakeholders. Be prepared to offer language from AIA suggested legislation for the other design-build models described in #2, #3, and #4. However, do not offer



OVERVIEW: DESIGN-BUILD REFORM CAMPAIGN 2013

them all at once; these are “back pocket” alternatives to use depending on your negotiations and the issues being raised.

Coalition Building

Several meetings may be needed to gain momentum. Sending your proposed legislation to other interested stakeholders for review is a critical part of the process. You are in an advantageous position because you’re calling a meeting and giving the attendees something to review and edit. The starting dialogue is yours to frame.

Tip: focus on one stakeholder group at a time. Start small and easy. Create a list of any interest group that could even peripherally care – both for and against. Then in each subsequent meeting, you can claim coalition support with stakeholder groups’ names listed in your correspondences.

Once you’ve gained support from 1-3 groups, identify the groups that may involve longer negotiations. Continue negotiations with scheduled tight deadlines. Never leave a meeting without a future meeting scheduled. Try to keep the meetings paced between 1-2 weeks. Once a consensus is reached among the growing coalition, focus on the legislature.

Approaching Lawmakers

Identify your friends in the legislature. Schedule visits well in advance of their legislative session. If possible, make these visits happen back home in the District with local architects. Coaching is essential. Keep the visit friendly and succinct: this doesn’t have to be a “data dump.” Make your case, tell your story and always leave the meeting with an offer to help on any of your legislator’s issues or participate in local events that might be of interest. During these visits, identify your legislative champions. Who expressed the most interest, and who might be the most forthright and articulate to make your case? Ask if the lawmaker would have interest in sponsoring the legislation. Always convey to the lawmaker the ground work that you’ve already laid: Who will support it? Who will oppose? Which groups are still meeting? What is a sticking point, if any? Keep the lawmaker posted in writing on the status of negotiations.

Once your legislative session begins, keep in touch with your “champions”. When do they plan to file? Are there special strategies for timing or committees? If you have a contract lobbyist, some of these issues will be handled by him/her, but stay involved, don’t delegate. Contract lobbyists have other clients and interests that may take a priority. Despite what they may tell you, your contract lobbyist gives you access, not success. This is your issue and you must be involved.

The “Ask”

Develop talking points (e.g. a one pager with bulleted points that asks for a “yes” vote on HB ____). Your most compelling points are those related to small businesses, and the importance of qualifications-based selection – see AIA Issue Brief). Work with your lobbyist on meeting with committee members who will ultimately consider the issue. If you haven’t met with committee members prior to the legislative hearing, you have lost ground. By the time the hearing is conducted, the votes have likely been decided behind the scenes. The committee members will have met with the opposition, and strategies for delay or defeat will have been discussed.



OVERVIEW: DESIGN-BUILD REFORM CAMPAIGN 2013

Grassroots

Issue grassroots alerts focused strictly on committee members (not the entire legislative body) 1-2 days prior to your hearing. Ask for emails, letters and phone calls from constituent architects. Additional bodies in the room are also a good thing.

Testimony

Check with the clerk to find out how many copies you will need to submit in advance. Alternatively, distribute copies of your testimony to committee members at the meeting. Attend the hearing and present oral testimony from your Chapter President or another member who is knowledgeable in design-build practices. Prepare for 5 minutes. Do not read. Call AIA if you need assistance in drafting your testimony.

It's not over until the Governor signs...keep the bill moving

Follow up with your "champions" after the hearing to get their thoughts and offer assistance to keep the legislation moving. Did they hear any concerns behind the scenes? Which legislators may need a visit?

Once the bill has been favorably voted out of committee, move to the next voting groups, one or both chambers of the Legislature. Confer with Floor Leaders who will shepherd the bill through floor debate. These lawmakers need clear direction on the bill. Who supports it? Who doesn't? What does it do...in one or two sentences? Keep it simple. Boil down the issue into its simplest form. Remember, on any given day, law makers face hundreds of issues which they cannot possibly keep up with without your talking points and clear direction. Give them your cell phone number and remain close to the chamber during the debate in case they need an answer quickly.

You've made it this far, don't give up! Now, go back several steps and start the whole process over in the opposite chamber.

Selected References:

[AIA Issue Brief: Design-Build](#), July, 2012

[AIA Best Practices](#)

[Qualifications Based Selection of Contractors](#), AGC of America, August, 2009

DBIA Position Statement, Design-Build Institute of America,

Use of [Stipends](#), 2010

[Best Value](#) Selection, 2010

The Role of [Qualifications in Selection](#) of a Design-Builder, 2010

ACEC Model State Design/Build Legislation, American Council of Engineering Companies, July, 2012



OPTION #1 - DESIGN-BUILD w/ QBS PROCESS

The following is an example of language in legislative format for Design-Build/QBS, wherein a design-build team is procured by qualifications-based selection (QBS). This particular design-build model offers the best project value to designers, builders, and owners, and best allows the intended integration and collaboration of the Design-Build project. There is no conceptual design prior to selection of the design-builder, and there is no discussion of fees or work hours until a QBS negotiation is in process.

I. LEGISLATIVE PURPOSE AND INTENT.

The legislature recognizes that there is a public need for the design, construction, improvement, renovation, and expansion of high performing public facilities within the state of [insert state];

Such public need may not be wholly satisfied by existing procurement methods in which public facilities are designed, constructed, improved, renovated or expanded;

Efficient delivery of quality design and construction can be realized when a governmental entity is authorized to utilize an integrated approach for the design and construction of a project under one contract with a single point of responsibility;

The Design-Build integrated approach to project delivery, when the selection process is based solely on qualifications and experience, can result in a project that involves consistent collaboration among design professionals, builders, and owners throughout the process, from beginning to end, and delivers a high quality building.

II. DEFINITIONS.

- (1) "Design-builder" means a partnership, corporation, joint venture, or other legal entity that offers to provide or provides design and construction services under a single contract. The design-builder shall be comprised of both design professionals and construction contractors qualified to engage in design and construction in [cite state].
- (2) "Governmental entity," for the purpose of this law, means the state, political subdivisions of the state, public school corporations, and all officers, boards, or commissions empowered by law to enter into contracts for the construction of public improvements.

III. APPLICABILITY. This law [cite section/subsection of the law] applies to all governmental entities in this [cite state]. [Insert any exceptions, such as limiting DB to specific governmental entities, building types, etc.]

IV. CONTRACTS FOR PROJECTS: DESIGN-BUILD.

- (a) A governmental entity may use the design-build method for the construction, rehabilitation, alteration, or repair of a project. In using this method and in entering into a contract for the services of a design-builder, the contracting governmental entity and the design-builder shall follow the procedures provided below.
- (b) A governmental entity shall use the following criteria as a minimum basis for determining the circumstances under which the design-build method is appropriate for a project:
 - (1) the extent to which the governmental entity can adequately and thoroughly define the project requirements prior to the issuance of the request for qualifications for a design-builder;
 - (2) the time constraints for the delivery of the project;
 - (3) the ability to ensure that a quality project can be delivered; and



- (4) the capability of the governmental entity to manage and oversee the project, including the availability of experienced architectural staff or outside architectural consultants who are experienced with the design-build method of project delivery.
- (c) A governmental entity shall make a formal finding on the criteria described by Subsection (b) before preparing a request for qualifications.
- (d) A governmental entity shall issue, for the purpose of fair and open competition, a public notice of the request for qualifications.

V. USE OF ARCHITECT.

- (a) On or before entering into a contract for design-build services, the governmental entity shall select or designate a staff architect, or an architect who is independent of the design-builder, to act as its representative for the procurement process and for the duration of the design and construction.
- (b) The selected or designated architect has full responsibility for complying with [cite enabling Architects Practice statute].
- (c) If the architect is not a full-time employee of the governmental entity, the governmental entity shall select the architect on the basis of demonstrated competence and qualifications as provided by [cite QBS law or Brooks Act].
- (d) The selected or designated architect shall not be eligible to provide design input or submit a response to the request for qualifications.

VI. REQUEST FOR QUALIFICATIONS.

- (a) The governmental entity, assisted by its architect representative, shall prepare a request for qualifications that includes, but is not limited to, general information on:
 - (1) project site;
 - (2) project scope;
 - (3) project budget;
 - (4) project schedule;
 - (5) criteria for selection and the weighting of the qualifications criteria;
 - (6) notice of any rules, ordinances or goals established by the governmental entity, including goals for minority and women-owned business participation; and
 - (7) other information that may assist potential design-builders in submitting qualifications for the project.

VII. EVALUATION OF RESPONSES TO REQUESTS FOR QUALIFICATIONS.

- (a) The governmental entity shall evaluate each responsive design-builder based on the following criteria:
 - (1) specialized experience and technical competence with respect to the type of services required;
 - (2) capacity and capability to perform services within the time limitations fixed for the project;
 - (3) the past record of performance of the design-builder or of the members of the design-build team with respect to such factors as control of construction budgets, quality of work, and ability to meet schedules;
 - (4) the design-builder's proximity to and familiarity with the area in which the project is located; and
 - (5) other appropriate information submitted in response to the request for qualifications.
- (b) The governmental entity may request design-builders to submit additional information and, if the governmental entity chooses, invite some or all responders to an interview with the governmental entity.
- (c) Consideration shall not be given, or information requested, concerning fees, prices, work hours, or any other cost information prior to entering into negotiations as described in Section VIII.



- (d) Each design-builder shall certify to the governmental entity that each architect or engineer that is a member of the design-build team, including sub-consultants, was selected based on demonstrated competence and qualifications, in the manner provided by [cite QBS statute or Brooks Act]; and,
- (e) Following evaluation of the qualifications of the design-builders, the governmental entity shall rank, based on the published criteria, the three most highly qualified design-builders in the order of best-qualified first.

VIII. NEGOTIATIONS.

- (a) The governmental entity shall first attempt to negotiate a contract with the highest ranked design-builder. The governmental entity shall seek to reach agreement on scope; contract terms; fair and reasonable fees, markups and other cost factors; and any other necessary matters.
- (b) If the governmental entity is unable to negotiate a satisfactory contract with the highest ranked design-builder, the governmental entity shall, formally and in writing, terminate all negotiations with that design-builder and proceed to negotiate with the next highest ranked design-builder.
- (c) This process shall be repeated until either a satisfactory contract is reached or negotiations with all ranked entities end.
- (d) If a satisfactory contract cannot be achieved by any of the top ranked design-builders, the governmental entity may reevaluate the necessary services, including the scope, budget, and complexity. The governmental entity may then either reevaluate qualifications already submitted, choose to advertise and accept new qualifications, or abandon the design-build method of project delivery.

IX. CHANGES TO KEY PERSONNEL.

The design-builder shall obtain written approval prior to changing key personnel after the contract has been awarded.



OPTION #2 – DESIGN-BUILD w/ CONSTRUCTOR FEE ONLY

The following is an example of language in legislative format for Design-Build/Constructor Fees wherein, a design-build team is procured by qualifications-based selection (QBS) with consideration of percentage markups for the contractor member of the design-build team, such as contractor fee, overhead and subcontractor markups. There is no conceptual design prior to selection of the design-builder, and there is no other discussion of fees or work hours until a QBS negotiation is in process.

IX. LEGISLATIVE PURPOSE AND INTENT.

The legislature recognizes that there is a public need for the design, construction, improvement, renovation, and expansion of high performing public facilities within the state of [insert state];

Such public need may not be wholly satisfied by existing methods of procurement in which public facilities are designed, constructed, improved, renovated or expanded;

Efficient delivery of quality design and construction can be realized when a governmental entity is authorized to utilize an integrated approach for the design and construction of a project under one contract with a single point of responsibility;

The Design-Build integrated approach to project delivery, when the selection process is based on qualifications and experience, can result in a project that involves consistent collaboration among design professionals, builders, and owners throughout the process, from beginning to end, and delivers a high quality building.

X. DEFINITIONS.

- (3) "Design-builder" means a partnership, corporation, joint venture, or other legal entity that offers to provide or provides design and construction services under a single contract. The design-build team shall be comprised of both design professionals and construction contractors qualified to engage in design and construction, respectively, in [cite state].
- (4) "Governmental entity," for the purpose of this law, means the state, political subdivisions of the state, public school corporations, and all officers, boards, or commissions empowered by law to enter into contracts for the construction of public improvements.

XI. APPLICABILITY. This law [cite section/subsection of the law] applies to all governmental entities in this [cite state]. [Insert any exceptions, such as limiting DB to specific governmental entities, building types, etc.]

XII. CONTRACTS FOR PROJECTS: DESIGN-BUILD.

- (e) A governmental entity may use the design-build method for the construction, rehabilitation, alteration, or repair of a project. In using this method and in entering into a contract for the services of a design-builder, the contracting governmental entity and the design-builder shall follow the procedures provided below.
- (f) A governmental entity shall use the following criteria as a minimum basis for determining the circumstances under which the design-build method is appropriate for a project:
 - (1) the extent to which the governmental entity can adequately and thoroughly define the project requirements prior to the issuance of the request for qualifications for a design-builder;
 - (2) the time constraints for the delivery of the project;
 - (3) the ability to ensure that a quality project can be delivered; and



- (4) the capability of the governmental entity to manage and oversee the project, including the availability of experienced architectural staff or outside architectural consultants who are experienced with the design-build method of project delivery.
- (g) A governmental entity shall make a formal finding on the criteria described by Subsection (b) before preparing a request for qualifications.
- (h) A governmental entity shall issue, for the purpose of fair and open competition, a public notice of the request for qualifications.

XIII. USE OF ARCHITECT.

- (e) On or before entering into a contract for design-build services, the governmental entity shall select or designate a staff architect, or an architect who is independent of the design-builder, to act as its representative for the procurement process and for the duration of the design and construction.
- (f) The selected or designated architect has full responsibility for complying with [cite enabling Architects Practice statute].
- (g) If the architect is not a full-time employee of the governmental entity, the governmental entity shall select the architect on the basis of demonstrated competence and qualifications as provided by [cite QBS law or Brooks Act].
- (h) The selected or designated architect shall not be eligible to submit a response to the request for proposals nor provide design input to a design-bid response to the request for proposals.

XIV. REQUEST FOR QUALIFICATIONS.

- (b) The governmental entity, assisted by its architect representative, shall prepare a request for qualifications that includes, but is not limited to, general information on:
 - (1) project site;
 - (2) project scope;
 - (3) project budget;
 - (4) project schedule;
 - (5) criteria for selection and the weighting of the qualifications criteria;
 - (6) notice of any rules, ordinances or goals established by the governmental entity, including goals for minority and women-owned business participation; and
 - (7) other information that may assist potential design-builders in submitting qualifications for the project.

XV. EVALUATION OF RESPONSES TO REQUESTS FOR QUALIFICATIONS.

- (f) The governmental entity shall evaluate each responsive design-builder based on the following criteria:
 - (6) specialized experience and technical competence with respect to the type of services required;
 - (7) capacity and capability to perform services within the time limitations fixed for the project;
 - (8) the past record of performance of the design-builder or of the members of the design-build team with respect to such factors as control of costs, quality of work, and ability to meet schedules;
 - (9) the design-builder's proximity to and familiarity with the area in which the project is located; and
 - (10) other appropriate information submitted in response to the request for qualifications.
- (g) The governmental entity may request design-builders to submit additional information and, if the governmental entity chooses, invite some or all responders to an interview with the governmental entity.
- (h) Except for the construction cost-related information described in section VIII(b)(4), no other consideration shall be given, or information requested, concerning fees, prices, work hours, or any other cost information prior to entering into negotiations as described in Section X.



- (i) Each design-builder shall certify to the governmental entity that each architect or engineer that is a member of the design-build team was selected based on demonstrated competence and qualifications, in the manner provided by [cite QBS statute or Brooks Act]; and,
- (j) Following the evaluation of the qualifications of the design-builders, the governmental entity shall select, based on the published criteria, the three most highly qualified design-builders and issue to them a request for proposal.

XVI. REQUEST FOR PROPOSALS.

- (a) The governmental entity shall request proposals from the selected design-builders. The governmental entity shall not require design-builders to submit architectural or engineering designs as part of a proposal.
- (b) The request for proposals shall include, but is not limited to:
 - (1) the procedures to be followed for submitting proposals, including place, date, and time deadlines;
 - (2) the criteria for evaluation of proposals and their relative weight;
 - (3) budget limits for the design-build contract, if any;
 - (4) construction cost-related information deemed necessary by the governmental entity for evaluation of proposals such as:
 - i. formulas for contractor fee, overhead, subcontractor markup, general conditions, etc.
 - ii. discounts for prompt payment, if any.
 - (5) policies of the governmental entity, such as:
 - i. retainage,
 - ii. contingencies,
 - iii. requirements for bid security, performance bonds, payment bonds, and insurance.
- (c) The request for proposals may include more specific information, to the extent available, such as:
 - (1) programmatic needs and other capacity and functional requirements;
 - (2) information on the physical characteristics of the site, such as a topographic survey;
 - (3) material quality standards or performance criteria; and,
 - (4) parking requirements.

XVII. EVALUATION OF PROPOSALS.

- (a) Proposals shall be sealed and shall not be opened until expiration of the deadline for submittals established in the request for proposals. Once the deadline for submittals has expired, the governmental entity shall open and evaluate all responses to the request for proposals.
- (b) The governmental entity may reject as nonresponsive any design-builder that makes a significant change to the composition of its team as initially submitted.
- (c) Each design-builder shall certify to the governmental entity that each architect or engineer that is a member of the design-build team, including sub-consultants, was selected based on demonstrated competence and qualifications, in the manner provided by [cite QBS statute or Brooks Act]; and,
- (d) The governmental entity shall rank the design-builder proposals in the order of best response first based on the published criteria.

X. NEGOTIATIONS.

- (e) The governmental entity shall first attempt to negotiate a contract with the highest ranked design-builder. The governmental entity shall seek to reach agreement on scope; contract terms; fair and reasonable fees, markups and other cost factors; and any other necessary matters.
- (f) If the governmental entity is unable to negotiate a satisfactory contract with the highest ranked design-builder, the governmental entity shall, formally and in writing, terminate all negotiations with that design-builder and proceed to negotiate with the next highest ranked design-builder.



- (g) This process shall be repeated until either a satisfactory contract is reached or negotiations with all ranked entities end.
- (h) If a satisfactory contract cannot be achieved by any of the top ranked design-builders, the governmental entity may reevaluate the necessary services, including the scope, estimated cost, complexity, and reasonable fee and cost requirements. The governmental entity may then either reevaluate qualifications already submitted, choose to advertise and accept new qualifications, or abandon the design-build method of project delivery.

XI. CHANGES TO KEY PERSONNEL.

The design-builder shall obtain written approval prior to changing key personnel after the contract has been awarded.



OPTION #3 – DESIGN-BUILD – BRIDGING

The following is an example of language in legislative format for Design-Build/Bridging. In this variation of design-build, the owner first employs an owner's architect to assist with development of design criteria, conceptual design, procurement of the design-builder, and administration of the contract for construction. The process of selecting design-build teams is first narrowed by consideration of qualifications. Finalists are then issued a request for proposals that provides a conceptual design and performance and quality requirements. Proposals must provide a price consistent with the RFP requirements. The award of contract is based on a combination of price and qualitative considerations, such as: technical approach, quality of personnel, and management plan. The architect member of the design-builder becomes the architect of record and completes design refinement and construction documentation. A stipend for unsuccessful competitors of the RFQ may or may not be included

XVIII. LEGISLATIVE PURPOSE AND INTENT.

The legislature recognizes that there is a public need for the design, construction, improvement, renovation, and expansion of high performing public facilities within the state of [insert state];

Such public need may not be wholly satisfied by existing methods of procurement in which public facilities are designed, constructed, improved, renovated or expanded;

Efficient delivery of quality design and construction can be realized when a governmental entity is authorized to utilize an integrated approach for the design and construction of a project under one contract with a single point of responsibility;

The Design-Build integrated approach to project delivery, when the selection process is based on qualifications and experience, can result in a project that involves consistent collaboration among design professionals, builders, and owners throughout the process, from beginning to end, and delivers a high quality building.

XIX. DEFINITIONS.

- (5) "Design-builder" means a partnership, corporation, joint venture, or other legal entity that offers to provide or provides design and construction services under a single contract. The design-build team shall be comprised of both design professionals and construction contractors qualified to engage in design and construction, respectively, in [cite state].
- (6) "Governmental entity," for the purpose of this law, means the state, political subdivisions of the state, public school corporations, and all officers, boards, or commissions empowered by law to enter into contracts for the construction of public improvements [insert any exceptions].
- (7) "Design Criteria" means the requirements for a public project, expressed in drawings and specifications sufficient to allow the design-builder to make a responsive proposal. Design criteria may include, as appropriate:
 - a. Capacity;
 - b. Durability;
 - c. Standards; and
 - d. Other criteria for the intended use.



XX. APPLICABILITY. This law [cite section/subsection of the law] applies to all governmental entities in this [cite state]. [Insert any exceptions, such as limiting DB to specific governmental entities, building types, etc.]

XXI. CONTRACTS FOR PROJECTS: DESIGN-BUILD.

- (i) A governmental entity may use the design-build method for the construction, rehabilitation, alteration, or repair of a project. In using this method and in entering into a contract for the services of a design-builder, the contracting governmental entity and the design-builder shall follow the procedures provided below.
- (j) A governmental entity shall use the following considerations as a minimum basis for determining the circumstances under which the design-build method is appropriate for a project:
 - (1) the extent to which the governmental entity can adequately and thoroughly define the project requirements prior to the issuance of the request for qualifications for a design-builder;
 - (2) the time constraints for the delivery of the project;
 - (3) the ability to ensure that a quality project can be delivered; and
 - (4) the capability of the governmental entity to manage and oversee the project, including the availability of experienced architectural staff or outside architectural consultants who are experienced with the design-build method of project delivery.
- (k) A governmental entity shall make a formal finding on the considerations described by Subsection (b) before preparing a request for qualifications.
- (l) A governmental entity shall issue, for the purpose of fair and open competition, a public notice of request for qualifications.

XXII. DESIGN CRITERIA ARCHITECT.

- (i) On or before entering into a contract for design-build services, the governmental entity shall select or designate a staff architect, or an architect who is independent of the design-builder, to act as its design criteria architect as its representative for the procurement process and for the duration of the design and construction.
- (j) The design criteria architect has full responsibility for complying with [cite enabling Architects Practice statute].
- (k) If the architect is not a full-time employee of the governmental entity, the governmental entity shall select the architect on the basis of demonstrated competence and qualifications as provided by [cite QBS law or Brooks Act].
- (l) The design criteria architect shall develop design criteria in consultation with the governmental entity.
- (m) The design criteria architect shall not be eligible to submit a response to the request for proposals nor provide design input to a design-bid response to the request for proposals.

XXIII. REQUEST FOR QUALIFICATIONS.

The governmental entity, assisted by its design criteria architect, shall prepare a request for qualifications that includes, but is not limited to, general information on:

- (8) project site;
- (9) project scope;
- (10) project budget;
- (11) project schedule;
- (12) criteria for selection and the weighting of the qualifications criteria;
- (13) notice of any rules, ordinances or goals established by the governmental entity, including goals for minority and women-owned business participation; and
- (14) other information that may assist potential design-builders in submitting qualifications for the project.



XXIV. EVALUATION OF RESPONSES TO REQUESTS FOR QUALIFICATIONS.

- (k) The governmental entity assisted by its design criteria architect shall evaluate each responsive design-builder based on the following considerations:
 - (11) specialized experience and technical competence with respect to the type of services required;
 - (12) capacity and capability to perform services within the time limitations fixed for the project;
 - (13) the past record of performance of the design-builder or of the members of the design-build team with respect to such factors as control of costs, quality of work, and ability to meet schedules;
 - (14) the design-builder's proximity to and familiarity with the area in which the project is located; and
 - (15) other appropriate information submitted in response to the request for qualifications.
- (l) The governmental entity may request design-builders to submit additional information and, if the governmental entity chooses, invite some or all responders to an interview with the governmental entity;
- (m) Each design-builder shall certify to the governmental entity that each architect or engineer that is a member of the design-build team was selected based on demonstrated competence and qualifications, in the manner provided by [cite QBS statute or Brooks Act]; and
- (n) Following evaluation of the qualifications of the design-builders, the governmental entity shall select, based on the published considerations, the three most highly qualified design-builders and issue to them a request for proposal.

XXV. REQUEST FOR PROPOSALS.

- (d) The governmental entity shall request proposals from the selected design-builders. The request for proposals shall include, but is not limited to:
 - (6) the procedures to be followed for submitting proposals, including place, date, and time deadlines;
 - (7) the considerations for evaluation of proposals and their relative weight;
 - (8) the design criteria as defined in Section IX;
 - (9) budget limits for the design-build contract, if any;
 - (10) a requirement for the submittal of a total project price with identified assumptions, allowances, unit prices, etc., if any; and
 - (11) policies of the governmental entity, such as:
 - i. retainage,
 - ii. contingencies,
 - iii. requirements for bid security, performance bonds, payment bonds, and insurance.

XXVI. DESIGN CRITERIA.

- i. The governmental entity, assisted by its design criteria architect, shall prepare design criteria that includes detailed information on the project, such as:
 - (1) programmatic needs, interior space requirements, intended space utilization, and other capacity requirements
 - (2) information on the physical characteristics of the site, such as a topographic survey.
 - (3) material quality standards or performance criteria;
 - (4) special material requirements;
 - (5) provisions for utilities;
 - (6) parking requirements;
 - (7) the type, size, and location of adjacent structures;
 - (8) preliminary or conceptual drawings and specifications sufficient in detail to allow the design-builder to make a proposal which is responsive to the request for proposals; and
 - (9) notice of any ordinances, rules, or goals adopted by the governmental entity;



XXVII. EVALUATION OF PROPOSALS AND SELECTION OF BEST PROPOSAL.

- (a) Proposals shall be sealed and shall not be opened until expiration of the time established in the request for proposals. Once the deadline for submittals has expired, the governmental entity and its design criteria architect shall evaluate responses to the request for proposals.
- (b) The governmental entity may reject as nonresponsive any design-builder that makes a significant change to the composition of its team as initially submitted.
- (c) The governmental entity and its design criteria architect shall review the proposals for conformance with the requirements of the request for proposals. Clarifications may be required of each design-builder by the governmental entity. The governmental entity shall determine in its opinion the best proposal and recommend to the governmental entity that a contract be awarded to that design-builder.
- (d) The governmental entity shall have the right to reject any and all proposals and may thereafter solicit new proposals using the same process.

XXVIII. NEGOTIATIONS.

- (a) The governmental entity shall enter into negotiations with the selected design-builder to reach final agreement on terms and conditions of the contract for construction.

XII. CHANGES TO KEY PERSONNEL.

The design-builder shall obtain written approval prior to changing key personnel after the contract has been awarded.



OPTION #4 – DESIGN-BUILD – CONCEPT DESIGN & PRICE

The following is an example of language in legislative format for Design-Build/Concept Design & Price with Stipend. In this variation of design-build, the selection of design-build teams is first narrowed by consideration of qualifications. Finalists are then issued a request for proposals that calls for a conceptual design and a price based on the design concept. The award of contract is based on a combination of price and qualitative considerations, such as: design, technical approach, quality of personnel, and management plan. A stipend for unsuccessful competitors of the RFP process is mandatory.

XXIX. LEGISLATIVE PURPOSE AND INTENT.

The legislature recognizes that there is a public need for the design, construction, improvement, renovation, and expansion of high performing public facilities within the state of [insert state];

Such public need may not be wholly satisfied by existing methods of procurement in which public facilities are designed, constructed, improved, renovated or expanded;

Efficient delivery of quality design and construction can be realized when a governmental entity is authorized to utilize an integrated approach for the design and construction of a project under one contract with a single point of responsibility;

The Design-Build integrated approach to project delivery, when the selection process is based on qualifications and experience, can result in a project that involves consistent collaboration among design professionals, builders, and owners throughout the process, from beginning to end, and delivers a high quality building.

XXX. DEFINITIONS.

- (8) "Design-builder" means a partnership, corporation, joint venture, or other legal entity that offers to provide or provides design and construction services under a single contract. The design-build team shall be comprised of both design professionals and construction contractors qualified to engage in design and construction, respectively, in [cite state].
- (9) "Governmental entity," for the purpose of this law, means the state, political subdivisions of the state, public school corporations, and all officers, boards, or commissions empowered by law to enter into contracts for the construction of public improvements [insert any exceptions].

XXXI. APPLICABILITY. This law [cite section/subsection of the law] applies to all governmental entities in this [cite state]. [Insert any exceptions, such as limiting DB to specific governmental entities, building types, etc.]

XXXII. CONTRACTS FOR PROJECTS: DESIGN-BUILD.

- (m) A governmental entity may use the design-build method for the construction, rehabilitation, alteration, or repair of a project. In using this method and in entering into a contract for the services of a design-builder, the contracting governmental entity and the design-builder shall follow the procedures provided below.
- (n) A governmental entity shall use the following criteria as a minimum basis for determining the circumstances under which the design-build method is appropriate for a project:
 - (1) the extent to which the governmental entity can adequately and thoroughly define the project requirements prior to issuance of the request for qualifications for a design-builder;



- (2) the time constraints for the delivery of the project;
 - (3) the ability to ensure that a quality project can be delivered; and
 - (4) the capability of the governmental entity to manage and oversee the project, including the availability of experienced architectural staff or outside architectural consultants who are experienced with the design-build method of project delivery.
- (o) A governmental entity shall make a formal finding on the criteria described by Subsection (b) before preparing a request for qualifications.
- (p) A governmental entity shall issue, for the purpose of fair and open competition, a public notice of request for qualifications.

XXXIII. USE OF ARCHITECT.

- (n) On or before entering into a contract for design-build services, the governmental entity shall select or designate a staff architect, or an architect who is independent of the design-builder, to act as its representative for the procurement process and for the duration of the design and construction.
- (o) The selected or designated architect has full responsibility for complying with [cite enabling Architects Practice statute].
- (p) If the architect is not a full-time employee of the governmental entity, the governmental entity shall select the architect on the basis of demonstrated competence and qualifications as provided by [cite QBS law or Brooks Act].
- (q) The selected or designated architect shall not be eligible to submit a response to the request for proposals nor provide design input to a design-bid response to the request for proposals.

XXXIV. REQUEST FOR QUALIFICATIONS.

- (c) The governmental entity, assisted by its architect representative, shall prepare a request for qualifications that includes, but is not limited to, general information on:
- (1) project site;
 - (2) project scope;
 - (3) project budget;
 - (4) project schedule;
 - (5) criteria for selection and the weighting of the qualifications criteria;
 - (6) notice of any rules, ordinances or goals established by the governmental entity, including goals for minority and women-owned business participation; and
 - (7) other information that may assist potential design-builders in submitting qualifications for the project.

XXXV. EVALUATION OF RESPONSES TO REQUESTS FOR QUALIFICATIONS.

- (o) The governmental entity shall evaluate each responsive design-builder for the following criteria:
- (16) specialized experience and technical competence with respect to the type of services required;
 - (17) capacity and capability to perform services within the time limitations fixed for the project;
 - (18) the past record of performance of the design-builder or of the members of the design-build team with respect to such factors as control of costs, quality of work, and ability to meet schedules;
 - (19) the design-builder's proximity to and familiarity with the area in which the project is located; and
 - (20) other appropriate information submitted in response to the request for qualifications.
- (p) The governmental entity may request design-builders to submit additional information and, if the governmental entity chooses, invite some or all responders to an interview with the governmental entity.
- (q) Each design-builder shall certify to the governmental entity that each architect or engineer that is a member of the design-build team was selected based on demonstrated competence and qualifications, in the manner provided by [cite QBS statute or Brooks Act]; and



- (r) Following evaluation of the qualifications of the design-builders, the governmental entity shall select, based on the published criteria, the three most highly qualified design-builders and issue to them a request for proposal.

XXXVI. REQUEST FOR PROPOSALS.

- (e) The governmental entity shall request proposals from the selected design-builders. The request for proposals shall include, but is not limited to:
 - (12)the procedures to be followed for submitting proposals, including place, date, and time deadlines;
 - (13)the criteria for evaluation of proposals and their relative weight;
 - (14)the design criteria as defined in Section IX;
 - (15)budget limits for the design-build contract, if any;
 - (16)a description of the minimum conceptual design documents required, such as floor plans, elevations, building sections, site plan and specifications, with guidance as to the form and level of completeness;
 - (17)a requirement for the submittal of a total project price with identified assumptions, allowances, unit prices, etc., if any;
 - (18)policies of the governmental entity, such as:
 - i. retainage,
 - ii. contingencies,
 - iii. requirements for bid security, performance bonds, payment bonds, and insurance.

XXXVII. DESIGN CRITERIA.

- i. The governmental entity, assisted by its architect representative, shall prepare design criteria that includes detailed information on the project, such as:
 - (10)programmatic needs, interior space requirements, intended space utilization, and other capacity requirements;
 - (11)information on the physical characteristics of the site, such as a topographic survey;
 - (12)material quality standards or performance criteria;
 - (13)special material requirements;
 - (14)provisions for utilities;
 - (15)parking requirements;
 - (16)the type, size, and location of adjacent structures; and
 - (17)notice of any ordinances, rules, or goals adopted by the governmental entity;

XXXVIII. EVALUATION OF PROPOSALS AND SELECTION OF BEST PROPOSAL.

- (a) Proposals shall be sealed and shall not be opened until expiration of the time established in the request for proposals. Once the deadline for submittals has expired, the governmental entity shall evaluate responses to the request for proposals.
- (b) The governmental entity may reject as nonresponsive any design-builder that makes a significant change to the composition of its team as initially submitted.
- (c) The governmental entity shall review the proposals for conformance with the requirements of the request for proposals. Clarifications may be required of each design-builder by the governmental entity. The governmental entity shall determine in its opinion the best proposal and recommend to the governmental entity that a contract be awarded to that design-builder.
- (d) The governmental entity shall have the right to reject any and all proposals and may thereafter solicit new proposals using the same process.

XXXIX. NEGOTIATIONS.



- (b) The governmental entity shall enter into negotiations with the selected design-builder to reach final agreement on terms and conditions of the contract for construction.

XL. STIPEND AMOUNT FOR UNSUCCESSFUL DESIGN-BUILDERS.

- (a) Unless a stipend is paid under Subsection (c), the design professional for the design-builder retains all rights to the work product submitted in a proposal. The governmental entity shall not release or disclose to any person, including the successful design-builder, the work product contained in an unsuccessful proposal. The governmental entity shall return all copies of the proposal and other information submitted to an unsuccessful design-builder. The governmental entity or its agents shall not make use of any unique or non-ordinary design element, technique, method, or process contained in the unsuccessful proposal that was not also contained in the successful proposal at the time of the original submittal, unless the governmental entity acquires a license from the unsuccessful design-builder.
- (b) A violation of this section voids the contract for the project entered into by the governmental entity. Any interested party may bring an action for an injunction, declaratory relief, or damages for a violation of this section. A party who prevails in an action under this subsection is entitled to reasonable attorney's fees as approved by the court.
- (c) The governmental entity shall offer a fair and reasonable stipend to unsuccessful design-builders that submit responsive proposals in response to the request for proposals. The stipend amount shall be specified in the request for proposals. If the offer is accepted and paid, the governmental entity may make use of any work product contained in the proposal, including the design, form, materials, techniques, methods, processes, and information contained in the proposal. The use by the governmental entity of any design element contained in an unsuccessful proposal is at the sole risk and discretion of the governmental entity and does not confer liability on the recipient of the stipend under this subsection.
- (d) Notwithstanding other law, work product contained in an unsuccessful proposal submitted and rejected under this subchapter is confidential and may not be released unless a stipend offer has been accepted and paid as provided by Subsection (c).

XIII. CHANGES TO KEY PERSONNEL.

The design-builder shall obtain written approval prior to changing key personnel after the contract has been awarded.





Construction Manager At-Risk

AIA Position

"The American Institute of Architects believes that project delivery processes must enhance the quality, cost-effectiveness, and sustainability of our built environment. This can best be achieved through industry-wide adoption of approaches to project delivery characterized by early and regular involvement of owners, architects, constructors, fabricators and end use/operators in an environment of effective collaboration, mutually defined goals and open information sharing."

Action Sought

The AIA urges state legislators to support Construction Manager At-Risk as a highly collaborative and cost-effective project delivery method that meaningfully integrates the design process with essential constructability expertise early in a project.

Explanation and Justification

Construction Manager At-Risk ("CM At-Risk") for public works is a project delivery method that is authorized by statute to enable a governmental entity to enter into a contract with a constructor early in the design process. This method encourages early collaboration and interactions between design professionals and construction experts which should add efficiencies and value to projects. Efficiencies and added value, *as follows*, are particularly important in the context of publicly-funded projects.

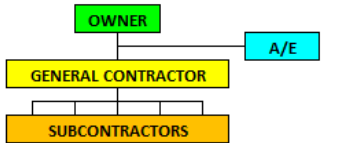
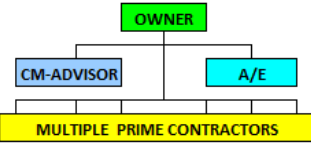
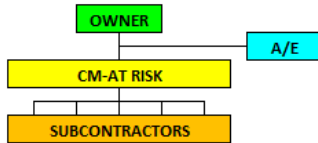
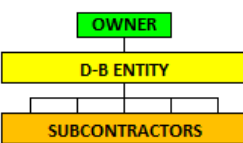

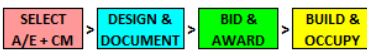
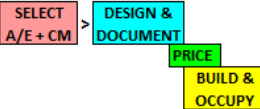
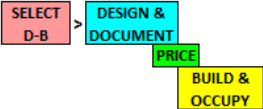
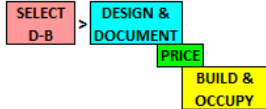
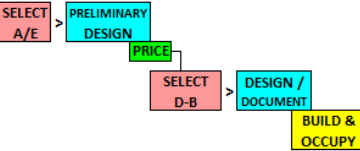
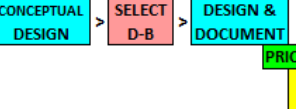
With CM At-Risk,

- construction can begin before design is fully developed which can save time;
- design and construction expertise are integrated early in the life of a project which maximizes communication;
- the contractor can begin purchasing or obtain future commitments for materials and equipment before the design has been completed which could save money; and
- the architect retains a separate contractual relationship with the owner which ensures quality control and protects the owner's best interests.

Conclusion

State legislatures across the country are looking for innovative project delivery solutions that deliver high quality work and measurable value for taxpayer money. CM At-Risk project delivery can provide this outcome. Indeed, over half of the states in the U.S. have already authorized CM At-Risk for building projects to varying degrees.

For more information contact the State & Local Government Relations team at Yvonnecastillo@aia.org or Zacharyhart@aia.org.

AIA STATE GOVERNMENT COMMITTEE: DESIGN & CONSTRUCTION DELIVERY METHODS ¹ FOR PUBLIC PROJECTS											
DESIGN-BID-BUILD	CONSTRUCTION MANAGER/ADVISOR	CONSTRUCTION MANAGER/AT RISK	DESIGN-BUILD								
<p>Design-Bid-Build (D-B-B) is familiar to public owners. It is a sequential process with no overlap in the primary tasks:</p> <p>1) Design culminates in plans and specifications as bidding documents;</p> <p>2) Bids are received and the project awarded to the low responsive bidder; and</p> <p>3) Building occurs during the construction phase that follows. Construction contracts are administered by the A/E.</p> <p>PROS</p> <ul style="list-style-type: none">• Process familiar to public owners• Relatively easy process to manage• Defined scope of construction work• Lowest price for scope• Works well for uncomplicated projects sensitive to budget, but not a critical schedule.• Better for inexperienced public owners due to relative simplicity of process <p>CONS</p> <ul style="list-style-type: none">• Linear process takes longer than alternative delivery methods• No control over selection of contractor and subcontractors• No budget input from contractor during design	<p>CM-Advisor is a consultant who offers construction advice to the D-B-B method, but who has no duty to build the project. The Owner contracts with the architect and construction manager as consultants, and with each contractor who will actually perform the work. Construction contracts are administered by the CM and A/E working together.</p> <p>PROS</p> <ul style="list-style-type: none">• Early CM advice on costs & scheduling• CM responsible for project budget and schedule• Defined scope of construction work• Lowest price for scope• Better for inexperienced public owners due to relative simplicity of process <p>CONS</p> <ul style="list-style-type: none">• Linear process takes longer than alternative delivery methods• No control over selection of contractors• CM has no contractual responsibility with contractors, thus less leverage• Final price is not established until all packages are bid• Owner must manage multiple contracts	<p>CM-At Risk is similar to CM-Advisor with the significant exception that the CM-At Risk also takes on general contractor responsibilities to build the project. A guaranteed maximum price (GMP) is often provided by the CM, who later bids and awards contracts to subcontractors. The final construction price is the sum of the CM fee and the subcontractors’ bids. The Owner will not pay more than the GMP, and usually retains or shares any savings. Construction contracts are administered by the CM and A/E working together.</p> <p>PROS</p> <ul style="list-style-type: none">• Early CM involvement in estimating and constructability• All work except CM fee is bid• Single point of accountability: CM at-Risk holds contracts with all subcontractors• Guaranteed maximum price is common• Fast-track delivery (overlap of design and construction) may save time• Good for large, complex projects <p>CONS</p> <ul style="list-style-type: none">• Not suited for small projects• Not as simple as D-B-B for inexperienced public owners	<p>Design-Build involves a single contract between owner and a D-B entity that provides both architect and general contractor services. The D-B entity may be an ongoing business organization employing both architects and contractors, or it may consist of a team formed for the purpose of a specific project, led by either an architect or a contractor. In either case, to comply with professional registration laws, it is mandatory that the design portion of the project by led by and under the “responsible control” of a licensed architect. In all four versions, it is possible for pricing and construction to begin prior to completion of design. The contractual relationships are similar for all four of these D-B variations. The construction contracts are administered by the owner except for Bridging, where administration is provided by the owner’s independent architect. The major differences in the four variations are the timing of selection of the D-B entity, the extent of conceptual or preliminary design work, if any, undertaken prior to selection, and a stipend, if any.</p> <table><tr><th>D-B/QBS</th><th>D-B/Constructor Fees</th><th>D-B/Bridging</th><th>D-B/Concept Design & Price w/Stipend</th></tr><tr><td><p>In D-B/QBS, D-B entities compete solely on the basis of qualifications and proven competence. Thus, the D-B team is selected prior to preparation of any design and pricing. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p><p>PROS</p><ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design<p>CONS</p><ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B</td><td><p>In D-B/BV-Fees, D-B entities compete on the basis of qualifications, proven competence, and proposed fees and general conditions costs. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p><p>PROS</p><ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design<p>CONS</p><ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B</td><td><p>In D-B/Bridging, the owner’s independent architect prepares a preliminary design with performance specifications and detailed preliminary plans and elevations. The D-B entities compete by bidding to complete the preliminary design documents and construct the building.</p><p>PROS</p><ul style="list-style-type: none">• Owner has more design control• Single point responsibility for owner during design documentation & construction• Faster completion than D-B-B• Better process for complex projects<p>CONS</p><ul style="list-style-type: none">• Requires more time• Discontinuity in design quality and cost responsibility between the 2 phases• More cost to owner for fees• 2nd designer answers to the D-B• Mixed accountability for design issues</td><td><p>In D-B/BV-Total Cost, D-B entities typically compete on the basis of qualifications, proven competence, a conceptual design, and proposed total construction cost. Because most public work is subject to a well-defined maximum project budget, the greater selection emphasis tends to be on the quality of the design proposed for the budget available.</p><p>PROS</p><ul style="list-style-type: none">• Stipend (mandatory) offsets \$ risk• Single point responsibility for owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Owner sees multiple design concepts<p>CONS</p><ul style="list-style-type: none">• Less owner collaboration during design• Less owner design control• Designer answers to the D-B• Less competitive bidding</td></tr></table>	D-B/QBS	D-B/Constructor Fees	D-B/Bridging	D-B/Concept Design & Price w/Stipend	<p>In D-B/QBS, D-B entities compete solely on the basis of qualifications and proven competence. Thus, the D-B team is selected prior to preparation of any design and pricing. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design <p>CONS</p> <ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B	<p>In D-B/BV-Fees, D-B entities compete on the basis of qualifications, proven competence, and proposed fees and general conditions costs. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design <p>CONS</p> <ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B	<p>In D-B/Bridging, the owner’s independent architect prepares a preliminary design with performance specifications and detailed preliminary plans and elevations. The D-B entities compete by bidding to complete the preliminary design documents and construct the building.</p> <p>PROS</p> <ul style="list-style-type: none">• Owner has more design control• Single point responsibility for owner during design documentation & construction• Faster completion than D-B-B• Better process for complex projects <p>CONS</p> <ul style="list-style-type: none">• Requires more time• Discontinuity in design quality and cost responsibility between the 2 phases• More cost to owner for fees• 2nd designer answers to the D-B• Mixed accountability for design issues	<p>In D-B/BV-Total Cost, D-B entities typically compete on the basis of qualifications, proven competence, a conceptual design, and proposed total construction cost. Because most public work is subject to a well-defined maximum project budget, the greater selection emphasis tends to be on the quality of the design proposed for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Stipend (mandatory) offsets \$ risk• Single point responsibility for owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Owner sees multiple design concepts <p>CONS</p> <ul style="list-style-type: none">• Less owner collaboration during design• Less owner design control• Designer answers to the D-B• Less competitive bidding
D-B/QBS	D-B/Constructor Fees	D-B/Bridging	D-B/Concept Design & Price w/Stipend								
<p>In D-B/QBS, D-B entities compete solely on the basis of qualifications and proven competence. Thus, the D-B team is selected prior to preparation of any design and pricing. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design <p>CONS</p> <ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B	<p>In D-B/BV-Fees, D-B entities compete on the basis of qualifications, proven competence, and proposed fees and general conditions costs. Because most public work is subject to a well-defined maximum project budget, the design and construction process after selection of the D-B aims to provide the most quality for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Single point accountability to owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Best D-B for owner collaboration (IPD) during design <p>CONS</p> <ul style="list-style-type: none">• Less familiar method for owner• Designer answers to the D-B	<p>In D-B/Bridging, the owner’s independent architect prepares a preliminary design with performance specifications and detailed preliminary plans and elevations. The D-B entities compete by bidding to complete the preliminary design documents and construct the building.</p> <p>PROS</p> <ul style="list-style-type: none">• Owner has more design control• Single point responsibility for owner during design documentation & construction• Faster completion than D-B-B• Better process for complex projects <p>CONS</p> <ul style="list-style-type: none">• Requires more time• Discontinuity in design quality and cost responsibility between the 2 phases• More cost to owner for fees• 2nd designer answers to the D-B• Mixed accountability for design issues	<p>In D-B/BV-Total Cost, D-B entities typically compete on the basis of qualifications, proven competence, a conceptual design, and proposed total construction cost. Because most public work is subject to a well-defined maximum project budget, the greater selection emphasis tends to be on the quality of the design proposed for the budget available.</p> <p>PROS</p> <ul style="list-style-type: none">• Stipend (mandatory) offsets \$ risk• Single point responsibility for owner• Faster completion than D-B-B• Good cost control• Better process for complex projects• Owner sees multiple design concepts <p>CONS</p> <ul style="list-style-type: none">• Less owner collaboration during design• Less owner design control• Designer answers to the D-B• Less competitive bidding								
TYPICAL SELECTION PROCEDURE											
Architect by QBS ² General Contractor by Low Bid	Architect by QBS ² CM-Advisor by QBS ² Contractors by Low Bid	A/E & CM-At Risk by QBS ² Subcontractors by Low Bid	<p>1) The owner issues an RFQ (Request for Qualifications) and ranks responses in hierarchical order based on stated criteria.</p> <p>2) The owner negotiates detailed scope and fair and reasonable fees with the highest ranked entity.</p> <p>3) If negotiations are not satisfactory to the owner, negotiations are formally terminated.</p> <p>4) New negotiations are opened with the next ranked entity, continuing until the result is satisfactory to the owner.</p>	<p>1) The owner invites 3 to 5 D-B entities to compete by submitting an RFP (Request of Proposals) with fees and general conditions costs.</p> <p>2) The owner selects a D-B on the basis of its judgment of Best Value.</p>	<p>1) The owner selects a consulting architect by QBS to prepare a functional and aesthetic preliminary design.</p> <p>2) The owner invites D-B entities to compete by submitting a bid on the preliminary design documents.</p> <p>3) The owner selects a D-B on the basis of its bid, and the D-B entity completes the final construction documents as the architect of record.</p>	<p>1) The owner issues an RFQ (Request for Qualifications).</p> <p>2) The owner invites 3 to 5 D-B entities to compete by submitting and RFP (Request for Proposals) to include a conceptual design, fees, and construction cost.</p> <p>3) The owner selects a D-B on the basis of its judgment of Best Value.</p>					
CONTRACTUAL RELATIONSHIP											
											
SEQUENCE											
											
OPPORTUNITY FOR INTEGRATED PROJECT DELIVERY (IPD) PHILOSOPHY ³ IN A PUBLIC PROJECT											
Very limited - contractor can provide advice only after design, documentation & bidding are completed.	Somewhat limited – owner has benefit of CM advice, but not advice from the at-risk contractors until after bidding.	Good – CM-At Risk can contribute early in the planning process, but subcontractors can only contribute after bidding.	Excellent – owner has complete participation in the design and construction process.	Excellent – owner has complete participation in the design and construction process.	Somewhat limited – owner does not have benefit of meaningful constructor advice until the D-B entity is selected.	Limited – owner does not have benefit of meaningful constructor advice until the D-B entity is selected.					

1 There can be many variations to each basic delivery method. The descriptions here represent a typical profile of each method.

2 QBS means Qualifications Based Selection, a procedure in which a provider is selected on the basis of demonstrated competence and qualifications only. After ranking the qualifications, detailed scope and a fair and reasonable fee are negotiated with the top-ranked candidate.

3 A philosophy of Integrated Project Delivery (IPD) for public work means an explicit intent for extensive collaboration among owner, A/E, and constructor(s) for the best interests of the project, throughout the entirety of the process from planning & design through to project completion.