

IMPACT OF DESIGN BUILD ON ARCHITECTURE AND ENGINEERING PRACTICE

AELC COMMITTEE ON ALTERNATIVE PROJECT DELIVERY

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OVERVIEW

DIMINISHED ROLE

INCREASED RISKS

CHOICE OF D/B AS A PROCUREMENT METHOD

EVOLVING MODELS

RECOMMENDATIONS

DIMINISHED ROLE

- D/B transforms the relationship of the A/E team and the public agency
- Perception by agencies that design services are less expensive
- Scope of design services is limited
- A/E does not serve as strategic advisor, team leader and CA representative
- Stakeholder participation in the design process is limited
- D/B works well as a business model for some firms
- Many A/E firms identify GC/CM as preferable, if early general contractor selection is critical to project success

INCREASED RISKS

AGENCY PREPAREDNESS

- D/B can be more complex to administer than other procurement methods

SELECTION PROCESS

- Predesign and/or bridging documents should be complete prior to starting the RFQ/RFP process
- Agencies should not overlap the predesign study with the RFQ/RFP process
- A/E preparing the predesign and/or bridging documents should not compete in the RFQ/RFP process

SCOPE OF PROFESSIONAL SERVICES AND FEES

- Cost of competing is high relative to potential reward, especially when RFP includes a design competition

INTELLECTUAL PROPERTY

- Ownership of design proposal is forfeited to the public agency

FAIR COMPETITION

- Reduced opportunities for contractors, architects and engineers to compete
- Reduced competition increases costs to public agencies
- Risks are often too high for small businesses

CHOOSING D/B AS A PROCUREMENT METHOD

PROJECT SELECTION

- Agencies cite reasons other than the RCWs for utilizing D/B

PERCEPTION OF REDUCED AGENCY RISK

- Risks, and the associated costs, are inherent in all design and construction

PERCEPTION OF INCREASED PROJECT VALUE

- Value of the project may be reduced by the costs associated with the design/builder's risks
- Public agencies must accept some uncertainty
- Costs for a design competition diverts funds for stipends and project management

EVOLVING MODELS

AIA MODELS

- D/B/QBS
- D/B/Contractor Fees & QBS

PROGRESSIVE DESIGN/BUILD

VERIFICATION PHASE

PERFORMANCE CONTRACTING

RECOMMENDATIONS

- Appoint a CPARB subcommittee on best practices for D/B procurement
- Invite agencies to present lessons learned
- Structure RFQ/RFP to reduce the A/E team's risk
- Make it more competitive
- Create best practices guidelines for selecting procurement method
- Create best practices guidelines for preparing for D/B and selecting a team

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