

*DESIGN-BUILD AND
PROGRESSIVE DESIGN-BUILD
KEY CHARACTERISTICS*

A Deeper Dive



KEY CHARACTERISTICS OF PROJECT DELIVERY IN DESIGN-BUILD AND PDB

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The matrix below outlines key characteristics of successful project delivery and how each applies to design-build and PDB. These characteristics assume that the owner and the team are performing work in accordance with DBIA best practices (i.e., Design-Build Done Right™).

Characteristics	Procured Traditionally	Procured with a Progressive Design & Price
Single point of responsibility contract	Yes	Yes
Option for a one- or two-phased approach (QBS or Best Value)	Yes — Predominantly two-phased best value	Yes — Predominantly QBS.
Option for various contracting approaches (e.g. Lump Sum, GMP)	Yes — Most acquisitions are Lump Sum	Yes — Most acquisitions are GMP
Shortlisting as part of Phase One	Yes	Yes
Potentially lower cost of pursuits to design-builders	No	Yes
Stipends to unsuccessful offerors	Yes	Optional
Integrated process with overlapped design and construction	Yes	Yes
Fosters a collaborative, integrated and trusted environment	Yes	Yes
Early integration of key subcontractors	Yes — Significant opportunity for owner and design-build team to minimize risk by incorporating key trade partners during the proposal development phase	Optional — PDB can also delay the selection of key subcontractors during programming, but prior to design, allowing for owner participation in the selection of key subcontractors
Owner participation in the subcontractor and supplier selection	Yes — During proposal development — typically the RFP requires key trade partners be identified within the design-build team	Yes — PDB requires the owner to participate in the selection of subcontractors and suppliers
Price/cost can be an evaluation factor	Yes — Price should always be evaluated (however recommend NOT “scoring” price) to accommodate selection of best design-build team with best solution within budget (trade-off)	Yes — Cost factors are generally pre-construction service, overhead and profit fees, and management fees

Characteristics	Procured Traditionally	Procured with a Progressive Design & Price
Early knowledge of firm price/cost	Yes — Provides owner with fully insured, fully bonded firm-fixed-price (lump sum) or GMP at time of contract award, approximately one year sooner than any other project delivery methodology	No — Final cost is not finalized until GMP is set, allowing the owner and design-builder to finalize scope, cost and schedule in a fully open environment that is co-created and agreed on prior to being finalized contractually
Design-builder holds risk for design deficiencies	Yes — RFP should be “Performance-Based” with limited prescriptive specs transferring risk for design errors, omissions and ambiguities to the design-build team	Yes — This occurs once the parties have agreed upon the commercial terms (including the price) for the final design and construction phase of the work
Early identification of project-specific risks and allocation to the party best suited to manage said risk	Yes	Yes
Team selected primarily on qualifications	Yes — Qualifications are the sole evaluation factor in phase one of the two-phase best value process with past performance being the single most important factor	Yes
Owner works collaboratively with the design-build team in developing design	Yes — Owner (with assistance of AE-1 where applicable) should focus on describing the project goals, challenges and constraints, allowing the competing teams to present design concepts during the pre-award proprietary meetings, and during the post-award design management phase of the project	Yes — This is the foundation of the PDB model. All cost for design fees and construction are not finalized until after there is agreement on scope, budget and schedule by the owner and the design-builder
Offers owner an “off ramp” if the owner fails to accept the price and commercial terms	N/A — Owner has advantage of knowing committed price and commercial terms at time of contract award	Yes
Ability to deliver a project more quickly than traditional methods (fast track)	Yes	Yes
Ability to achieve best value for the budget	Yes	Yes
Greater evaluation of problem-solving, innovation and creativity	Yes — Provides opportunity for owner to evaluate three separate innovative solutions from each of the most highly qualified, short-listed design-build teams	Yes — Provides an opportunity for the owner to be continually involved at all phases of the delivery process (programming, design, buyout and construction)
Widespread authority for the public sector	Yes — Most public sector governments (i.e., local, state and federal agencies) embrace best value source selection procedures	No



DESIGN-BUILD DONE RIGHT™

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