

PROJECT DELIVERY APPROACHES

There are three basic delivery approaches to the construction process. Within each of the approaches there are different twists that can be used to the benefit of the project success. Each of the approaches has pros and cons.

- Design – Bid – Build
- Design/Build
- Construction Manager



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PROJECT DELIVERY APPROACHES

Design – Bid – Build

This is the most traditional and most common process where the project develops in sequential steps of design, bid and then build (clever name, huh?) The Owner contracts with the Designer who designs the project. Once the project is fully designed, it is bid to numerous Contractors. A bidder is selected and the Owner contracts with the Contractor to construct the project.

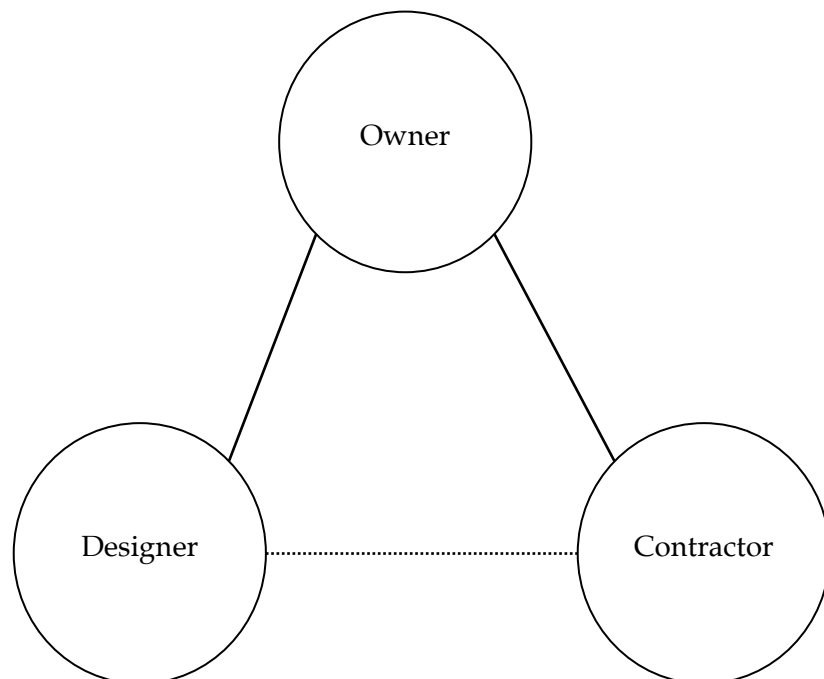
The alternative approach within this category is the Negotiated Select Team. The project develops in the same sequential steps, but the Contractor can be brought in early to participate in the design process.

PROS

- Familiar roles
- Easiest to manage
- Owner's have the most input
- Competitive costs

CONS

- Cost is unknown until late in process
- No Contractor advice during design
- Subject to conflict between Designer and Contractor
- Lengthy schedule



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Design/Build

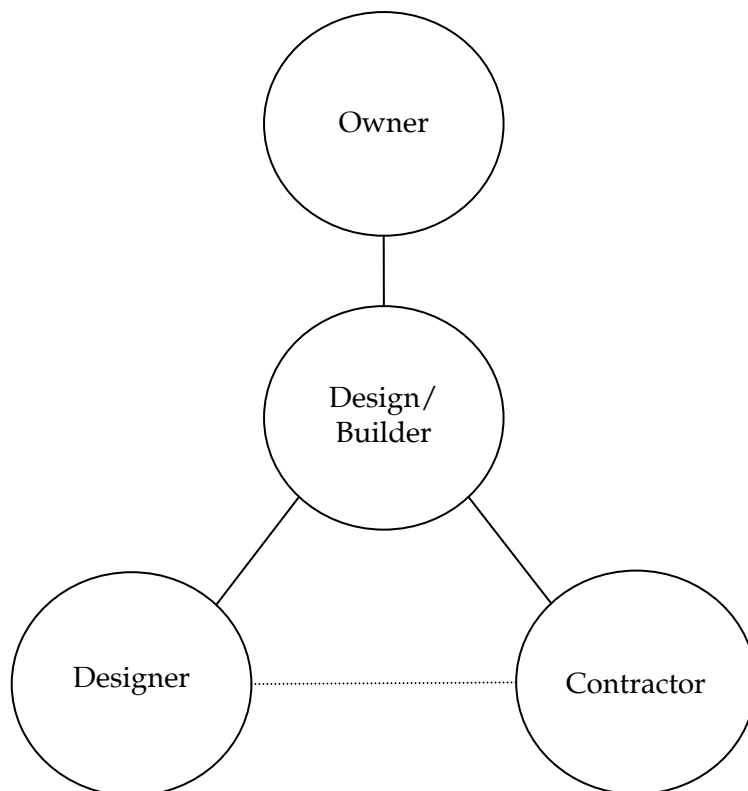
Design/Build allows the Owner to contract with one single entity to complete the project. The Design/Builder may be a single firm with all of the capabilities in-house or may be a firm who contracts for some of the needed capabilities. This approach requires the Owner to very clearly define the scope and quality level of the project prior to the design process. One option called "Bridging," assists the Owner by hiring a Designer to define the scope and quality prior to contracting with the Design/Build entity.

PROS

- Single point of responsibility
- Potential for reduced schedule
- Early cost commitment

CONS

- Owner may not get their best project
- Roles and motivation are less clear
- Subject to conflict over original scope



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Construction Manager

To mitigate some of the cons for the other approaches, another party can be added to the mix. A Construction Manager can take on portions of the responsibilities of other parties and can serve in various roles. The first major alternative in this category is when the construction manager serves as advisor or agent for the owner in the project. The second major alternative is when the construction manager manages the construction process and team, called "multiple prime contractors." With this second alternative, the construction manager can either have responsibility for the construction cost ("at risk") or can serve as an agent for the owner.

PROS

- Added expertise for inexperienced Owners
- Construction manager advice during design
- Potential for reduced schedule

CONS

- Additional cost for construction manager
- Potential for "too many cooks" with overlapping responsibilities
- Multiple contracts means potential conflict

