

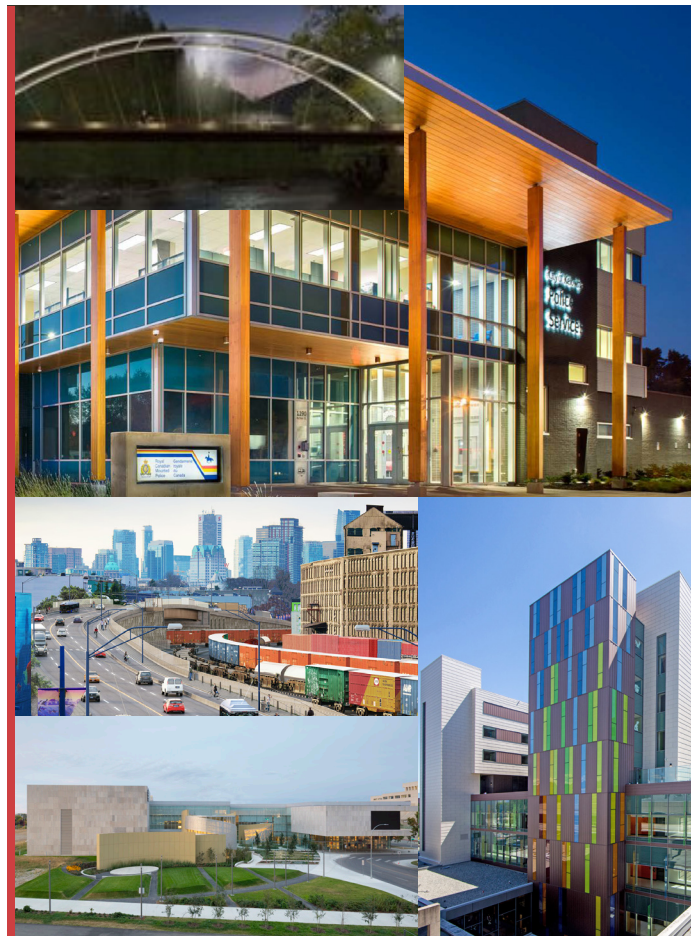
Design-Build Practice Manual



Document 115: Unique Aspects of Design-Build for Owners

Introduction

The information contained in this document is intended for use with the Canadian Design-Build Institute (CDBI) documents published by the CDBI. The best practices and additional considerations contained in this publication have been written by Owners for Owners.



Owner's Advantages

Single Point of Responsibility

Combining both design and construction under the same contract ensures a single-point of responsibility for quality, price, schedule and delivery of construction. A design-build contractual relationship creates an opportunity for delivering a quality product. Once an Owner's clear Statement of Requirements (SOR) and Performance Specifications are developed, coordination of work and performance become the responsibility of the Design-Builder.

Early Confirmation of Price

Since both design and construction fall within the responsibility and control of the Design-Builder, a firm price can be established for a given concept. Once the price is fixed by the Design-Builder, Owners can make a prompt "go/no-go" decision early in the project. The construction and design members of the design-build teamwork co-operatively to evaluate alternate designs, innovative solutions, materials, systems, and constructability techniques, always intending to meet or exceed specified performance levels within the contracted price.

Commitment to Schedule

The Design-Builder is committed to the delivery dates stipulated in the contract. During the proposal stage, there is an overlapping period for designing and pricing. Following contract award, detailed design and construction can be fast-tracked thereby compressing the design/construction time. This results in faster delivery and earlier occupancy of the finished project.

Unique Aspects of Procurement and Contract

Selecting Teams

Design and construction are combined in one procurement procedure. An Owner should consider three basic criteria when choosing a design-build team:

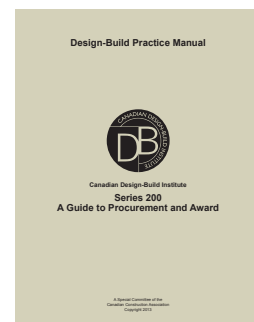
- 1 Qualifications of the design and construction team;
- 2 Compliance of the design proposal to the Owner's SOR;
- 3 The responsiveness of the proposed price to the Owner's budget and delivery schedule.

Evaluation of the above criteria is defined in the procurement documentation. To achieve best results, CDBI recommends using a two-phase selection process. The first phase is a shortlisting of the top three qualified Design-Builder teams based on the 1st criterion. The second phase evaluates the technical proposal and the cost as related to the 2nd and 3rd criteria.

Honouraria

The level of effort required to respond to a proposal call can vary considerably. For Owners requiring detailed technical proposals, CDBI recommends shortlisted proponents be compensated with an honourarium proportionate to the level of detail required in the request for proposal. An honourarium too low for the level of effort requested, (requiring a substantial "investment" by the proponents), may discourage participation in the second phase, thereby limiting the quality of proposals and increasing cost contingencies. Oversimplifying proposal requests to save on honouraria can result in a variance of perceived Owner requirements, and significant price contingencies.

You can find additional information on the calculation of honouraria in CDBI Series 200.



Owner Involvement in Design

Design-build encourages innovation: in design, construction, and delivery time because of early collaboration by the design-build team during the request for proposal (RFP) stage. The Owner needs to be aware that their involvement during the design process is different from the traditional delivery model. The SOR and performance specifications need to reflect the appropriate level of Owner design input and performance expectations. Owner changes to the SOR or Performance Requirements at a later stage, i.e. during the detailed design phase, may result in comparatively higher costs in construction due to limited competition and can jeopardize the schedule.

Owner's Advisor

In the design-build project delivery process, the Owner has a single contract with the Design-Builder and as a result, does not have a direct contract with the design consultant. An Owner should consider selecting an Owner's Advisor. This Owner's Advisor (sometimes also called a Bridging Consultant) can assist in creating the SOR, evaluating proposals, selecting the Design-Builder, reviewing construction documents, certifying payment and constructed works compliance with the SOR and Performance Specifications.



Resources:

CDBI, Design-Build Practice Manuals
CCDC14 - 2013, Design-Build Stipulated Price Contract
CDBI Fundamentals of Design-Build Tutorial
CDBI National Design-Build Conferences
cdbi.org

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