

How to Market Design Build

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A joint DBIA-SMPS Meeting took place Thursday, November 19th with a panel discussion on “How to Market Design Build”. The panelists covered four typical players in a public design build project. John Voigt, Director of Facility Planning at Brownsburg Community School Corporation (owner); Jenelle Smagala, President of Synthesis Incorporated (architect); Jeff Schroeder, Executive Vice President

with Geupel Demars Hagerman (general contractor); and Sean Seyferth, Director of Business Development for Miller-Eads Electrical Contractors (sub-contractor). Mark McGuire, Business Development Manager with Shiel Sexton, was the moderator.

Keys to Selecting a Successful Design Build Team

For success, the team must have strong communication with a high degree of trust for an integrated approach as the architect kicks us off. The general contractor followed up with having relevant project experience and a team with political capital in the selection process. The owner countered with a warning that political capital and any connections to members of the technical review committee will actually hurt a team due to the public scrutiny that is so high in the public design build selection process. An owner is looking for strong qualifications, an integrated team approach, fair treatment throughout (to the owner and to each of the team members), and a team that wants to work together (an unnatural marriage is bad for everyone). The subcontractor points out that he is at the mercy of the owner and general contractor and has seen different approaches in the past couple years. Ideally, the major subcontractors should be selected early to participate in design and looking for opportunities to save money and bring more creativity. Some design build teams have consisted of the general contractor and designers that produce bid documents for the selection of the subcontractors in order to arrive at a guaranteed maximum price. Under the first scenario, the subcontractor is a design build team member, but under scenario two they compete on price and are not willing to take as much risk on improving design when there is no reward for that risk. One final note on the design build team selection, the architect is taking tremendous risk and resources to pursue a design build project while the general contractor and subcontractor both agreed that a design build project is the same amount of effort and expense as other forms of procurement. The team's expectations of deliverables from the design members needs to be confirmed at the team's inception.

How to Differentiate your Design Build Team

Show history. It will be difficult to get the first projects, but once you have history as a design build team, your history will differentiate you from other teams forming to pursue a single project. The general contractor showcases their typical delivery tools (construction management experience, self-performance capabilities, and resources to finance a project as a developer). The architect illustrates the ability to design with an acute care to cost, technical expertise and coordination with system designers. Finally, the owner feels owners also need to market themselves as a good design build owner who is fair in order to bring the best design build teams to submit on future projects.

Benefits of Utilizing Design Build

From the owners perspective, with public works projects so competitive, any opportunity to select the best quality providers is a benefit. The general contractor points to the benefits of any qualifications based selection and integrated team approach: 30% faster delivery with an overlapping construction and design process. The subcontractor has a smoother process, with front end discussions, field coordination is simplified and job goes easier. The architect reminded us that faster just depends on your perspective, if the owner doesn't know the design process or doesn't have effective professional guidance, a protracted RFQ and RFP process will eliminate the overall time savings realized by the owner.

Which Projects Make Sense, and Which Don't for Design Build

The architect points to the size of the project, an owner should make sure they have the right talent at the table. The general contractor points out that traditional design build is the big box, but with the right team any project could be suitable for design build. The owner points to his experience of selecting a design build team for a re-roof project. That team brought innovation and provided a higher quality roof and a lower final price within the schedule. When the second half of that building's roof was ready to be replaced the next summer design build didn't make sense. He already knew what the best system was, why take new teams through the intense process when he will just want to match the other half of his building. If you don't need creativity or already have the team you want to design the project, don't use design build.

How Important is the Design Criteria Developer

It is imperative the owner understands the process. An owner who has never done a construction project before will have a steep learning curve the first time they try to procure design and construction services, regardless of the delivery method. When a professional can be brought in who has the experience and has been through the public procurement process before the owner will realize value in less mistakes and missed requirements. The general contractor pointed out that the more a design criteria developer has been through the entire process, the better they will

be at guiding the owner to the best design build team for their project. As the owner pointed out, a real challenge is getting the right info in the RFQ and RFP and an experienced design criteria developer will bring the experience of writing these documents. But, an owner also has the challenge of hiring one more consultant when he brings the design criteria developer before the school board for funding approval and convincing them that even with the fee of the design criteria developer, the project won't cost more with design build procurement.

Why Is Cost Lower with Design Build

The architect points to time savings without needing as many checks and balances. Shop drawings are traditionally produced by the contractor for the architect to review and verify that they are correctly interpreting the construction documents. With design build, the contractor has been involved with design all along and has an understanding of why the designers designed the way they did. The subcontractor points to the smoother process and less adversarial demeanor of the team members providing an environment for mutual cost savings and efficiencies that benefit each other.