CONSTRUCTION PROJECT DELIVERY SYSTEMS:
What They Really Mean, and How They Really Work

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Traditional Tri-Partite Structure
Advantages

• It is common, so the marketplace is comfortable with it.
• Plans are usually complete prior to bidding or final pricing.

Disadvantages

• Often little contractor input during design.
• Slower delivery time due to back-to-back phasing.
• Often adversarial relationship between G.C. and A/E.
• Price and schedule information obtained late.
Traditional vs. Fast Tracking

Traditional

Design $ Construction

Fast-tracked

Design

$ Construction

Advantage: Delivery Speed
Disadvantage: Loss of Cost Control
Multiple Prime Trade Contractors

- No role for GC.
- Owners rarely able to manage and coordinate project successfully.
- Owner liable for management and coordination problems.
Risk Spectrum of Construction Management

- Most useful element of CM: Involvement during design.
- At-Risk CM similar to General Contractor
- Advisory CM is another layer of consulting.
- Agency CM is coordination and management for a fee.
Types Of Design-Build Relationships

• Integrated Company
• Contractor Prime, A/E Sub
• A/E Prime, Contractor Sub
• A/E Prime, Multiple Trade Subs
• Design-Builder Prime, A/E and Contractor Each Subs
• Joint Business Venture by A/E and Contractor
What’s Different With Design-Build

• Speed of project delivery.
• Single point responsibility (for Owner).
• Greater and earlier cost certainty.
• Better communication of design intent.
• Less litigation and disputes.
• Greater control of information by design-build team.
• Negotiated pricing.
• A/E and GC not adversarial.
• Need to learn new relationships.
# A New Paradigm for Providing Services

**Traditional**

1. A/E focuses on its deliverables

2. Defensive detailing of plans

3. A/E fully responsible for plans

4. A/E’s try to minimize design alternatives

5. Check cost when CD’s nearly complete

**Design-Build**

- Design by system with "looping" feedback with provision of out-of-sequence information

- Informal communication of design intent

- Contractor checks plans for “facial” problems

- Design-build team explores cost-saving alternatives

- Cost input throughout design process