

Expanding the City's Toolbox for Improved Project Delivery



The City has a large and complex portfolio of public works — but limited project delivery tools.

Alternative project delivery tools fundamentally change the relationship between the City, our designers, and our builders, offering tremendous potential to foster collaboration, save years on essential projects, and control costs. Expanding the toolbox of project delivery methods will ensure City agencies can always use the best tool for the job.

Project Delivery Toolkit:

How do the tools work?

CURRENT

SEPARATE CONTRACTS FOR DESIGN AND CONSTRUCTION

Design-Bid-Build (Low Bid Contracting)

Required for most City capital projects and will continue for most future DDC projects.

The City awards a design contract using quality-based selection and then, after fully completing design, awards a construction contract to the lowest qualified bidder.

May be challenged by contentious relationships between designer, builder, and owner which can lead to change orders during construction. Designer and low-bid contractor are not allowed to collaborate by law before the construction contract is awarded.

SINGLE CONTRACT FOR DESIGN AND CONSTRUCTION

Design-Build (DB)

Authorized for select City capital projects. Since 2019, DDC has advanced over 10 projects in its design-build-pilot portfolio, with more in the pipeline, and an additional 9 projects as part of the Borough-Based Jails Program.

The City awards a single contract for design and construction to an integrated design-build team using best value selection as part of a two-step process (RFQ followed by RFP).

Benefits from collaboration and open book subcontracting with full price transparency. Multiple trades overseen by one DB.

PROPOSED

CM-Build (CMGC)

Only permitted under limited circumstances such as emergencies. Used by NYC public owners including EDC, New York Public Library and Brooklyn Public Library (when not working with DDC), the Federal Government, and over 30 states. Common in the private sector.

The City awards a design contract using quality-based selection and, at the same time, awards a construction contract using best-value selection.

Benefits from collaboration and open book subcontracting with full price transparency. Multiple trades overseen by one CM. Allows for earlier collaboration to assess existing conditions (like building structure and envelope).

Progressive Design-Build (PDB)

Not yet authorized for City capital projects. Used by public owners including Battery Park City Authority in NYC and the states of California, Texas, Virginia, Florida, Washington. Common in the private sector.

The City awards a single contract for design and construction to an integrated design-build team using quality-based selection as part of a one-step process (RFQ).

Benefits from collaboration and open book subcontracting with full price transparency. Multiple trades overseen by one DB. Allows for earlier collaboration to assess existing conditions (like utility interference).

A complete project delivery toolkit will allow us to choose the best tool for the job.



DESIGN-BUILD

Best for new buildings, where the project requirements and site conditions are well-defined upfront. DDC's design-build pilot portfolio includes significant new buildings such as recreation centers, maintenance and operations facilities, and a new community greenhouse.



PROGRESSIVE DESIGN-BUILD

Well-suited to projects where the requirements are heavily influenced by existing site conditions. DDC seeks this tool to build climate resiliency infrastructure including areawide drainage improvements like the \$2B+ Southeast Queens portfolio, resiliency projects citywide, green infrastructure, and storm sewers.

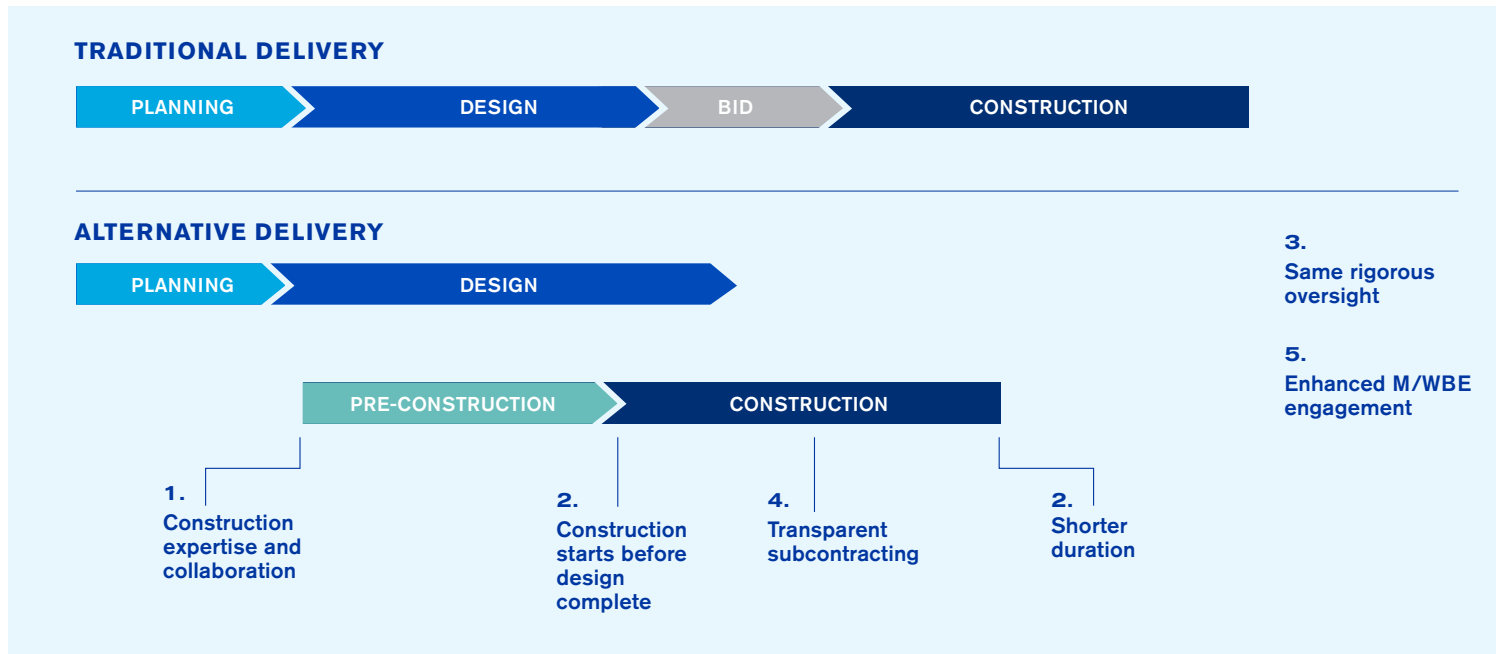


CM-BUILD

Well-suited to projects in existing buildings where hidden conditions shape the approach and there may be multiple simultaneous projects in a single building. DDC seeks this tool for projects in existing buildings, including comprehensive renovations, additions, and systems replacements.

Alternative Delivery methods allow the designer, builder, and City team to collaborate much earlier in the process — integrating constructability expertise, controlling costs, reducing risk, and expanding the City’s ability to engage M/WBEs, local workforce and the community throughout the process.

Here’s how:



1. EARLY AND ENHANCED COLLABORATION LEADS TO BUILDABLE DESIGNS DELIVERED ON TIME.

With the contractor on board during design to offer construction expertise, design decisions are made to be delivered on budget — avoiding the cost surprises that can occur at bid time. Integrating design expertise during construction means that problems are solved quickly as they arise instead of leading to long and costly change orders.

2. PROCURING DESIGN AND CONSTRUCTION IN PARALLEL SAVES TIME.

Bringing the designer and builder on board upfront means eliminating the lengthy low-bid procurement process during which all other work halts. Early work like demolition, hazardous materials abatement, and certain types of construction can start while design is still in progress. This change alone will save over a year on every project, with cost savings resulting from time savings. DDC’s first design-build project was completed in 22 months from time of award — a savings of three full years over traditional design-bid-build delivery.

3. THE SAME RIGOROUS OVERSIGHT MODEL APPLIES NO MATTER THE DELIVERY TYPE.

All City procurements, regardless of the delivery method, are advertised publicly via the City’s procurement system, PASSPort, and undertaken with full and open competition in the industry. In all delivery models, the process of procurement and contract award are overseen by the Agency Chief Contracting Office (ACCO) who manages the procurement and ensures the integrity of the contract award. All contracts are subject to external oversight by the Office of Management and Budget, Corporation Counsel, the Mayor’s Office of Contract Services, the Conflicts of Interest Board, the Department of Investigation, and the Comptroller.

4. INCREASED OVERSIGHT OVER SUBCONTRACTING YIELDS A TRANSPARENT AND ACCOUNTABLE PROCESS.

In traditional design-bid-build delivery, the City awards a single prime contract to a general contractor, who in turn performs some of the work themselves and awards other work to subcontractors. The City has limited oversight into how the subcontracts are awarded (“closed book contracting”).

With CM-build, the construction manager awards each subcontract by seeking multiple bids from a list of qualified vendors. The City signs off on every subcontract and has complete transparency into the price at which the work is awarded (“open book contracting”).

5. ALTERNATIVE DELIVERY OFFERS BETTER OPPORTUNITIES TO ENGAGE M/WBES AND HIRE LOCALLY.

Alternative Delivery methods offer greater opportunities to engage M/WBEs and local workforce. In addition to setting 30% goals for both design and construction, with targeted goals for Black and Hispanic firms, teams are assessed on their M/WBE track record and proposed approach as part of the contract award. The agency can work collaboratively with the design and construction team on outreach, partnering, and direct engagement with subcontractors on a rolling basis as subcontracts are awarded. DDC’s M/WBE performance on its Alternative Delivery portfolio is nearly triple that on design-bid-build.