# **Design-Build Follow-Up Session**

**April 6, 2021** 

# Briefing on the Unique Aspects of Design-Build

Follow-up to the Design-Build Forum (January 21, 2021)



# **AGENDA**

- 1. Welcome Introductions
- 2. Overview of the Design-Build Process
- 3. The Design-Build Entity
- 4. Project Excellence and Design-Build
- **5. Procurement Process**
- 6. MWBE Goal Compliance
- 7. The Post Award Phase
- 8. Role of the Owner's Rep in Design Build
- 9. Overview of Process Improvements
- 10. Making the Shift
- 11. Next Steps and Q&A



# **DESIGN-BUILD OVERVIEW**



#### LAST TIME WE DISCUSSED "WHY DESIGN-BUILD"?

#### **NYC Public Works Investment Act**

#### The Act authorizes design-build project delivery for the following categories of public works:

- Public works projects that are \$10,000,000 or greater; and
- Public works projects that are \$1,200,000 or greater and that meet additional criteria:
  - Parks Department jurisdiction
  - NYCHA jurisdiction
  - Cultural institutions on publicly-owned land
  - Public libraries for NYPL, BPL, and QPL
  - Security infrastructure
  - Right of way accessibility improvements



# TODAY – WE WANT TO PROVIDE A DEEPER DIVE & ADDRESS THE FEEDBACK

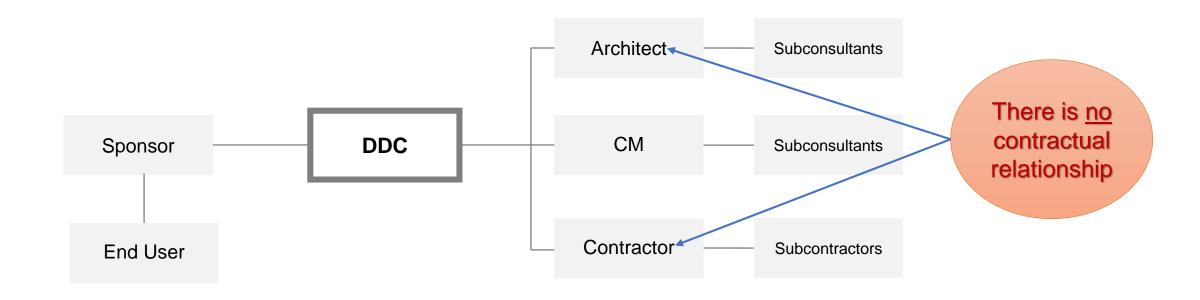
#### **Discuss various Questions submitted**

#### **REMINDER:**

- DDC's website (Design-Build Section) will publish upcoming Projects:
  - https://www1.nyc.gov/site/ddc/contracts/designbuild.page
- Requests for Qualifications will also be posted in the City Record
  - https://a856-cityrecord.nyc.gov/

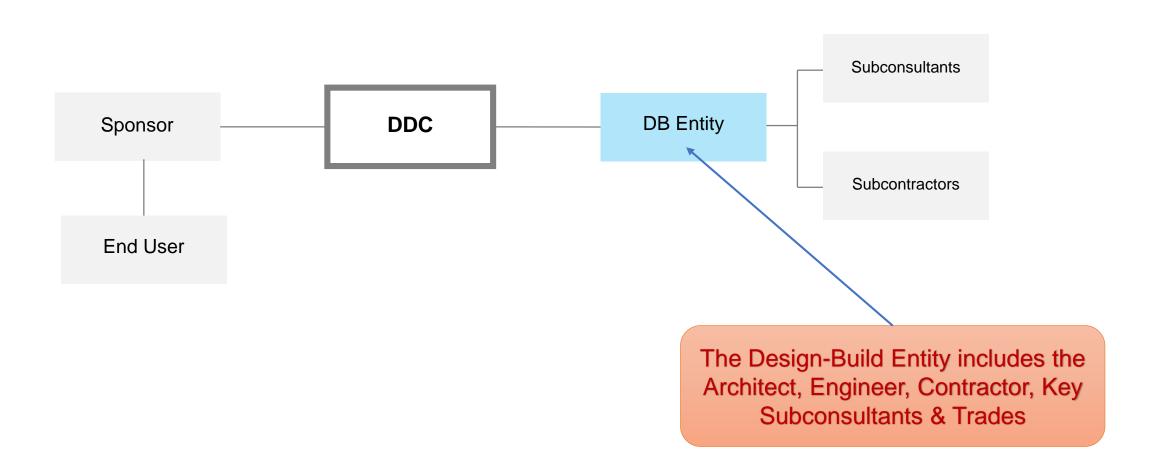


Team Structure: Design-Bid-Build

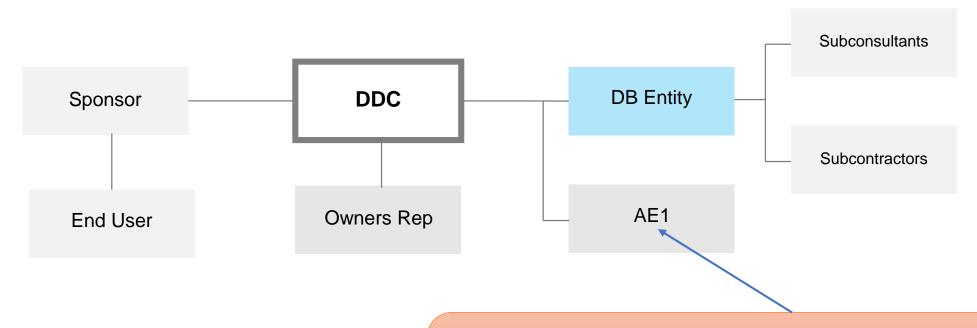




**Team Structure: Design-Build** 



**Team Structure: Design-Build with AE1** 

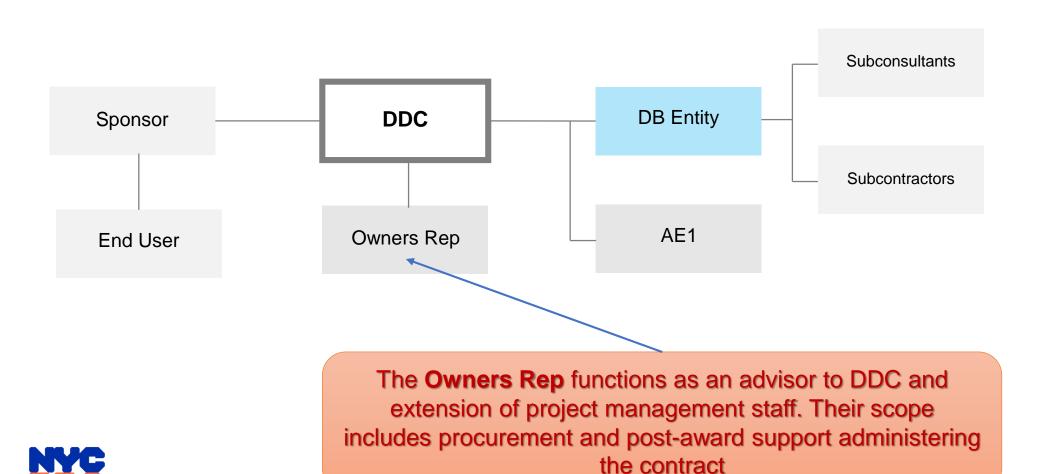


The AE1 responsible for pre-design (including procurement docs)

NOTE: This role may be filled by DDC's A&E Team, the Owners
Rep or an outside design consultant



**Team Structure: Design-Build – Owners Rep** 





# THE DESIGN-BUILD ENTITY



#### **DDC DESIGN-BUILD**



**Stand-Alone Design-Build** 

• The Design-Builder is responsible for overall design & construction of the Project

#### **DDC DESIGN-BUILD**



#### **Stand-Alone Design-Build**

- The Design-Builder is responsible for overall design & construction of the Project
- The Design-Build Agreement (DBA) will include provisions for:
  - Flexibility to use fast-track construction packages
  - Scope validation period
  - Alternate dispute resolution

This is not the Standard Construction Contract. The DBA has been built from the ground up, specifically focusing on key elements of Design Build best practices

#### THE DESIGN-BUILD ENTITY



#### Who's on the Design-Build Team?

- Typical Design-Build Teams are "Contractor" led with various Professional Subconsultants & Trade Partners (Subcontractors)
- Joint Ventures are also common Design-Build Entities
- On some occasions some are "Designer" led

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Regardless of the makeup of the Design-Build Team – DDC is contracting with a singular Entity for both design & construction

#### **DDC DESIGN-BUILD**

# NYC

#### **Teaming for Design-Build**

- There is no role-requirement for the leadership of the D-B team for example, Teams may be Designer-led; Contractor-led; Joint Venture; Fully Integrated; etc.
- It is desirable that the D-B Team have collective experience in D-B and have worked together on previous projects
- If key members of the D-B Team do not have experience in D-B, the Proposer shall indicate familiarity with the objectives of this alternative delivery approach & demonstrate an understanding of the interrelationship between design & construction under an integrated D-B project delivery approach

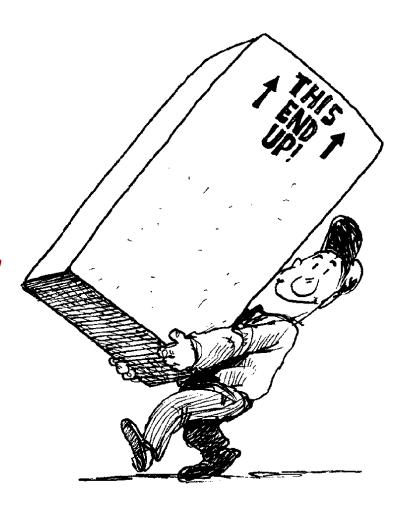
#### **DDC DESIGN-BUILD**

#### **Teaming for Design-Build**



Take away?

"First build the Team then build the Project"



# PROJECT EXCELLENCE AND DESIGN-BUILD





#### **Planning for Success**

 Project Excellence encompasses all aspects of project delivery - from capital project planning through design, construction, commissioning & close-out - to ensure on time & on budget delivery of exemplary civic Projects



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  - Project Excellence strengthens the character of our public space by delivering constructible capital projects with safety & integrity
  - Project Excellence supports the value of our public space by employing an economical approach that leverages City resources to build lasting community assets



#### **Planning for Success**

Develop a design management strategy that prioritizes Project excellence

DDC's design-build competitive process accentuates Project Excellence by structuring the procurement to "optimize" quality within the budget & schedule constraints with a focus on:

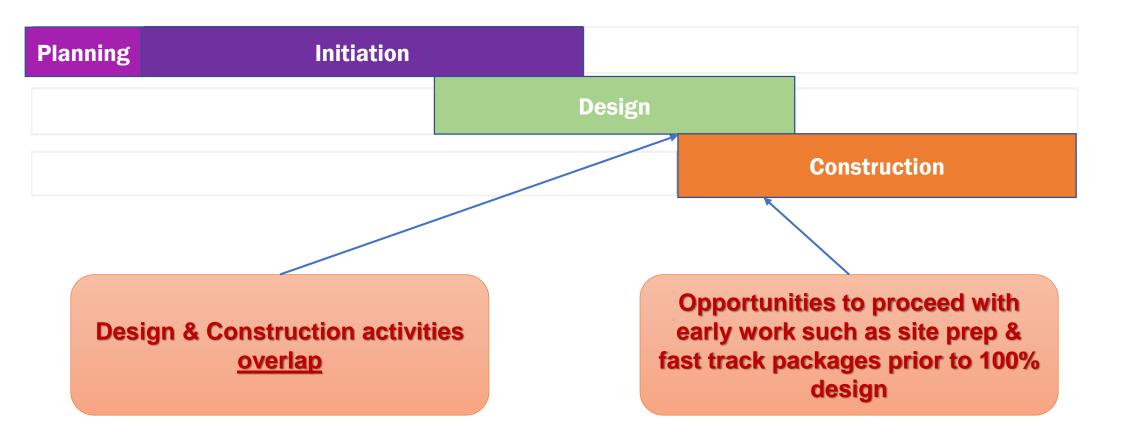
- Durability
- Sustainable
- Energy Efficiency
- Ease of Maintenance
  - Life-Cycle Costs

# DESIGN-BUILD - PROCUREMENT PROCESS



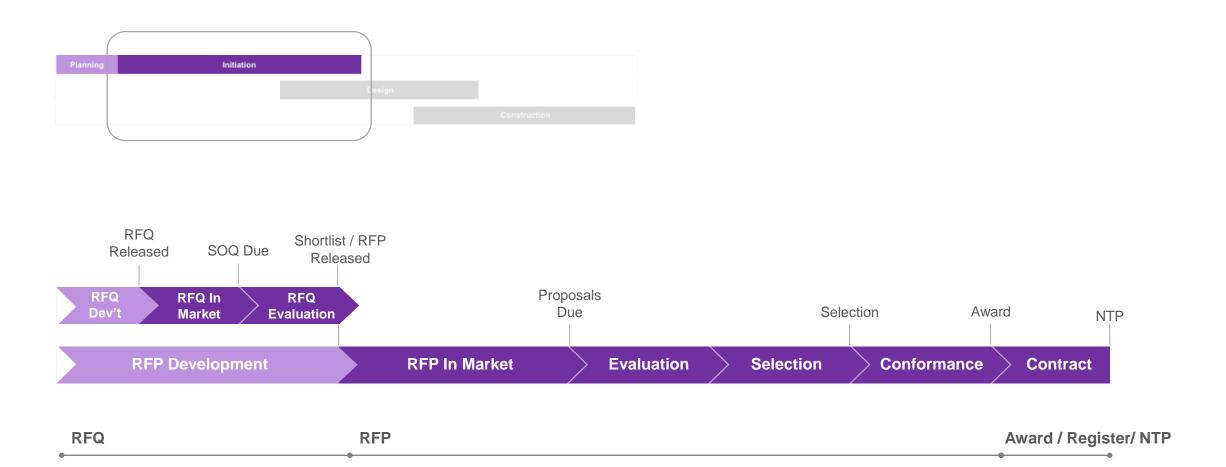


**Design-Build - Integrated versus linear process** 

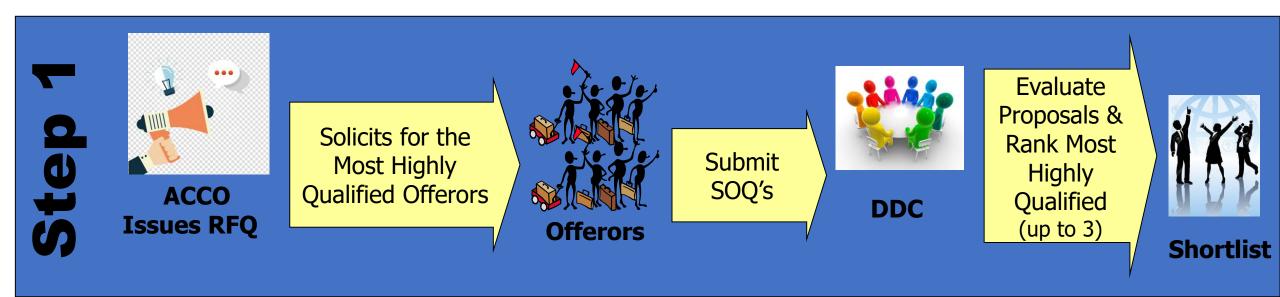




#### **Design-Build Two-Step Procurement**

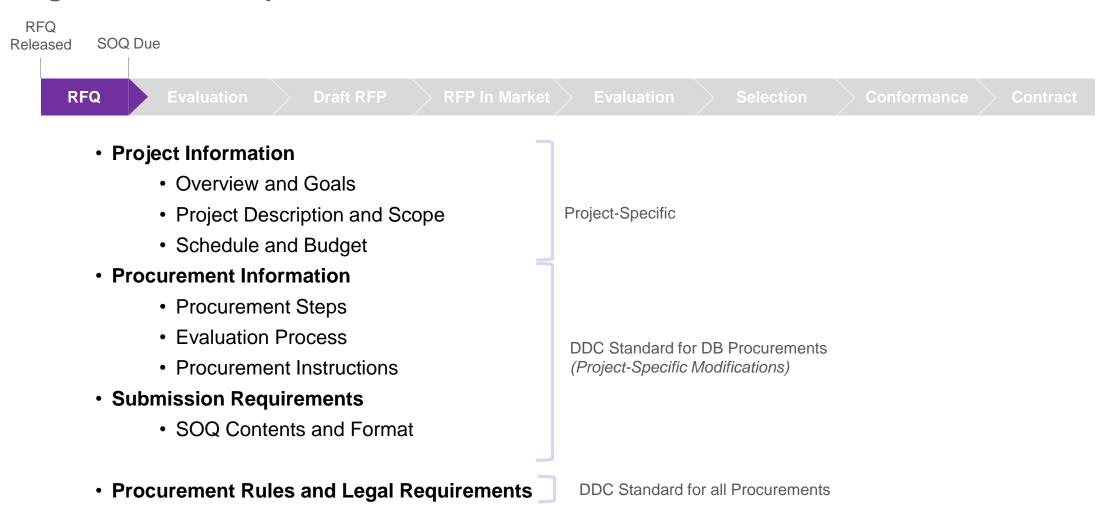


# **DDC Two-Step Design-Build Selection Overview**





#### **Design-Build Two-Step Procurement – RFQ Contents**





#### **Design-Build Two-Step Procurement – RFQ Evaluation**



- Fundamental Qualifications or Pass/Fail (including financial, legal, teaming)
- Design-Build Approach
- Key Personnel and Team Organization
- Project Experience and Past Performance
- M/WBE Program Experience and Approach

## **DDC Two-Step Design-Build Selection Overview**



Solicits for the Most Highly Qualified Offerors



Submit SOQ's



**DDC** 

Evaluate
Proposals &
Rank Most
Highly
Qualified
(up to 3)



**Shortlist** 

Full & Open Competition open to all interested Design-Build Entities

Unsuccessful Offerors will be afforded a debrief

Shortlisted Design-Build Entities move on to Step 2

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**Shortlist** 

# Draft RFP Issued to

**Shortlisted** 

**Offerors** 



Collaborative
Dialogue
Meetings

DDC & Offerors

Prepare
Technical &
Price
Proposal

Offerors



DDC Evaluate Proposals Best Value Selection & Competitive Negotiations

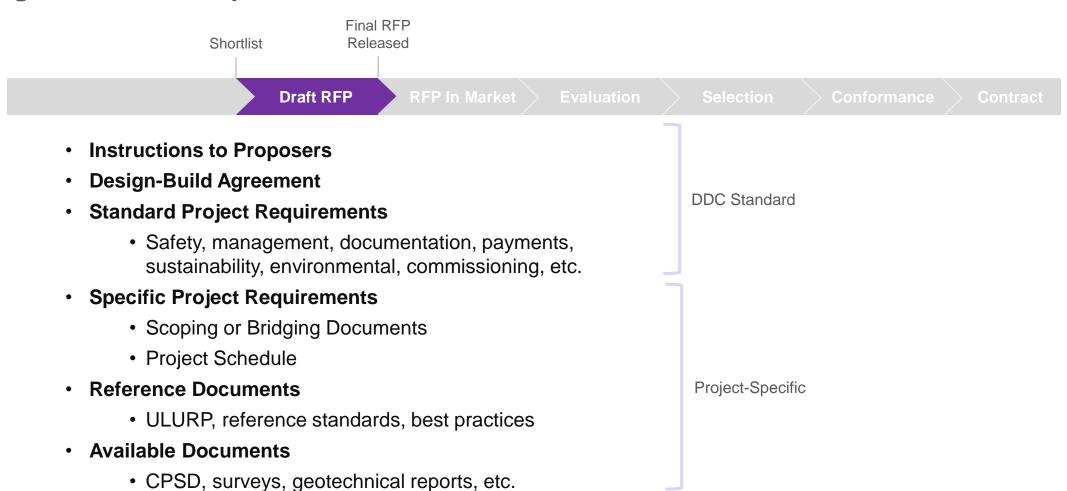
\*Award made to Proposer offering Best Value to City



**Register Contract** 



#### **Design-Build Two-Step Procurement – RFP Contents**





#### **Design-Build Two-Step Procurement – RFP In-Market**



- Collaborative Dialogue Meetings
  - Confidential
  - Design, technical, legal
- RFIs
- Alternative Technical Concepts (ATCs)

#### **DEFINITIONS**

Alternative Technical
Concepts are innovative
solutions that are equal or
better than the proposed
design or construction criteria



#### **Design-Build Two-Step Procurement – RFP Evaluation**

Proposals
Due

RFP In Market Evaluation Selection Conformance Contract

- Administrative Proposal
  - Team Legal and Financial Information
- Technical Proposal
  - Design Approach Summary and Presentation
  - Drawings
  - Outline Specifications
  - Life-Cycle Costs
  - Schedule
  - Construction Solution
  - Team Structure, Experience, and Key Personnel
- Price Proposal
  - Contract Price, Schedule of Values, Payment Schedule

This is not a low bid procurement!

### **DDC Two-Step Design-Build Selection Overview**

**Design-Build Entities afforded** opportunity to present design concept(s) in confidential 1-on-1 sessions with DDC

The unsuccessful Offerors will be afforded a debrief ... and if applicable, eligible to receive the approved Stipend



**Shortlisted** 

**Offerors** 



Confidential Dialogue Meetings

> DDC & Offerors

Prepare Technical & Price Proposal

**Offerors** 



**DDC Evaluate** 

**Proposals** 

Best Value Selection & Competitive **Negotiations** 



Register Contract \*Award made to Proposer offering Best Value to City

# **DDC Two-Step Design-Build Selection Overview**



Solicits for the Most Highly Qualified Offerors



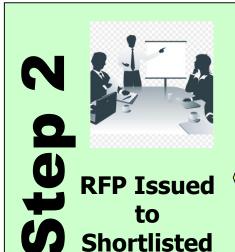
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**Offerors** 



Confidential
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DDC Evaluate Proposals Best Value Selection & Competitive Negotiations

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Register Contract

# M/WBE



# **Design-Build M/WBE Process**



**Design-Build legislation** provides additional opportunities to engage the M/WBE industry in various City capital projects.

To leverage this opportunity, the M/WBE Program under Design-Build will include:

- M/WBE Program Experience Form at the RFQ Step
- Anticipated M/WBE Participation goal will be:
  - 30% of the Construction Cost (Including CM Services)
  - 30% of the Design Cost
- Firms will **not** be allowed to submit pre-proposal and pre-award waivers
- There will be a post-award modification assessment that focuses on the design-builder's good faith effort practices
- DDC will monitor performance against M/WBE goals and all good faith efforts during the life of the project

# **Design-Build M/WBE Process**



To facilitate meeting targets while maintaining a robust vendor pool, the Design-Build Program:

- Not subject to NYC Admin. Code 6-129, but must comply "with the objectives and goals" of Admin. Code 6-129
- Allows for the use of state-certified M/WBEs in addition to citycertified M/WBEs
- Eliminates any tier restrictions on eligible M/WBE participation
- Counts suppliers at 60% of the subcontract value

# **DESIGN-BUILD – THE POST-AWARD PHASE**

Administering the D-B Contract



# **DESIGN-BUILD DELIVERY**

# NYC

#### **Post-Award Process Considerations**

- Scope Validation Period
- Design Development & Technical Submittals
- Stakeholder & Community Engagement
- Environmental Review
  - Phase 1 to be provided in RFP
- Early work, including site preparation & fast track packages
  - Subject to regulatory approvals, including PDC where applicable

# **SCOPE VALIDATION & INTERFACES**

#### **Post-Award Process Considerations**



#### High-performing Design-Build Teams successfully manage critical interfaces

### Design-Value Interface

Managing the Project to ensure that Best Value is delivered to the Owner (in accordance with the Contract)

### Design-Cost Interface

Managing & monitoring the Project to meet the constraints of the budget (Contract Price)

### Design-Construct Interface

Managing & monitoring the design to meet the requirements for sequence, constructability, productivity, fabrication, procurement, & schedule

### Design-Performance Interface

Managing & monitoring the Project to meet the performance & quality criteria of the Project

#### **Design Reconciliation:**

**Establish communication & documentation protocols with the entire D-B Team AND the Owner** 

# THE SUBMITTAL PROCESS

# NYC

#### **Post-Award Process Considerations**

# The Role of the Designer-of-Record during the Post-Award Phase

- The submittal process used within an integrated Design-Build contract is a critical link to the successful delivery of the Project
- The submittal process should be geared for rapid review while ensuring the Project is:
  - Safe
  - Environmentally conscious
  - Complies with all codes & authorities having jurisdiction
  - Fulfills the requirements set forth in the Contract

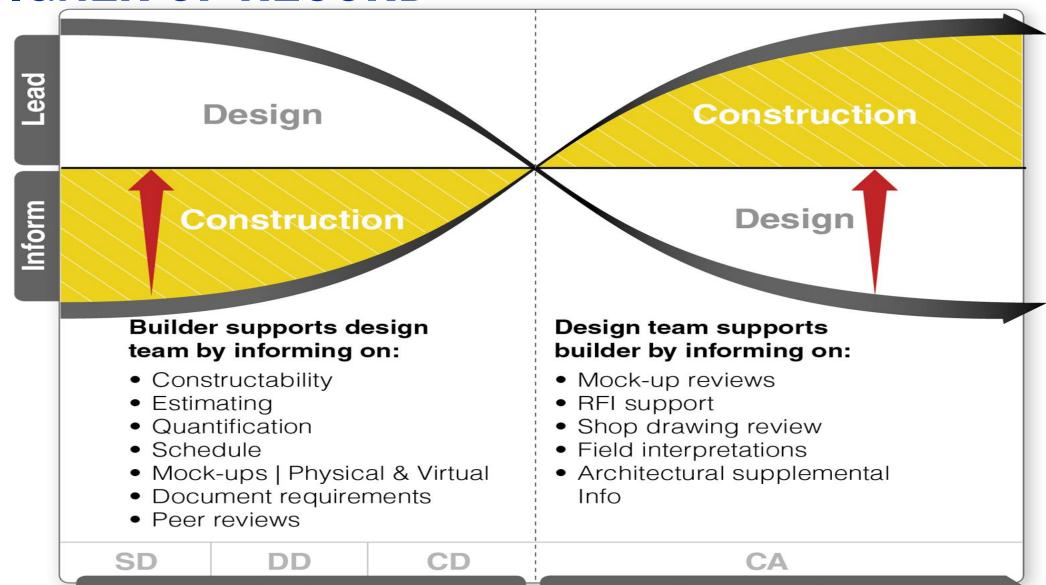
NOTE: The Design-Builder's Design Professional reviews & verifies BEFORE transmitting to the Owner for acceptance or rejection with comments

# ROLE OF THE DESIGN-BUILDER'S

Design

# **DESIGNER-OF-RECORD**





Construction

# **OWNER DESIGN VERIFICATION**

#### **Post-Award Process Considerations**



### The Role of the Owner during the Post-Award Phase

- Clarify expectation of all Parties
- Reconfirm Project schedule
- Participate in Project design reviews & Team meetings
- Review design phase submittals for compliance with Basis of Design Documents
  - Engaged in the submittal process to review various Project documents
    - Shop Drawings; Product Data; Samples; Mock-Ups; etc
- Monitor QA/QC field testing reports & correction of any nonconforming work
- Approve subs

### WHAT CONSTITUTES A "CHANGE ORDER"?



#### **Post-Award Process Considerations**

- In Design-Build the Designer-of-Record is an integral part of the D-B Entity
  - Hence typical design errors, omissions & ambiguities (often encountered in Design-BID-Build) are NOT "Change Orders" within an integrated Design-Build Contract

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- So what would be considered a "Change Order" in Design-Build?
  - Owner (DDC) directed changes
  - Differing Site Conditions
  - Truly "unforeseen" events
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Change Orders should be significantly diminished in Design-Build

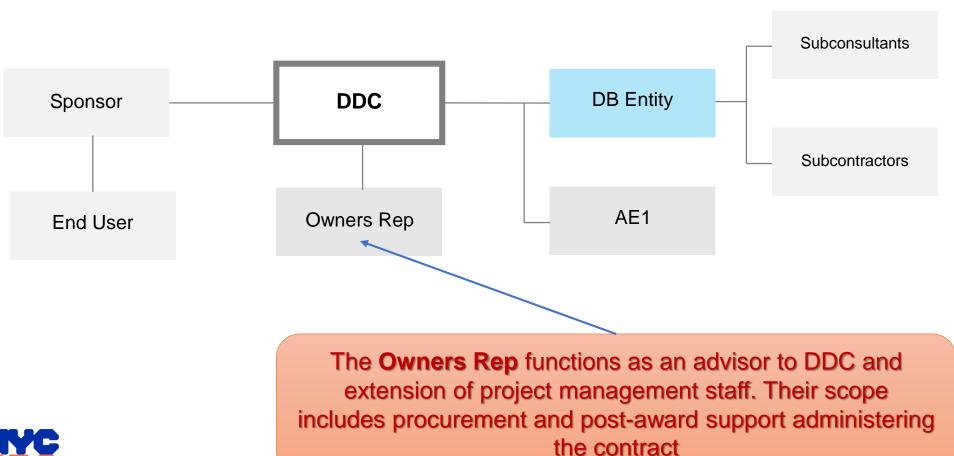
# **DESIGN-BUILD OWNER'S REP**

(AE-1; Owner Advisor; Owner's Rep)



# WHAT MAKES D-B DIFFERENT?

**Team Structure: Design-Build** 





### **DESIGN-BUILD ADVISORY SERVICES**



**Extension of DDC's Staff** 

Owner's Design-Build Advisory services may entail various activities in support of the Project, to included:

- Pre-Award support
  - AE-1 design criteria developer
  - Procurement support (developing the RFQ & RFP)

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- Post-Award support
  - Owner's Rep contract administration services
    - Oversight & Support
  - Testing & Inspecting
  - Document Control

### **DESIGN-BUILD ADVISORY SERVICES**



**Extension of DDC's Staff** 

Owner's Design-Build Advisory services will be procured in the same manner as previous Professional Architecture and Engineering services, i.e., qualifications-based selection process

NOTE: Firms providing Design-Build Advisory services (both pre-award & post-award) will be precluded from participating on any Design-Build Entity Team

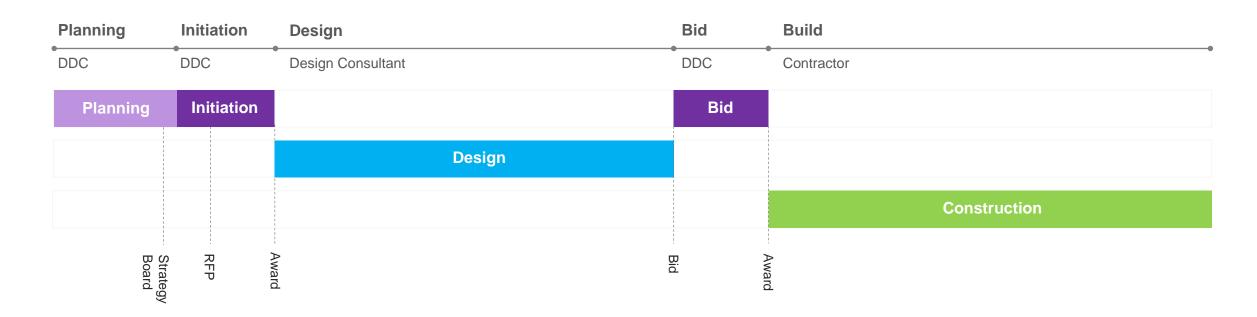
# OVERVIEW OF PROCESS IMPROVEMENTS



# **HOW DOES DB DIFFER FROM DBB?**



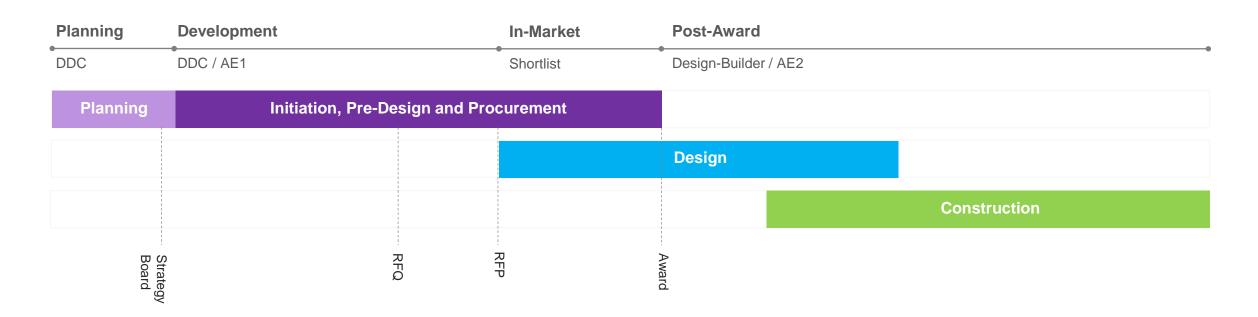
**Process: Design-Bid-Build** 



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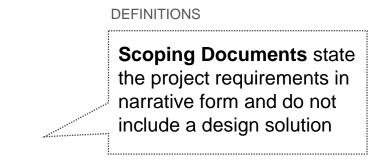


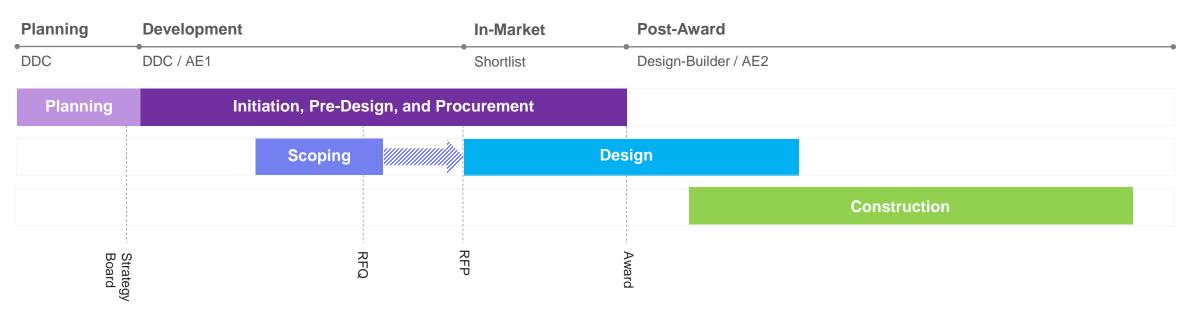
**Process: Integrated Design-Build** 





**Process: Design-Build with Scoping Documents** 



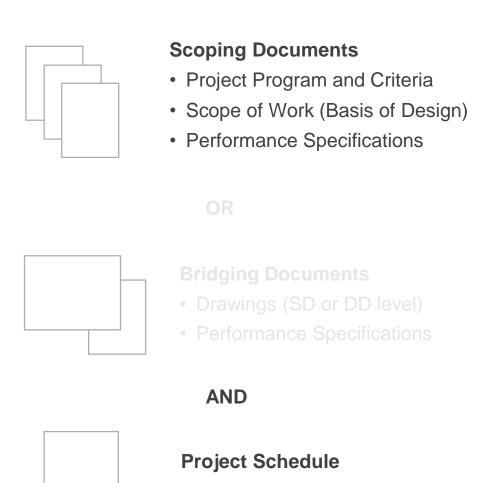


# NYC

#### **Scoping vs. Bridging Documents**

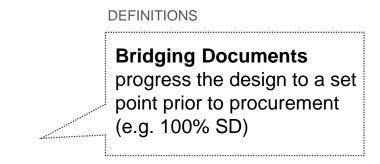
#### **RFP Contents**

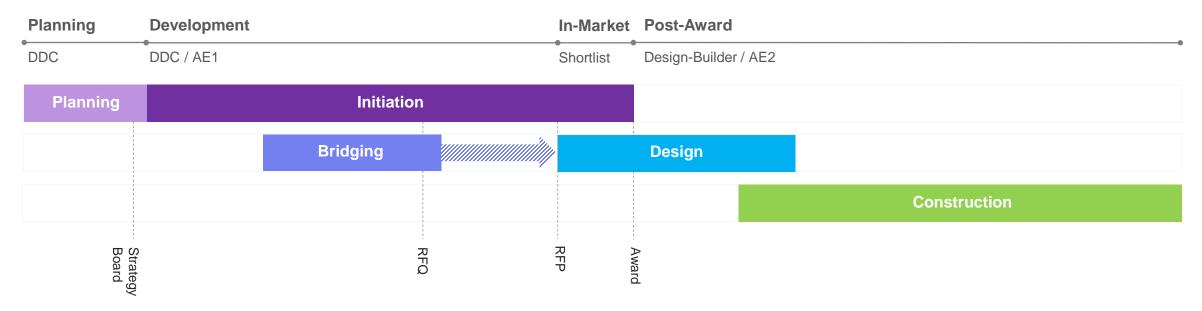
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- 3. General Project Requirements
- 4. Specific Project Requirements
- 5. Reference Documents
- 6. Available Documents





**Process: Design-Build with Bridging Documents** 



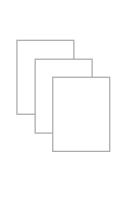


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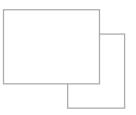
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#### **Scoping Documents**

- Project Program and Criteria
- Scope of Work (Basis of Design)
- Performance Specifications

OF



#### **Bridging Documents**

- Drawings (SD or DD level)
- Performance Specifications

**AND** 



**Project Schedule** 

# DESIGN-BUILD – MAKING THE SHIFT AT DDC





- Target typologies & project sizes to leverage best value selection & encourage industry response
  - Establish hard cost ranges (e.g., New Construction from \$15-100M)
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- Ensure that Sponsor, end-user & community **project requirements** can be established prior to D-B procurement
- Develop a design management strategy that prioritizes project excellence
- Provide and/or create materials for reference
  - Precedent facilities, design standards or guidelines



**Program Goals and Objectives** 

Emphasize quality at all stages of delivery, including procurement



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- Standardize contract documents so firms are familiar with the materials, terms & process



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- Reduce barriers for entry, including transferrable experience for D-B

# What is the expectation of a Successful Design-Build Project?



### Design-Build Project should include the following key aspects.

- 1. On Time Project Delivery
- Project Budget (best quality of work for money spent)
- 3. Project Coordination (Stakeholders, Community Engagement, Utilities etc.)
- 4. Innovation (on schedule delivery with least amount of inconvenience to the public)
- 5. Sustainability (using critical frameworks such as Envision, LEED Certification)
- 6. Designer and Builder Relationship (Teamwork)

# **NEXT STEPS**



# **Next Steps**



- Visit <a href="https://designbuild.ddcanywhere.nyc/">https://designbuild.ddcanywhere.nyc/</a> regularly for current and past DDC Design-Build Opportunities
- Review existing and current Design Build Opportunities and familiarize yourself with DDC's existing RFQ's
- If you are an interested sub, click on the interested sub form within a specific project page and fill it out to share your information with interested Design-Build Primes
- Sign up and file disclosures in <u>PASSPort</u>

# RESOURCES



### Resources



- https://designbuild.ddcanywhere.nyc/
- PASSPort
- MWBE Certification Webpage
- https://dbia.org/what-is-design-build/
- Email: <u>Design\_Build@ddc.nyc.gov</u>



# **Design-Build Institute of America**

https://education.dbia.org/products/nyc-ddc-design-build-forum-series-april-6-2021

dbia@dbia.org (202) 682-0110

# Q & A



# **THANK YOU!**

