

MEASURE CC
Board of Trustees Finance Committee
Design-Build Workshop

May 14, 2020



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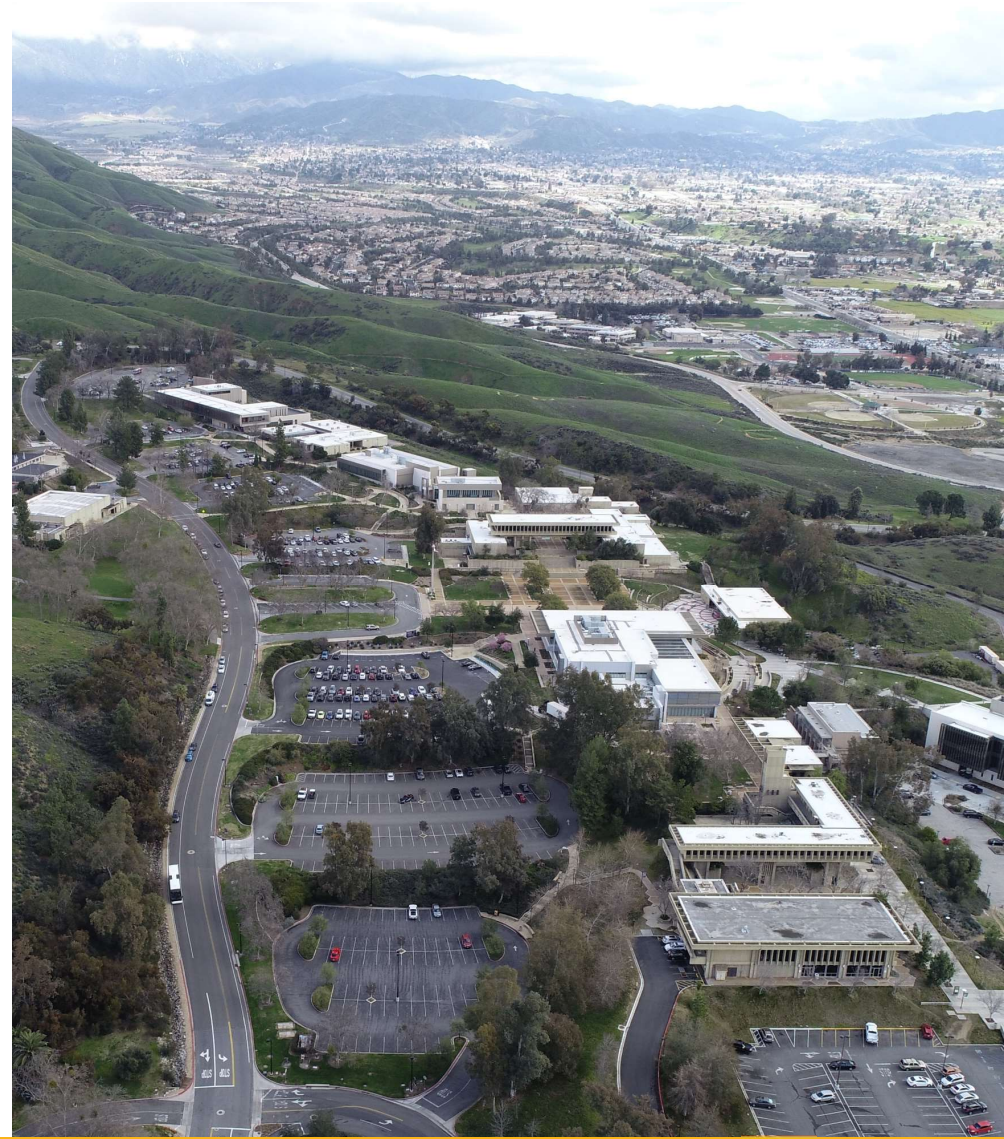


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BUILDING NEW OPPORTUNITIES FOR
OUR STUDENTS & OUR COMMUNITY

Measure CC Procurement Goals

- Speed to Market
- Avoid Costly Escalation
- Collaborative Approach
- Customize Procurement and Delivery to SBCCD Projects
- Incorporate Design-Build Delivery Where Appropriate
- Board Policy 6610 – Local Outreach



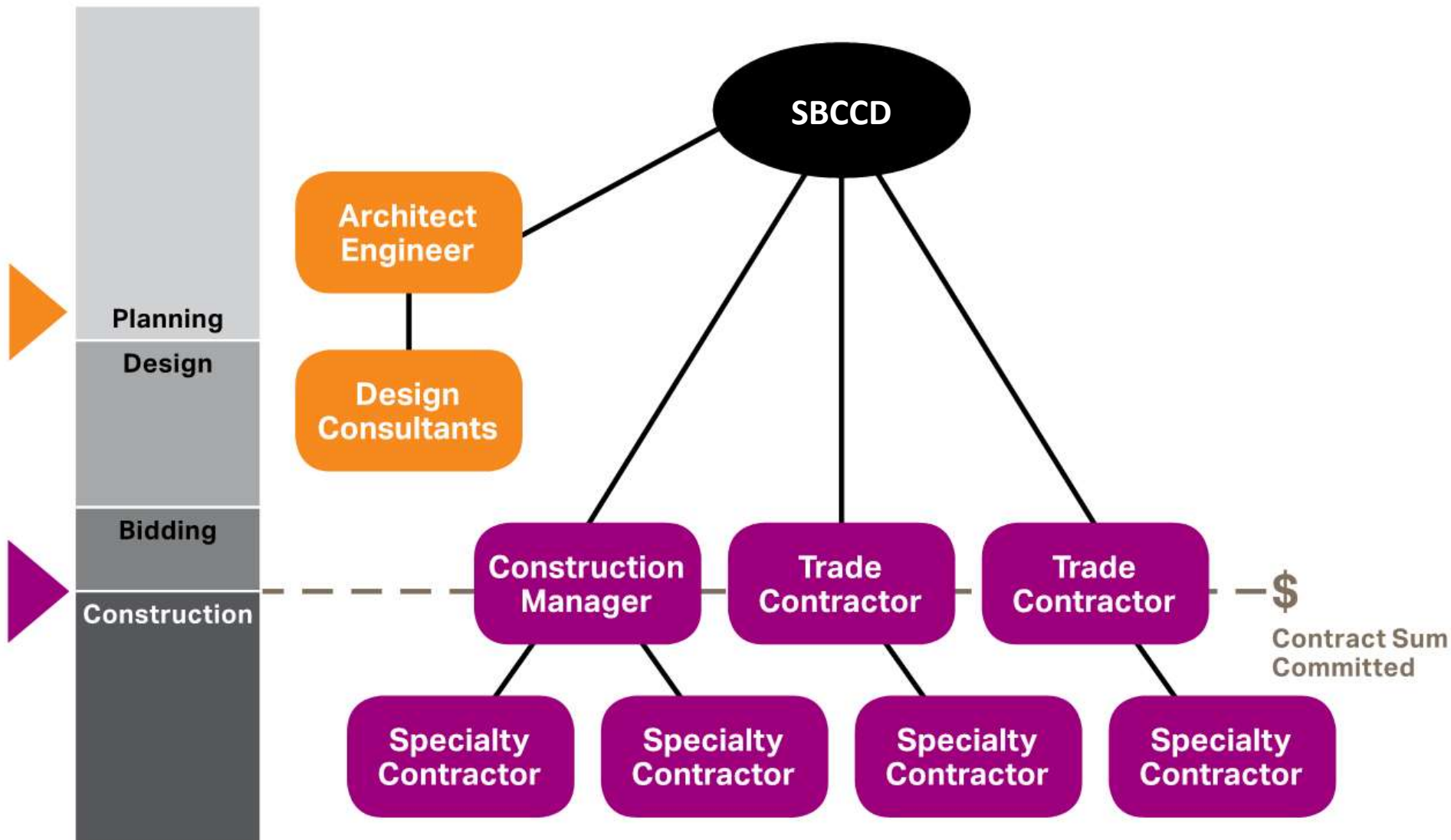


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CM Multi-Prime (MP)

Typical Point of Engagement





CM Multi-Prime (MP)



What is MP?

- ▶ Traditional approach in which the owner hires an A/E to fully document the project criteria and design prior to bidding.
- ▶ Multiple packages are separately bid and awarded to the lowest responsive and responsible prime contractors.
- ▶ The owner holds all prime contracts and is responsible for coordination during construction.



What are the risks?

BENEFITS

- Familiar delivery method
- Fully defined project scope
- Both designer and contractor accountable to owner
- Creates most prime bidding opportunities (lowest bonding)
- Lowest initial price
- Good for simple projects that are not schedule-driven and not subject to change

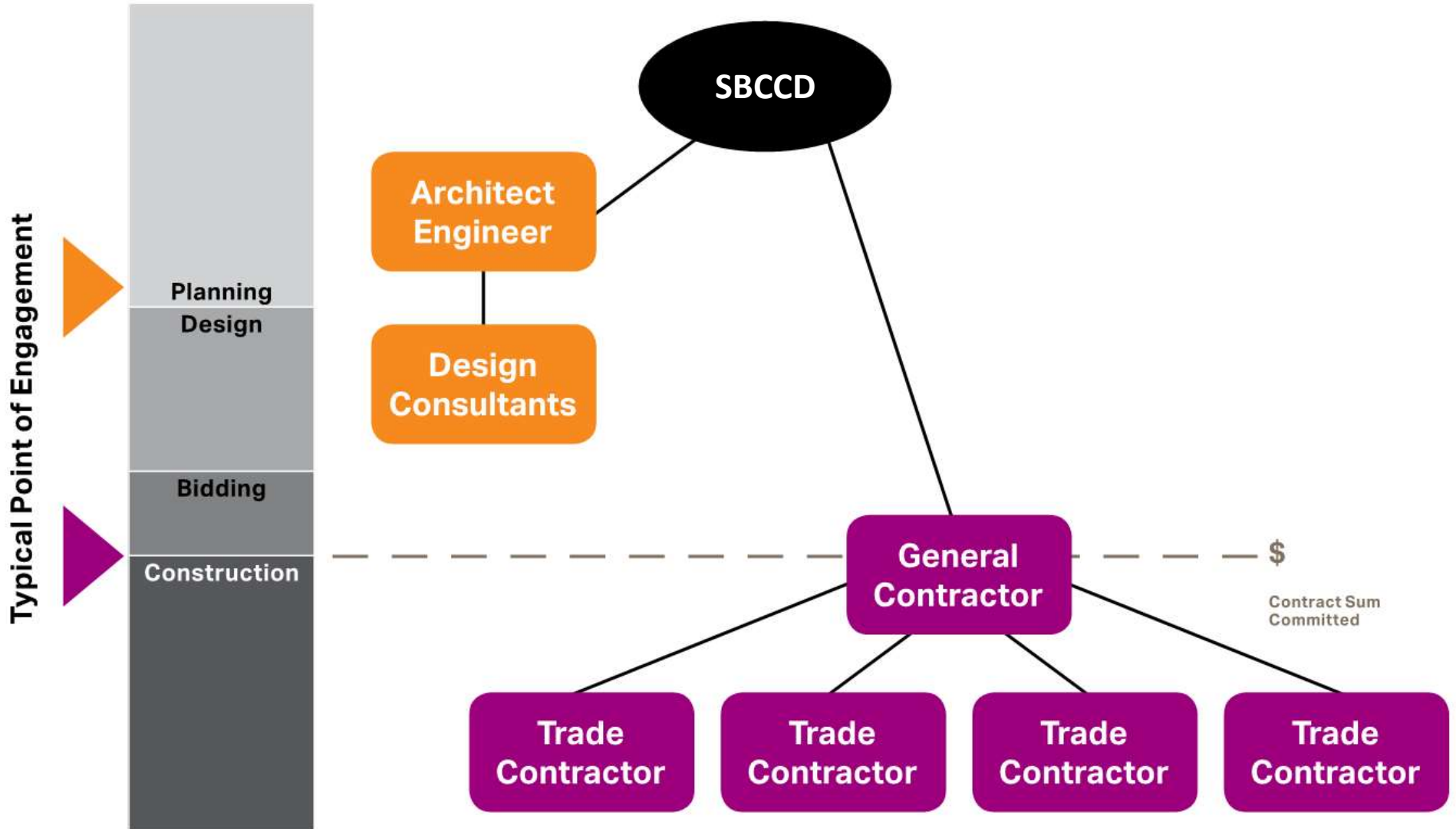
LIMITATIONS

- Linear process means longer schedule
- Limited control over contractor and subcontractor selection
- No design or cost input from contractor
- Lack of flexibility for change
- Can be adversarial in nature
- Not good for complex projects that are schedule-driven





Design-Bid-Build (DBB)





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Design-Bid-Build (DBB)



What is DBB?

- ▶ Most common method of contracting for construction projects in public works
- ▶ Owner holds separate contracts for design and construction, segregating these tasks under separate entities
- ▶ Owners usually award design contracts by utilizing a qualifications approach and picking a firm that has the best experience with a particular project type.
- ▶ Owners are required to award to the lowest responsive bidding contractors after a competitive bidding process under the California Public Contract Code sections 20110 (using documents developed by the Owner's architect).



What are the risks?

BENEFITS

- Best known
- No learning curve
- Competitive pricing
- More design control

LIMITATIONS

- No guarantee of performance
- Developed counter strategies
- High bids can delay project
- Design must be complete
- Adversarial relationships





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What is Design-Build?



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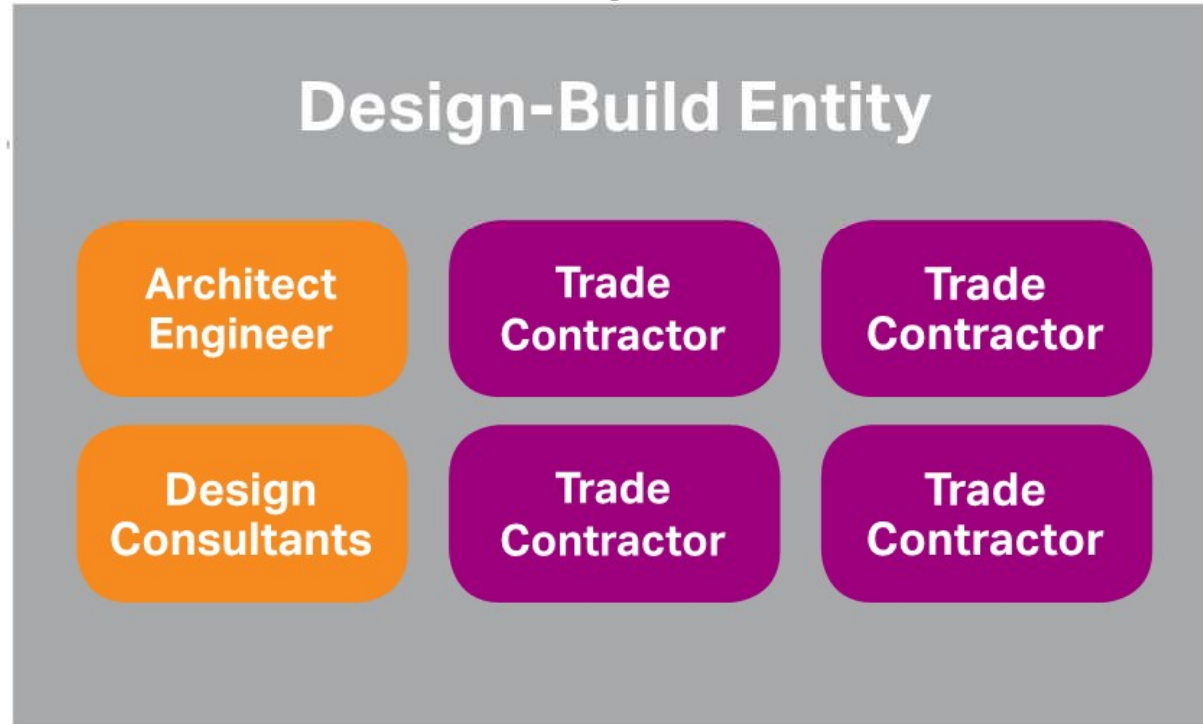
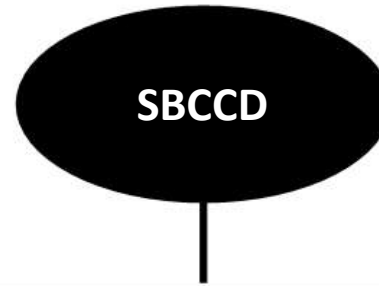


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Design-Build (DB)

Typical Point of Engagement



\$

Lump Sum,
GMP, or
Target Cost
Contract Sum
Committed



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Design-Build (DB)



What is DB?

- ▶ A single entity is hired through a best value selection process to deliver a complete project.
- ▶ The owner's criteria and design intent is documented by a separate criteria architect.
- ▶ The design is completed by the DB entity and a guaranteed maximum price is provided prior to bidding.
- ▶ The DB entity bids to prequalified subcontractors and holds all subcontracts for construction.



What are the risks?

BENEFITS

- Single point-of-responsibility for design and construction
- Contractor selection based on qualifications and price
- Fastest project delivery
- Open-book GMP
- No change orders for design errors and omissions
- Ideal for new construction that is time sensitive and not subject to change
- Ideal for less complex projects
- More control selecting subs

LIMITATIONS

- Owner has less control over selecting designer
- Owner has less input in details
- Over emphasis on price may compromise quality
- Difficult to determine if best price has been achieved
- Owner required to make quick decisions
- Changes difficult and expensive
- Bonding requirements
- Disputes if criteria not clear





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Advantages to Design-Build - SBCCD

- Aligns with Measure CC Vision and Goals - Collaboration
- Board Policy 6610 – Local Outreach
- Best Value Procurement - Partnership
- Transfer Risk to the Contractor - Design
- Budget Certainty – Target Value

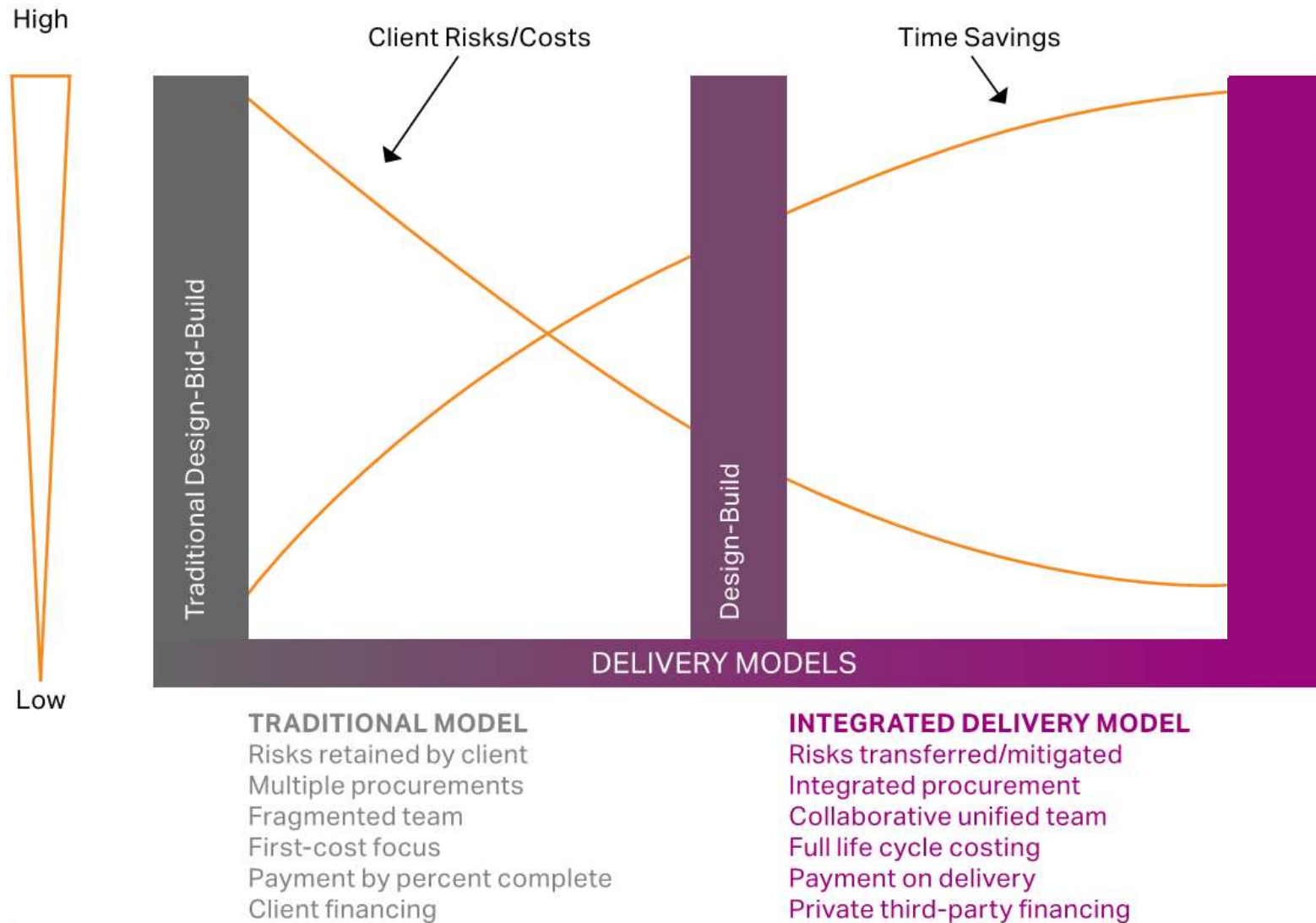




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Higher Degree of Budget Certainty





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