



Scoring the 5 Project Delivery Methods

Beginning a new construction project can be very exciting, but it can also be a bit overwhelming if you are not sure of the best way to start. We often focus on *what* the project is going to deliver and lose sight of *how* we are going to deliver the project. Taking some time up front to decide how you want to deliver your project can save you time, money and frustration throughout the life of your project.

There are five common project delivery methods. It is important to know the differences, and decide up front the type of agreement that is best suited for you and your project. Regardless of the method you select, be sure to partner with contractors that have been pre-qualified by the Diocese of Cleveland Facilities Services Corporation (DCFSC).

1. **Design-Bid-Build (DBB):** In this approach, the design team or architect works directly for the owner (Catholic Diocese of Cleveland) and produces a set of construction documents that are used as the basis of a competitive bidding process. A group of pre-qualified general contractors and subcontractors will then bid on the work and build the project according to the contract documents.

The DBB concept can become very adversarial between the design team and the builder who have no contractual agreement between each other. Historically this project delivery method will result in the largest number of change orders to the scope of the work by job completion resulting in a final cost more expensive than the original contractor bid

2. **Construction Management (CM):** In this approach, a construction management firm or



general contractor will team up with the owner and the architect/design team in the early design phase of the project. The benefits from forming this team early enable more accurate cost and timing estimates during the design phase, more time for the general contractor to fully understand the scope of work, and more time for the owner, design team, and general contractor to develop a good working relationship prior to the start of construction. Once the design is complete, to ensure a competitive bidding process, the general contractor should seek out multiple bids from subcontractors for all the major disciplines/trades.

Historically this project delivery method will have a limited number of change orders to the project because of the design team and builder working together early on in the building program.

3. **Design-Build (DB):** This is the turn-key

approach when it is desired to have a single point of responsibility for the entire project from design through construction. On a design build project, the general contractor is that single point of responsibility, subcontracting both the various construction trades as well as the architectural and design elements. From this position, the general contractor assumes all responsibility for the design, cost and schedule.

Unless the owner makes a change in the building design there should be no additional cost to the project.

This method is the recommended approach by the DCFSC for **mechanical and electrical infrastructure** projects because of its limited impact on the building it is serving with its focus on the mechanical or electrical equipment, its associated distribution system, and the financial commitment to deliver the job as a single-source provider.

4. **Integrated Project Delivery (IPD):** This method is formed by a single-source agreement between the owner, the designer, and the builder as a team with the financial incentive being a bonus within the final payment to each party based on shared saving performance. This IPD team agrees to perform the work beginning with production of contract documents through the construction phase. Unless the owner makes a change in the construction, there should be no additional cost to the project.

IPD is a relatively new project delivery method with many design consultants and builders not experienced enough to propose this method.

5. **Performance Contracting (PC):** Performance contracting is a method used by local governments to increase energy efficiency, while guaranteeing energy savings are enough to cover the costs of the project. Contractors are not paid upfront; they are paid through real

-world energy bill savings, giving both contractors and owners a built-in incentive to focus solutions yielding the biggest returns.

Like IPD, PC applications have limited success in the building industry and requires a very knowledgeable owner with the ability to provide PC firms the historical data needed to create a database of past operation and utility consumption performance. The owner also needs to protect itself from questionable performance success once infrastructure changes are made, as well as hold the PC firm and not the owner's facility operation staff accountable for these results.

While all five project delivery methods have their place in the building industry, it is always recommended that the more teamwork that occurs throughout the project the better the project delivery method results will be. It is for that reason that **Construction Management** should be considered the recommended project delivery for building construction so as to control project scope, costs, and timeline.

To this end, the Diocese of Cleveland Facilities Services Corporation is knowledgeable of these five project delivery methods and is available to propose solutions to any construction activity.

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