AGENDA

SPECIAL CITY COUNCIL MEETING (WORKSHOP) OF THE BANNING CITY COUNCIL
CITY OF BANNING, CALIFORNIA

April 23, 2024
4:00 p.m.
In Chambers

Council Chambers
99 E. Ramsey Street
Banning, CA 92220

The following information comprises the agenda for the regular meeting of the Banning City Council, a joint meeting of the City Council and Banning Utility Authority, and the Banning City Council sitting in its capacity as the Banning Successor Agency Board.

Per City Council Resolution 2016-44, matters taken up by the Council before 10 p.m. may be concluded, but no new matters shall be taken up except upon a unanimous vote of the council members present and voting. Such an extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

1. CALL TO ORDER

2. PUBLIC COMMENTS - ***Agenda Items Only***

3. WORKSHOP ITEMS

3.1 Discussion Regarding the Progressive Design Build Delivery Method for the Wastewater Treatment Plant Project
Recommendation: Receive and file.

4. ADJOURNMENT

AFFIDAVIT • DECLARACIÓN JURADA

IT IS HEREBY CERTIFIED under the laws of the State of California that the above agenda was posted on the City's website (www.banningca.gov) as well as the Bulletin Board at Banning City Hall, located at 99 E Ramsey Street, Banning, CA 92220, at least 24 hours in advance of the meeting.

Caroline Patton, Administrative City Clerk
Secretario adjunto de la ciudad

PUBLIC NOTICE • NOTICIA PÚBLICA

Meeting Agendas and Notices

Interested in receiving email and/or text notifications of upcoming City Council meetings? Sign up for meeting notifications through the City's website. Pursuant to amended Government Code §54957.5(b), staff reports and other public records related to open session agenda items are available on the City's website (www.banningca.gov/).

Public Comment

Agenda Items

Any member of the public may address this meeting of the City Council on any item appearing on the agenda. A five-minute limitation shall apply to each member of the public and no member of the public shall be permitted to share their time with any other person.

Non-Agenda Items

Any member of the public may address this meeting of the Council on any item which does not appear on the regular meeting agenda but is of interest to the general public and is an item upon which the Council may act. A three-minute limitation shall apply to each member of the public and no member shall be permitted to share their time with any other person. No action shall be taken, nor discussion held by the Council, on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of §54954.2 of the Government Code.

Special Assistance/Accessibility Requests

In compliance with the Americans with Disabilities Act, any member of the public may request that the agenda and agenda packet be mailed to them. If you need special assistance to participate in this meeting (such as translation services), please contact the City Clerk's Office. Advanced notification of at least 48 hours prior to the meeting will allow the city to make arrangements to ensure your accessibility.

¿Necesita servicios de traducción para participar? Contacto Oficina del Secretario de la Ciudad.

CONTACT • CONTACTO

City Clerk's Office | 951-922-3102 | CityClerks@banningca.gov
99 East Ramsey Street, Banning, California 92220

CITY OF BANNING
STAFF REPORT

TO:	**CITY COUNCIL**
FROM:	**Douglas Schulze, City Manager**
PREPARED BY:	**Art Vela, Public Works Director**
MEETING DATE:	**April 23, 2024**
SUBJECT:	**Discussion Regarding the Progressive Design Build Delivery Method for the Wastewater Treatment Plant Project**

RECOMMENDATION:

Receive and file.

BACKGROUND:

The City of Banning Wastewater Treatment Plant (WWTP), also known as the Water Reclamation Facility, provides for the collection, treatment, and disposal of municipal sewage. The City has recognized that the WWTP is in need of capacity and treatment improvements in order to keep up with the City's growth as well as to produce recycled water supply to bolster it's water supply portfolio and to meet impending wastewater effluent discharge quality permit requirements.

On December 13, 2022, the City Council approved Resolution 2022-14UA, "Awarding a Professional Services Agreement to N2W Engineering to Provide Owner Advisor Services and Preliminary Engineering for the Wastewater Treatment Plant Improvement Project.

N2W and staff has met to discuss the potential delivery methods for the project including: Design-Bid-Build, Fixed Price Design-Build and Progressive-Design-Build (PDB). After discussing and rating the alternatives staff has determined that the PDB delivery method would provide the best results in the shortest amount of time.

The purpose of this workshop is to introduce City Council and the public to the PDB approach.

JUSTIFICATION:

The Wastewater Treatment Plant Improvement project includes the design and construction of major complex treatment technologies that will allow the City to comply with impending wastewater discharge requirements and to produce recycled water. A PDB approach is a collaborative delivery method that involves the design-builder throughout the design and construction process resulting in a project that will meet the City's needs for the best value.

FISCAL IMPACT:

None related to this workshop. Fiscal impacts of the project will be presented to City Council at a later date.

ALTERNATIVES:

Not applicable.

ATTACHMENTS:

1. PDB Primer.pdf
2. PDB Fact Sheet.pdf
3. PDB Frequently Asked Questions.pdf
4. California-2021-SB991-Chaptered.pdf
5. PDB vs FDB vs DBB.pdf

Progressive Design-Build

Design-Build Procured with a Progressive Design & Price

A Design-Build Done Right™ Primer



DBIA
DESIGN-BUILD
INSTITUTE OF AMERICA

Progressive Design-build

Design-Build Procured with a Progressive Design & Price

A DESIGN-BUILD DONE RIGHT™ PRIMER

Background

Design-build has been used in the private sector for decades, particularly in the industrial and process industries (often known as EPC or engineering-procurement-construction). In executing their design-build projects, private sector owners typically contract with their design-builders early in the project's life. They not only want to take full advantage of the design-builder's expertise, but also want to work collaboratively with the design-builder to develop a design that meets the project's goals. Recognizing the benefits of having the best team working on their behalf, private sector owners typically select their design-builders primarily on qualifications. While most private sector owners ultimately expect their design-builders to provide price, schedule and performance commitments, they defer obtaining these commitments until after the design has been sufficiently defined — enhancing the opportunity for collaboration, teamwork and the likelihood of project success. Once the parties have negotiated and agreed upon the commercial terms of their relationship, the owner can be more assured that the design-builder's commitments will be honored — the design-builder's continuum of involvement creates ownership and leads to reliable commitments. The concept here is that the design-builder helps create it and will therefore support it. This effort essentially aligns expectations up front before executing the work of design and construction, thus significantly reducing the misaligned expectations for scope, cost and schedule between the owner and design-builder.

Although public sector owners have embraced design-build since the late 1990s, they often approach their design-build relationships differently than most private sector owners. Public sector owners oftentimes require that a final project price be established at the time the design-builder is selected, demonstrating how they will meet the owner's requirements within the established budget.

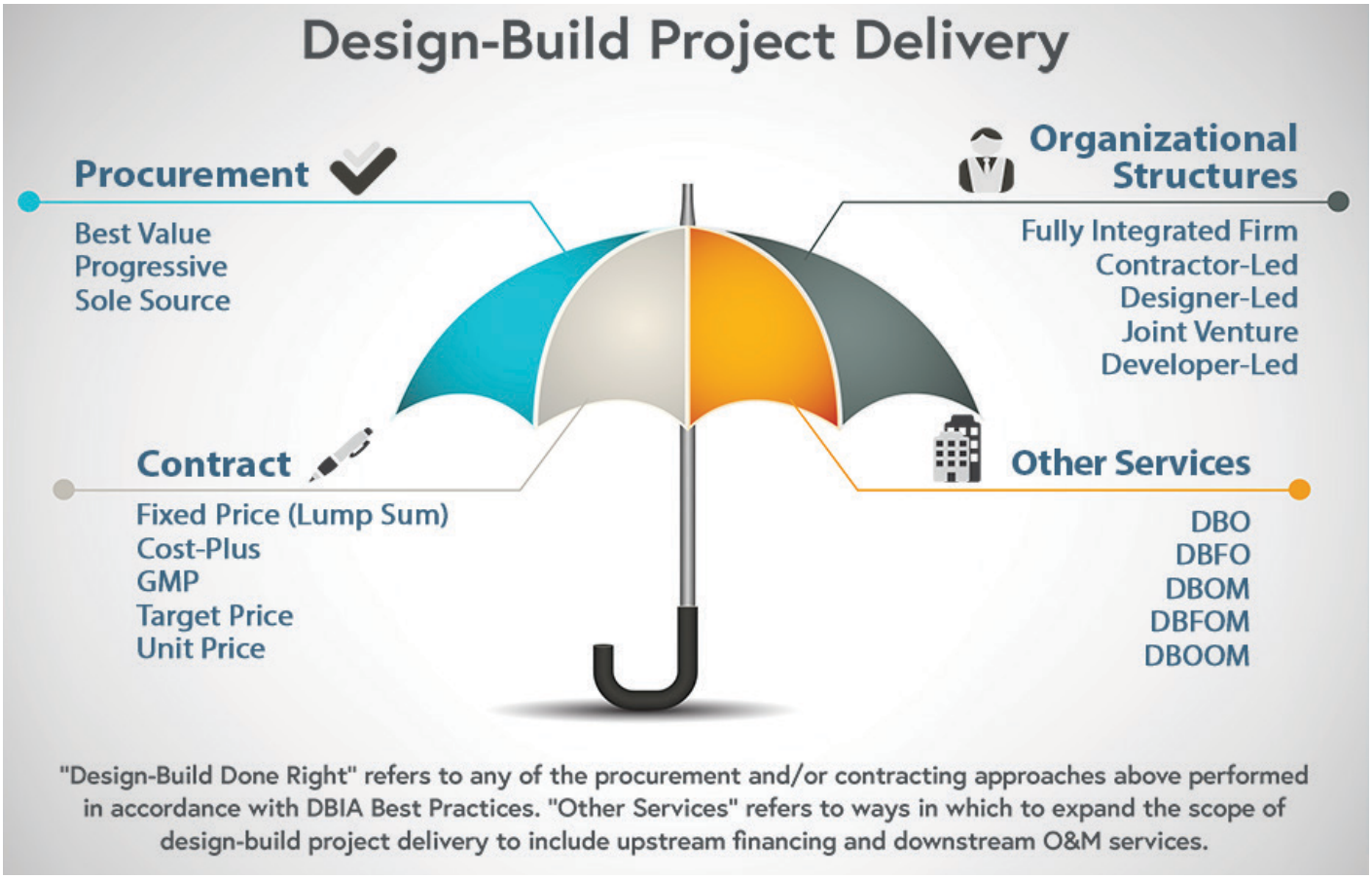
Design-Build Project Delivery

In reviewing this primer keep in mind that **"project delivery" is a comprehensive process including planning, programming, design, construction and consideration of operations and maintenance required to execute and complete a building facility or other type of project.** When choosing **design-build project delivery**, an owner can choose from among various approaches for "procurement" and "contracting" as outlined on page 5. Design-build utilizing a "progressive" procurement and contracting approach is the basis of this primer.

Regardless of the design-build approach selected, industry studies have shown that projects delivered through design-build perform far better in terms of cost, quality and schedule than those using design-bid-build and construction management at-risk. Throughout this primer you'll see reference to the term ***Design-Build Done Right™.*** This refers to design-build performed according to DBIA Best Practices, regardless of the procurement or contract approach.



Photo credit: Veterans Memorial Bridge in Martin County, Florida



What is Progressive Design-Build?

One application of design-build delivery is via a stepped, or progressive process (commonly referred to as Progressive Design-Build or PDB). PDB uses a qualifications-based or best value selection, followed by a process whereby the owner then "progresses" towards a design and contract price with the team (thus the term "Progressive").

While procurement laws vary for public owners, some have the flexibility to implement a PDB procurement approach that essentially replicates that used by private sector owners. PDB core features include the following:

- The design-builder is retained by the owner early in the life of the project and, in some cases, before the design has been developed at all.
- The design-builder is generally selected primarily, if not exclusively, on qualifications and the design-builder's final project cost/price and schedule commitment is not established as part of the selection process.
- The design-builder delivers the project in two distinct phases with: (a) Phase One including budget level design development, preconstruction services and the negotiation of a firm contract price (either lump sum or guaranteed maximum price) for Phase Two; and (b) Phase Two including final design, construction and commissioning.

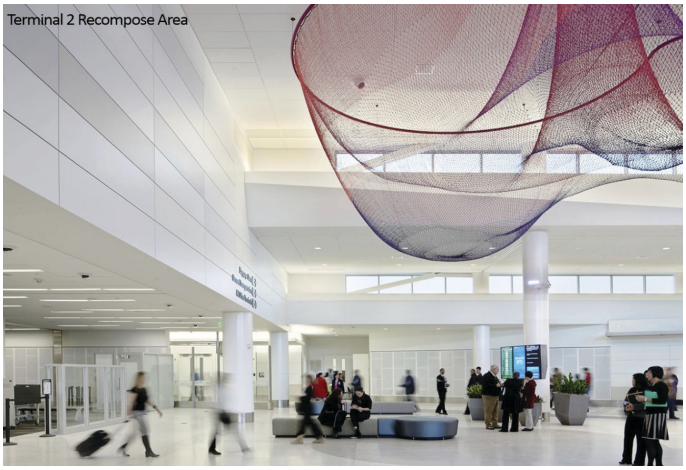
Phase One Services are also called **Preliminary** or **Preconstruction Services**. The design-builder first collaborates with the owner and its consultants to create or confirm the project's basis of design, programming requirements and then advances that design. Design and other project decisions are based on cost, schedule, quality, operability, life cycle and other considerations, with the design-builder providing ongoing, transparent cost estimates to ensure that the owner's budgetary requirements are being achieved. At the point in time where the design has been advanced to an appropriate level of definition that aligns with the owner's requirements, the design-builder will provide a formal commercial proposal (including the overall contract price) for Phase Two services. The proposal is often established when the design is approximately 40 to 60 percent complete, but it can occur anytime (including as

late as 90 to 100 percent design completion), depending on the amount of control the owner desires to maintain over the design definition.

Phase Two Services are also called **Final Design** and **Construction Services**. Once the owner and design-builder agree upon commercial terms (including the project's price and schedule), the design-builder will complete the design and construction of the facility in accordance with those commercial terms. The design-builder will also be responsible for any testing, commissioning, and other services that have been agreed upon.

If, for any reason, the parties cannot reach agreement on the Phase Two commercial terms, then the owner may consider an "off-ramp" option — where it can use the design and move forward with the project through another contract strategy.

As discussed more later, a PDB relationship can be established with the parties entering into two separate contracts for each phase of work or a single contract that covers both phases. Also, while there appears to be a "bright line" between Phase One and Phase Two Services, the pragmatics of expediting project schedules often require that some Phase Two work be started before the commercial proposal has been agreed upon. As a result, many PDB projects allow the design-builder to proceed on "early work" packages for discrete elements of the physical work (e.g., procurement of long lead items, demolition or site work) before Phase Two authorization.



Terminial 2, San Francisco International Airport

Why Would an Owner Choose PDB?

Owners with flexibility as it relates to procurement laws may find the following value-added with PDB:

- Streamlines and simplifies the procurement process, which encourages competition and has a schedule benefit to the project — benefiting both the owner and the design-builder.
- Enables the owner to provide substantial input on the design and buyout decisions, as it collaborates with design-builder during design development and buyout (excluding key trade partners).
- Lessens pressure from the owner in terms of the time required to review and act upon design submittals, as this is typically being done during Phase One, before the contract's commercial terms (including contract price and schedule) have been guaranteed by the design-builder.
- Shortens the overall project schedule with a quicker procurement process and opportunity to use early work packages in phasing the work.
- GMP offers the owner transparency into the design-builder's proposal cost (including the pricing for risk and contingencies) and the ultimate cost for final design and construction.
- Offers the owner an "off-ramp" should the owner fail to accept the design-builder's price or other commercial terms.
- Provides a collaborative way to establish "single point of responsibility" and eliminate an owner's Spearin Doctrine liability risk.

While all the above attributes can be important, PDB is an excellent option when an owner wants to use design-build but remain actively involved in the design decisions.

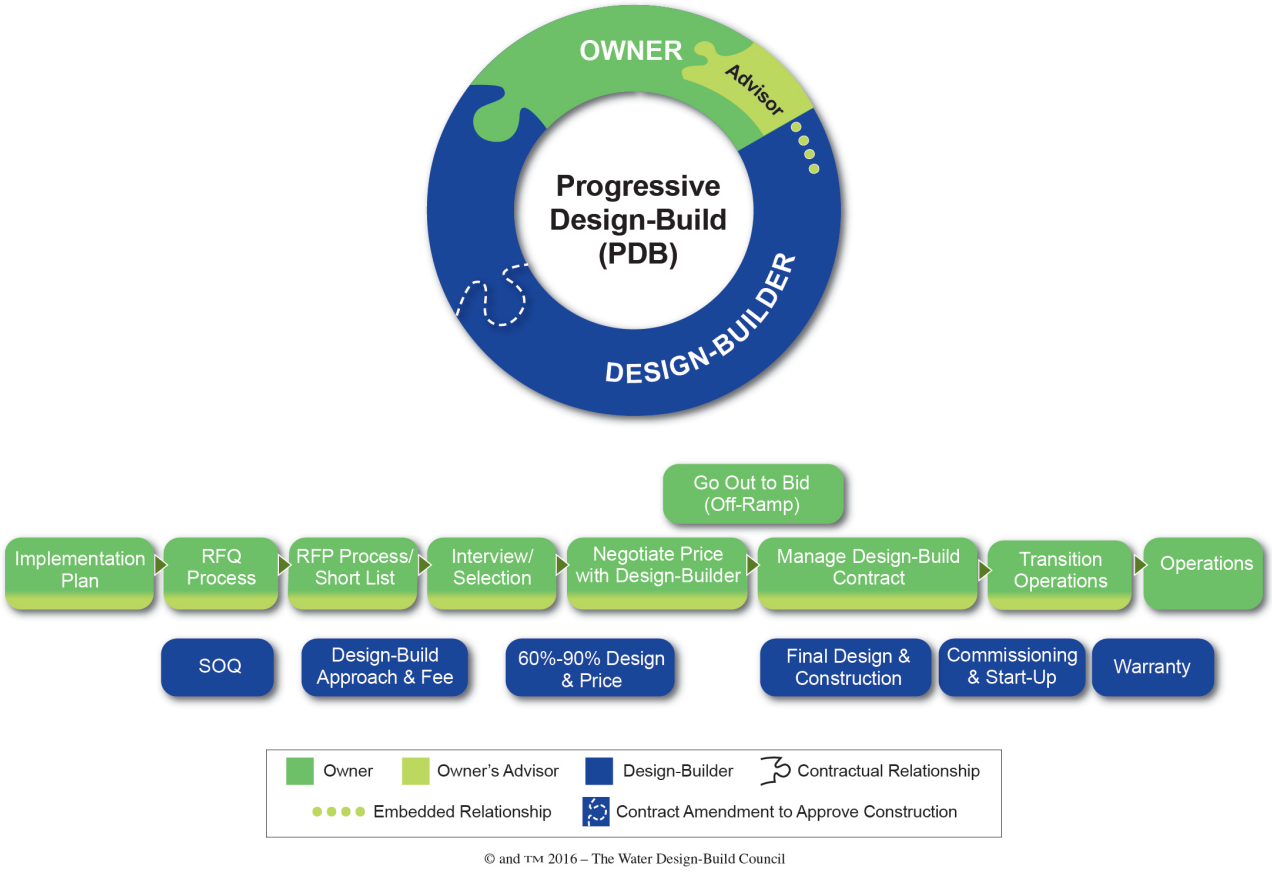
> "One application of design-build delivery is via a stepped, or progressive process (commonly referred to as Progressive Design-Build or PDB). PDB uses a qualifications-based or best value selection, followed by a process whereby the owner then 'progresses' towards a contract price with the team (thus the term 'Progressive')."

Potential Obstacles to PDB?

Despite the positive attributes, there are several reasons that a public owner may not be interested in, or even able to use, PDB. Among these reasons are the following:

- **Restrictive procurement regulations.** If the public authority has the ability to use qualifications-based selection (QBS), PDB can be an optimal choice. However, if the procurement regulations only allow for the typical two-phase best value source selection process, PDB may not be permissable.
- **Awarding without full competition on the overall design-build contract price.** PDB calls for the owner to select the design-builder largely on the basis of qualifications, without the benefit of price competition on the overall design-build contract price. Some owners find awarding a construction contract without full price competition to be politically impractical, and prefer to have price factored into the selection process. They may also feel uncomfortable in negotiating the commercial terms of the arrangement.
- **Exercising the "off-ramp".** Owners may be uncomfortable in exercising the "off-ramp" in the event the parties cannot reach commercial agreement on the design-builder's proposal.
- **Subcontractor procurement challenges.** Procurement regulations may require subcontractors to be procured competitively. This can limit collaboration and deprive the project of valuable subcontractor input during the design process.
- **Lack of interest in changing approaches.** Owners may feel that the best value design-build process works well and that there is no reason to try something different.

The PDB Procurement Process



© and ™ 2016 – The Water Design-Build Council

The PDB Procurement Process

As with any variation of design-build, when an owner decides to use PDB, it should have a single fundamental procurement objective — select the right team, using a process that is as streamlined and simple as possible based upon applicable regulations. Who is the right team?

- The team that will work well and collaboratively with the owner.
- The team that offers the best chance to meet the owner's project goals and required outcomes.
- The team that the owner believes is trustworthy, fair, qualified and transparent.

In accomplishing this objective, an owner will either use pure QBS processes or best value selection processes, typically by looking at what is prescribed by its procurement regulations.

QBS is based solely on non-price selection factors, such as qualifications and past performance of the team members, key trade partners and key personnel, project approach and creativity. No price information is evaluated whatsoever. Under QBS, some owners may ask for price information on items like the Phase One compensation or the design-builder's fee. This information will be in a separate submission from the qualifications/technical proposal, but unlike a best value procurement, it will not be evaluated as part of the selection process. Instead, the owner will open this submission only after determining the winning design-builder, and will use this information for negotiating the contract with that design-build entity.

Best value selection chooses the design-builder based on both non-price and price factors. Because the entire design-build contract price is not under consideration, the types of price factors are limited — such as the Phase One compensation and design-builder's fee noted above. Because these are relatively small dollar values in relation to the ultimate design-build contract price, the weighting for the price factors is generally quite low (e.g., 5 to 20 percent or treated as a trade-off and not weighted at all as with the federal model) in comparison to the non-price factors.

There are several procurement decisions an owner needs to make, regardless of whether using QBS or best value selection. One is whether to conduct a one-step or two-step selection process. One-step can be quite efficient for QBS, particularly if there is little technical information being asked of the proposers. One-step is not appropriate if the deliverables required from proposers are substantial.

Two-step is more typical for QBS on complicated projects or best value selection, as proposers will be spending time and resources to respond with more detailed technical proposals and owners must thoroughly evaluate these proposals. The two-step process contemplates the development of a shortlist (typically the three most highly qualified teams), largely based on corporate qualifications and past performance, key trade partners and resumés of key personnel. The second step contemplates the submission of technical proposals, with the proposal focusing on what the owner needs to meet its objective of selecting the right team. Proprietary one-on-one meetings are often used in two-step processes. It is an excellent way to have confidential discussions about ideas developed by the proposers and get a sense of how proposers interact within their team, as well as with the owner's team.

Whether the owner uses a one-step or two-step process, there is a strong benefit in the owner conducting formal interviews. After all, because the point of all integrated design-build project delivery is to get the right team on board, the owner should have an ability to assess how that team presents itself.



Photo credit: Champion Petfoods Kentucky DogStar® Kitchens in Auburn, Kentucky

Contract Issues Unique to PDB

There are some important differences with PDB contracts. The first difference is the form of contract. Some owners will start their contractual relationship with the design-builder with a Phase One Agreement which, as the name indicates, just covers the Phase One Services. They find that this streamlines getting the design-builder under contract. Such owners are comfortable with developing and negotiating another contract, for Phase Two Services, as part of the commercial proposal process. Other owners prefer to have a single design-build contract that addresses both Phase One and Phase Two Services and is signed at the start of their relationship with the design-builder. Among other benefits, this approach can make it easier to execute early work packages, as the terms and conditions related to procurement and construction are already covered by the contract. For example, DBIA's Document No. 545, *Progressive Design-Build for Water/ Wastewater Projects*, uses a single design-build contract approach.

Regardless of which approach is used, the parties are advised to focus on the preliminary services part of the relationship, as elements of that work go to the heart of the PDB relationship. Topics that are commonly addressed include:

- **Scope of Phase One work, including cost modeling.** The contract (often through an exhibit) will specifically state what work the design-builder will perform for Phase One, including the extent and frequency of cost estimating and modeling.
- **Ability of the design-builder to use and rely upon owner-furnished information.** Because the design-builder is getting involved early in the design process, there is a question as to how to treat information obtained by the owner before the design-builder was involved (like geotechnical reports and technology decisions). Working collaboratively, most owners and design-builders make informed decisions about the cost-benefit of having the design-builder validate previously done studies and then treat findings appropriately in the contract.
- **Early work packages.** The contract should address the processes for developing and authorizing early work packages. This includes procuring subcontractors, evaluating self-performance of the design-builder and determining how to proceed if the owner exercises the "off-ramp."
- **Design-builder self-performance.** The contract will address the applicability of self-performance, particularly in relation to subcontractor procurement requirements.
- **Subcontractor and vendor procurement and their involvement in Phase One.** The contract should address how (and when) subcontractors and vendors will be procured and the owner's role in that process. This may be heavily influenced by statute. Likewise, the parties need to address the role that these parties may play in Phase One and how this relates, if at all, to their involvement in Phase Two.
- **Commercial proposal.** This important element of Phase One should be thoroughly addressed in the contract, particularly in terms of the form of the proposal and information that the design-builder is to submit.
- **Off-ramp.** The option for an owner to consider an "off-ramp" should be clearly addressed, including the rights of the owner to use Phase One information for subsequent procurements associated with the project.

Finally, the parties need to determine the process for obtaining performance and payment bonds from the design-builder. Work and prices are being established a number of different times — Phase One, early work packages and Phase Two. Often the bond will be provided once construction starts, although some owners will require a bond at the contract inception (Phase One) and have the penal sum increased as work is added. Parties should consult with legal counsel and bonding consultants on the best way to approach.

Preparing to Implement PDB: Helpful Tips

As with design-build, an owner should carefully consider what it needs to make the PDB process successful. A few suggestions are as follows:

1. **Assess the appropriateness of PDB for the project.** Owners should gain a full understanding of PDB and conduct a proactive/objective assessment of the characteristics of its project and determine if PDB is the appropriate delivery method for its project.
2. **Understand procurement limitations.** While some public sector owners have a clear ability to use QBS, most public sector owners are required to consider price within the source selection process. Likewise, many owners are required to comply with statutes that address subcontractor procurement. It is critical for the owner to fully appreciate its procurement opportunities and limitations in formulating a procurement plan, and engage experienced in-house or outside legal counsel to facilitate.
3. **Have a strong cost estimator on your design-build team.** Conceptual cost estimating is an important and difficult skill. The owner needs to ensure that the design-builder has competent resources in this regard, allowing seamless evaluation of the reasonableness of the design-builder's cost modeling and price proposal.
4. **Make an early decision on subcontractor procurement and design-builder self-performance.** These issues can be major factors in determining whether organizations are interested in competing. Moreover, if the owner decides that it wants to have most, if not all, subcontractors competitively procured, this issue could influence the ability to obtain collaboration and design innovation, given that subcontractors are often the repository of such knowledge.
5. **Ensure that your team is willing and able to collaborate and trust.** While any form of design-build requires collaboration, flexibility and trust, these factors are often the very essence of why an owner has chosen PDB. The owner's team members should understand the importance of collaboration, and senior management needs to ensure that collaboration and integration is supported and carried out throughout performance of the project delivery process.

A Word About Design-Build Done Right™

As discussed above, the principles of Design-Build Done Right™ apply to all variations of design-build, including PDB. PDB is another "tool in the toolbox" for owners, and, consistent with Design-Build Done Right™ principles, the owner needs to make an informed decision as to which approach is most appropriate for its needs.

Regardless of which approach is used, experience shows that project success is predicated on the parties using the principles expressed in Design-Build Done Right™ such as: (a) selecting the most qualified team; (b) letting the design-builder use its ingenuity and experience to develop design solutions; (c) weighting price significantly less important than non-price factors; and (d) seeking best value solutions, such as energy efficiency, durability, sustainability and ease of maintenance.

Design-Build Done Right™ teaming philosophies of integration and collaboration, as well as environments based on trust and flexibility — characterized by integrity and honest communication and mutual respect for and appreciation of diverse perspectives and ideas, are also critical to design-build success.

Stated simply, if a project team can operate in accordance with Design-Build Done Right™ values, there is a significantly improved likelihood of superior project outcomes under design-build of any variation, including PDB.

DBIA endorses all variations of design-build when done according to best practices and not on a pure low-bid basis. The approach selected depends on the application and needs of the owner.

"DESIGN-BUILD DONE RIGHT™" AND CERTIFICATION

Certification provides the only measureable standard by which to judge an individual's understanding of "design-build done right."

DBIA certification in design-build project delivery educates owners as well as designers and builders on team-centered approaches to design and construction. Owners want successfully executed design-build projects and are looking for a demonstration of both relevant continuing education and experience — both of which can be gained through DBIA certification.

DBIA offers two types of Certification.

DBIA DESIGN-BUILD PROFESSIONAL™

Attaining the DBIA™ requires from two to six years of hands-on experience of pre and post-award design-build. Credential holders who display "DBIA" after their names come from traditional design and construction backgrounds; they are private or public sector architects, engineers and construction professionals. Some attorneys and academic practitioners who specialize in design and construction generally and design-build specifically may also fulfill the DBIA™ requirements.

DBIA ASSOCIATE DESIGN-BUILD PROFESSIONAL™

Unlike the DBIA™ credential, obtaining the Assoc. DBIA™ does not require hands-on field experience. Instead, this credential is focused on three key types of individuals who possess a different type of experience: (1) pre-award professionals focusing on critical aspects of the design-build process such as business development and acquisition/procurement; (2) seasoned professionals who are new to design-build project delivery, but not new to the design and construction industry; and (3) emerging professionals such as recent college graduates with relevant educational background in the AEC industry.

For more information, visit www.dbia.org/get-certified



Additional Resources

- DBIA Manual of Practice
- DBIA Standard Form of Contracts
- DBIA Universally Applicable Best Practices
- DBIA Sector Specific Best Practices
- Choosing A Project Delivery Method
- DBIA Position Statements

...and much more

Can be found at *dbia.org*





MISSION:

DBIA promotes the value of design-build project delivery and teaches the effective integration of design and construction services to ensure success for owners and design and construction practitioners.

VISION:

DBIA will be the industry's preeminent resource for leadership, education, objective expertise and best practices for the successful integrated delivery of capital projects.

VALUES:

- Excellence in integrated design-build project delivery, producing high value outcomes.
- An environment of trust characterized by integrity and honest communication.
- Mutual respect for and appreciation of diverse perspectives and ideas.
- A commitment to innovation and creativity to drive quality, value and sustainability.
- Professionalism, fairness and the highest level of ethical behavior.

DESIGN-BUILD DONE RIGHT™

PRIMER

A DESIGN-BUILD INSTITUTE OF AMERICA PUBLICATION

Copyright © October 2017

DBIA extends a special thanks to all of the industry leaders who helped shape this document. A special thanks is extended to the following key authors:

Michael C. Loulakis, Esq., DBIA
President/CEO, Capital Project Strategies, LLC
Reston, Virginia

Peter Kinsley, DBIA
President, Infrastructure & Transportation
The Haskell Company
Jacksonville, Florida

Geoffrey W. Neumayr, SE, P.E.
Deputy Airport Director, San Francisco International Airport
San Francisco, California

Craig H. Unger, DBIA
Principal, Unger Security Solutions
Knoxville, Maryland

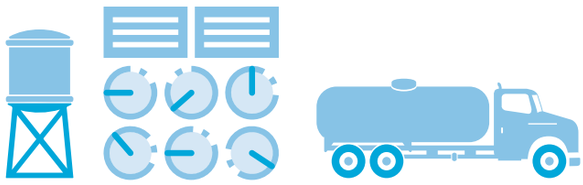
And The Progressive Design-Build Task Force

Cover Photo Credit
Air Traffic Control Tower, *San Francisco International Airport*

PROGRESSIVE DESIGN-BUILD NOW AVAILABLE TO WATER SERVICE PROJECTS



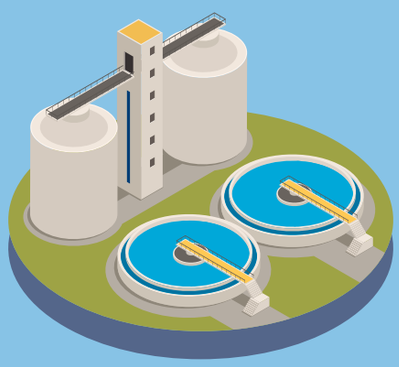
Newly signed into law, SB 991 allows local agencies to use collaborative project delivery for more efficient and cost-effective water storage, treatment, and transportation projects.



A Milestone for California Water Agencies

Local water and wastewater agencies in California are now better equipped to deliver essential water projects more efficiently and cost-effectively during this critical time of extended drought. Previously, most cities and water agencies did not have access to progressive design-build contracting.

With the passage of Senate Bill 991, starting in 2023, local agencies including **cities, counties, and specified special districts** that provide water production, storage, supply, treatment, or distribution services can now use the progressive design-build (PDB) process for **up to 15 public works projects estimated to cost more than $5 million each**. These changes are in effect until January 1, 2029.



Progressive Design-Build 101



Early Involvement

The owner and design-builder are all involved early in the process and in some cases, before the design is developed



Qualifications Based

The design-builder is selected primarily or exclusively on qualifications and past performance, as opposed to a design package or a bid

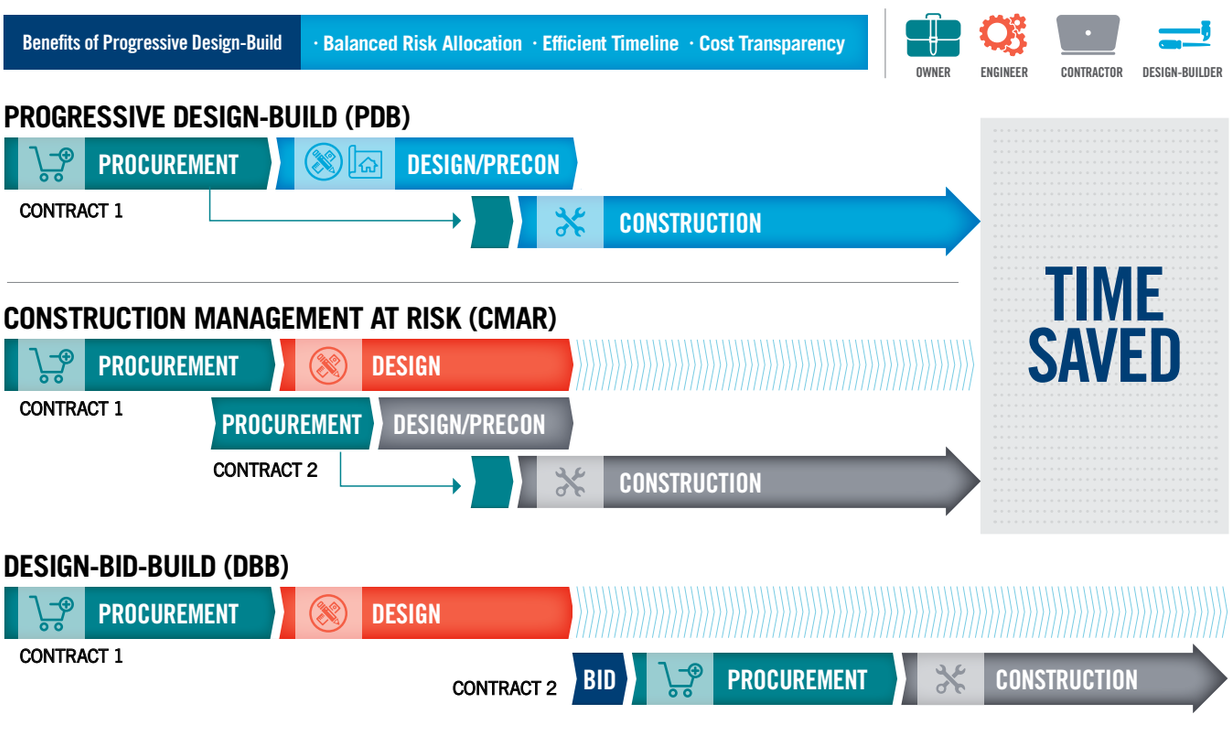


Progressive Process

The project moves forward in phases where the owner and design-builder work together to progress the design toward a maximum contract price

A Valuable Form of Collaborative Project Delivery

Access to the PDB process will reduce the overall risk, timeline, and cost of important water projects, helping local agencies address the state's need for water. Industry studies show projects delivered through PDB perform better against these metrics compared to the design-bid-build method.



Benefits of Progressive Design-Build

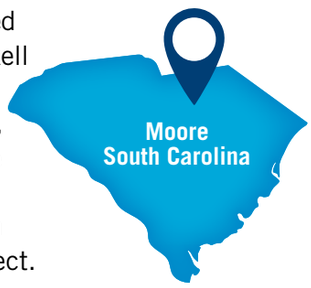
- Shortens the overall project schedule
- Increases transparency of the design-build cost and provides owners with more cost certainty earlier in the project
- Encourages collaboration between owners and design-builders
- Streamlines the procurement process
- Gives owners flexibility to move forward with the project if they cannot reach an agreement with the design-builder

A Proven Track Record of Successful Projects

PDB is a valuable form of collaborative project delivery that is becoming increasingly popular for public works projects. Here are just a few examples of the benefits of PDB in action:



Honey Creek Pump Station & Pipeline Project – DeKalb County, Georgia needed to upgrade its sewer system to meet anticipated sewer needs in the Honey Creek Sewer Basin for the next 45 years. Garney was selected as the designer and had to complete the design within less than two months of them receiving their contract, due to the fast-paced nature of the project. PDB delivery allowed collaboration among the owner, engineer, and contractor, which allowed them to work through the design process efficiently, begin construction before the design was complete, and complete the project 20 days ahead of schedule. Learn more about the project here.



Haskell Manufacturing Plant – Haskell, a global manufacturer of carbon fiber products, planned to build a manufacturing plant on a 400-acre greenfield site in Moore, South Carolina. Haskell had an agreement with the local sanitary sewer district for them to receive and treat the wastewater generated by the facility and there was an aggressive schedule for that to start, as the industrial wastewater flow would impact the hydraulic and process capacities of the treatment facility. PDB delivery allowed the owner and design-builder to collaborate on their approach factoring in cost, schedule, and risk into every decision. This resulted in an approximate savings of $20 million, which allowed the owner to pursue an additional project. Learn more about the project here.



CO Metro Wastewater Reclamation District Northern Treatment Plant (NTP) – Colorado's Metro Wastewater Reclamation District (Metro District) planned to build the Northern Treatment Plant (NTP), a new regional wastewater treatment facility to serve the northern Denver metropolitan area. The project was one of Colorado's largest and most complex wastewater projects to be constructed by collaborative delivery and using PDB delivery allowed the Metro District to have input on facility design, assess project risks, and stay on budget. Learn more about the project here.

How We Can Help

The Water Collaborative Delivery Association, formerly known as the Water Design-Build Council, is a leading professional association dedicated to advancing successful collaborative delivery solutions for the water and wastewater industry.

If you would like assistance understanding or preparing to implement the benefits now available through SB 991, please contact us here.

SB 991 PROGRESSIVE DESIGN-BUILD: LOCAL AGENCIES

Frequently Asked Questions



Water Collaborative Delivery Association
Better Projects, Together.

What is SB 991?

SB 991 is a state bill that is now law in California. Under this new law, local water agencies can now use the progressive design-build (PDB) contracting method for public works projects estimated to cost more than $5 million beginning in 2023.

What will be different under SB 991?

Under the new law, local agencies (a city, county, city and county, or special district authorized by law to provide for the production, storage, supply, treatment, or distribution of any water from any source) can now use the progressive design-build (PDB) contracting method for public works projects estimated to cost more than $5 million. Previously, state legislation only granted design-build authority with specific parameters and use by water agencies was limited.

Who authored this bill and why?

State Senator Josh Newman (D-Fullerton) authored the bill, citing recent data that shows California faces an unprecedented need for additional capacity to treat water. To meet this need, the majority of California's local water agencies will need to invest in new treatment methods that leverage cutting-edge technology that provides new opportunities to convert wastewater into drinking water.

The new law will give local agencies the option of using the progressive design-build contracting method to reduce schedules, overall project risks, and costs of these important public works projects.

What kinds of projects are eligible under the new law?

Any project that treats, pumps, stores, or conveys water, wastewater, recycled water, advanced treated water, or supporting facilities is eligible to use the progressive design-build construction procurement process. Each project must be estimated to cost more than $5 million.

What is progressive design-build (PDB)?

Progressive design-build (PDB) is a valuable form of collaborative project delivery that is becoming increasingly popular for public works projects throughout the U.S. Under a PDB contract, an owner enters into a single contract with a design-builder, selected primarily on qualifications, optionally in conjunction with price, in the early stages of a project. The three primary roles of the project—the owner, designer, and builder—then work as a team to make decisions about the project as it progresses through final design, construction, and commissioning.

What are the benefits of PDB?

The three main benefits of PDB are collaboration, schedule and timeline efficiency, and early cost certainty. In the PDB process, the owner, designer, and builder are collaborating with each other to better understand each component of the project before the design is finalized. This also allows the team to make decisions in the best interest of the project, rather than any single party.

Unlike traditional project delivery, the design-builder can be selected primarily on qualifications, which can substantially reduce procurement time. The collaborative process also ensures all the project decision-makers are in one room, which can help procure materials early and begin construction even if the design for the project is not complete.

Early involvement allows the owner to understand the risk upfront and tailor the scope of the project to meet its budget. Price estimates are completed throughout the different phases of the project, and owners can select which items to include in the design as prices change in real time, providing them with more cost certainty throughout the project. All parties agree to a final guaranteed maximum price before the project goes to construction.

How is PDB different from other project procurement methods? Why would a local water agency choose PDB over other options?

In traditional project delivery, known as the Design-Bid-Build method, the owner completes the design and then solicits bids for construction to contractors under a separate contract.

With the Design-Build method, the owner awards design and construction scope under the same contract, the owner provides performance standards to the design-builder, and everyone works together to deliver the project within a given budget and an accelerated timeline.

In the Construction Manager at Risk (CM/GC) method, the owner signs separate contracts with a designer and a general contractor, but they are brought on the project around the same time; the team then designs the project around the desired cost. The project timeline is typically much faster than the design-build method.

Progressive Design-Build (PDB) is a somewhat of a hybrid method where owners manage a single contract for design and construction (as opposed to the multiple contracts in traditional project delivery), based primarily on qualifications. The design-builder is also brought into the project much earlier in the process, compared to other delivery methods. The owner then progresses the design to obtain a guaranteed maximum construction price through collaboration and ongoing, transparent, cost estimates.

Owners that have the flexibility to use PDB will find value in the streamlined procurement process, schedule efficiency, cost transparency, and collaboration with the design-builder. PDB is a great option if an owner wants to use the design-build method, but values its active involvement in the design of the project.

How can eligible water agencies prepare to implement PDB in their procurement processes?

Owners should focus on four key areas when designing a procurement process and preparing to use the PDB method:

Assess the Project: Owners should first gain a full understanding of PDB and assess if it is the appropriate delivery method for their project.

Understand Legal Limitations: Owners should verify that state and local procurement laws allow for the use of PDB and pay careful attention to the specified requirements for procurement.

Develop a Procurement Plan: Owners should have a single, fundamental objective of selecting the right team and using a streamlined and simple process.

Ensure Collaboration: Owners should ensure their team members understand the importance of collaboration and that it is applied throughout the entire project.

Where has PDB been used in California or elsewhere successfully?

California has the most design-build projects compared to other states in the country. **Explore our Project Library** to learn more about successful progressive design-build projects.

Senate Bill No. 991

CHAPTER 243

An act to add and repeal Chapter 4.1 (commencing with Section 22170) of Part 3 of Division 2 of the Public Contract Code, relating to public contracts.

[Approved by Governor September 02, 2022. Filed with Secretary of State September 02, 2022.]

LEGISLATIVE COUNSEL'S DIGEST

SB 991, Newman. Public contracts: progressive design-build: local agencies.

Existing law, until January 1, 2025, authorizes local agencies, as defined, to use the design-build procurement process for specified public works with prescribed cost thresholds. Existing law requires specified information submitted by a design-build entity in the design-build procurement process to be certified under penalty of perjury.

Existing law authorizes the Director of General Services to use the progressive design-build procurement process for the construction of up to 3 capital outlay projects, as jointly determined by the Department of General Services and the Department of Finance, and prescribes that process. Existing law defines “progressive design-build” as a project delivery process in which both the design and construction of a project are procured from a single entity that is selected through a qualifications-based selection at the earliest feasible stage of the project. Existing law, pursuant to the process, after selection of a design-build entity, authorizes the Department of General Services to contract for design and preconstruction services sufficient to establish a guaranteed maximum price, as defined. Existing law authorizes the department, upon agreement on a guaranteed maximum price, to amend the contract in its sole discretion, as specified. Existing law requires specified information to be verified under penalty of perjury.

This bill, until January 1, 2029, would authorize local agencies, defined as any city, county, city and county, or special district authorized by law to provide for the production, storage, supply, treatment, or distribution of any water from any source, to use the progressive design-build process for up to 15 public works projects in excess of $5,000,000 for each project, similar to the progressive design-build process authorized for use by the Director of General Services. The bill would require a local agency that uses the progressive design-build process to submit, no later than January 1, 2028, to the appropriate policy and fiscal committees of the Legislature a report on the use of the progressive design-build process containing specified information, including a description of the projects awarded using the progressive design-build process. The bill would require the design-build entity and its general partners or joint venture members to verify specified information under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Digest Key

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

Bill Text

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 4.1 (commencing with Section 22170) is added to Part 3 of Division 2 of the Public Contract Code, to read:

CHAPTER 4.1. Local Agency Progressive Design-Build Contracting

22170. For purposes of this chapter, the following definitions apply:

(a) (1) "Best value" means a value determined by evaluation of objective criteria that may include, but are not limited to, price, features, function, life-cycle costs, experience, and past performance.

(2) A best value determination may involve the selection of the lowest cost proposal meeting the interests of the local agency and the objectives of the project.

(b) "Construction subcontract" means each subcontract awarded by the design-build entity to a subcontractor that will perform work or labor or render service to the design-build entity in or about the construction of the work or improvement, or a subcontractor licensed by the State of California that, under subcontract to the design-build entity, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications produced by the design-build team.

(c) "Design-build entity" means a corporation, limited liability company, partnership, joint venture, or other legal entity that is able to provide appropriately licensed contracting, architectural, and engineering services as needed pursuant to a design-build contract.

(d) "Design-build project" means any project that treats, pumps, stores, or conveys water, wastewater, recycled water, advanced treated water, or supporting facilities using the progressive design-build construction procurement process described in this chapter.

(e) "Design-build team" means the design-build entity itself and the individuals and other entities identified by the design-build entity as members of its team. Members shall include the general contractor and, if utilized in the design of the project, all electrical, mechanical, and plumbing contractors.

(f) "Guaranteed maximum price" means the maximum payment amount agreed upon by the local agency and the design-build entity for the design-build entity to finish all remaining design, preconstruction, and construction activities sufficient to complete and close out the project.

(g) "Local agency" means a city, county, city and county, or special district authorized by law to provide for the production, storage, supply, treatment, or distribution of any water from any source.

(h) "Progressive design-build" means a project delivery process in which both the design and construction of a project are procured from a single entity that is selected through a qualifications-based selection at the earliest feasible stage of the project.

(i) "Qualifications-based selection" means the process by which the local agency solicits for services from the design-build entities and that price is not the sole factor as the basis of award.

22171. A local agency may procure progressive design-build contracts and use the progressive design-build contracting process described in this chapter for up to 15 public works projects in excess of five million dollars ($5,000,000) for each project.

22171.5. A local agency entering into design-build contracts authorized under this chapter shall develop guidelines for a standard organizational conflict-of-interest policy, consistent with applicable law, regarding the ability of a person or entity that performs services for the local agency relating to the solicitation of a design-build project, to submit a proposal as a design-build entity, or to join a design-build team.

22172. The procurement process for progressive design-build projects shall progress as follows:

(a) The local agency shall prepare and issue a request for qualifications in order to select a design-build entity to execute the project. The request for qualifications shall include, but is not limited to, the following elements:

(1) Documentation of the size, type, and desired design character of the project and any other information deemed necessary to describe adequately the local agency's needs, including the expected cost range, the methodology that will be used by the local agency to evaluate the design-build entity's qualifications, the procedure for final selection of the design-build entity, and any other information deemed necessary by the local agency to inform interested parties of the contracting opportunity.

(2) Significant factors that the local agency reasonably expects to consider in evaluating qualifications, including technical design and construction expertise, and all other non-price-related factors. The local agency may require that a preliminary cost estimate be included in the design-build entities' responses and consider those costs in evaluating the statements of qualifications.

(3) The relative importance or the weight assigned to each of the factors identified in the request for qualifications.

(4) A standard template request for statements of qualifications prepared by the local agency. In preparing the standard template, the local agency may consult with the construction industry, the building trades and surety industry, and other local agencies interested in using the authorization provided by this chapter. The template shall require the following information:

(A) If the design-build entity is a privately held corporation, limited liability company, partnership, or joint venture, a listing of all of the entity's shareholders, partners, or members known at the time of the statement of qualification submission who will perform work on the project.

(B) Evidence that the members of the design-build team have completed, or have demonstrated the experience, competency, capability, and capacity to complete, projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project, and a financial statement that ensures that the design-build entity has the capacity to complete the project.

(C) The licenses, registration, and credentials required to design and construct the project, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the design-build entity has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Information concerning workers' compensation experience history and a worker safety program.

(F) If the proposed design-build entity is a corporation, limited liability company, partnership, joint venture, or other legal entity, a copy of the organizational documents or agreement committing to form the organization.

(G) An acceptable safety record. A proposer's safety record shall be deemed acceptable if its experience modification rate for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category or if the proposer is a party to an alternative dispute resolution system as provided for in Section 3201.5 of the Labor Code.

(5) The information required under this subdivision shall be certified under penalty of perjury by the design-build entity and its general partners or joint venture members.

(b) (1) A design-build entity shall not be evaluated for selection unless the entity provides an enforceable commitment to the local agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades, in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1.

(2) This subdivision shall not apply if one or more of the following requirements are met:

(A) The local agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the local agency before January 1, 2023.

(C) The entity has entered into a project labor agreement that will bind the entity and all its subcontractors at every tier performing the project or contract to use a skilled and trained workforce.

(3) For purposes of this subdivision, "project labor agreement" has the same meaning as provided in paragraph (1) of subdivision (b) of Section 2500.

(c) At the close of the solicitation period, the local agency shall review the submissions. The local agency may evaluate submissions based solely upon the information provided in each design-build entity's statement of qualifications. The local agency may also interview some or all of the design-build entities to further evaluate their qualifications for the project.

(d) Notwithstanding any other provision of this code, upon issuance of a contract award, the local agency shall publicly announce its award, identifying the design-build entity to which the award is made, along with a statement regarding the basis of the award. The statement regarding the local agency's contract award and the contract file shall provide sufficient information to satisfy an external audit.

22172.1. (a) The design-build entity shall provide payment and performance bonds for the project in the form and in the amount required by the local agency, and issued by a California admitted surety. The amount of the payment bond shall not be less than the amount of the performance bond.

(b) The design-build contract shall require errors and omissions insurance coverage for the design elements of the project.

(c) The local agency shall develop a standard form of payment and performance bond for its design-build projects.

22172.2. (a) After selecting a design-build entity based upon qualifications, the local agency may enter into a contract and direct the design-build entity to begin design and preconstruction activities sufficient to establish a guaranteed maximum price for the project.

(b) (1) Upon agreement of the guaranteed maximum price for the project, the local agency, at its sole and absolute discretion, may amend its contract with the design build entity to contract for the remaining design, preconstruction, and construction activities sufficient to complete and close out the project, consistent with the

guaranteed maximum price. In the event that there are unforeseen site conditions, the local agency may amend its contract with the design build entity accordingly and consistent with the guaranteed maximum price, to enable the entity to complete the remaining design, preconstruction, and construction activities sufficient to complete and close out the project.

(2) If the cost for completing all remaining design, preconstruction, and construction activities sufficient to complete and close out the project exceed the guaranteed maximum price, the costs exceeding the guaranteed maximum price shall be the responsibility of the design-build entity. If the cost for these activities are less than the guaranteed maximum price, the design-build entity shall not be entitled to the difference between the cost and the guaranteed maximum price unless there is a prior written agreement concerning the sharing of these funds. For purposes of this section, cost shall include the design build entity's direct costs, general conditions, overhead, and fee.

(c) (1) If the local agency and the design-build entity do not reach agreement on a guaranteed maximum price, or the local agency otherwise elects not to amend the design-build entity's contract to complete the remaining work, the local agency may solicit proposals to complete the project from firms that submitted statements of qualifications pursuant to Section 22172. The local agency may also, upon written determination that it is in the best interest of the city, county, city and county, or special district, as applicable, to do so, formally solicit proposals from other design-build entities, and contract award shall be made on a best value basis.

(2) The design professionals responsible for performing design services on behalf of a design build entity that has been replaced pursuant to paragraph (1) shall have sole liability for their design errors and omissions, provided the local agency elects to use their complete and stamped designs with subsequent design build entities or licensed contractors.

22172.3. (a) The local agency, in each design-build request for qualifications, may identify specific types of subcontractors that shall be included in the design-build entity's statement of qualifications. All construction subcontractors that are identified in the statement of qualifications shall be afforded the protections of Chapter 4 (commencing with Section 4100) of Part 1.

(b) Following award of the design-build contract, except for those construction subcontractors listed in the statement of qualifications, the design-build entity shall proceed as listed in this subdivision in awarding construction subcontracts with a value exceeding one-half of 1 percent of the contract price allocable to construction work for projects with a contract value of greater than or equal to ten million dollars ($10,000,000).

(1) Provide public notice of availability of work to be subcontracted in accordance with the publication requirements applicable to the competitive bidding process of the local agency, including a fixed date and time on which qualifications statements, bids, or proposals will be due.

(2) Establish reasonable qualification criteria and standards.

(3) Award the subcontract on a best value basis. The process may include prequalification or short-listing.

(c) Subcontractors awarded construction subcontracts under this subdivision shall be afforded all the protections of Chapter 4 (commencing with Section 4100) of Part 1.

(d) A construction subcontractor licensed pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code that provides design services used on a project authorized by this chapter shall not be subject to any liability arising from their design if the construction subcontract for that design is not performed by that subcontractor.

22172.4. (a) If the local agency elects to award a project pursuant to this chapter, retention proceeds withheld by the local agency from the design-build entity shall not exceed 5 percent if a performance and payment bond, issued by an admitted surety insurer, is required in the solicitation. Work performed to establish the guaranteed maximum price shall not be subject to retention.

(b) In a contract between the design-build entity and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage of the retention proceeds withheld shall not exceed the percentage specified in the contract between the local agency and the design-build entity. If the design-build entity provides written notice to any subcontractor that is not a member of the design-build entity, before or at the time the bid is requested, that a bond may be required, and the subcontractor subsequently is unable or refuses to furnish a bond to the design-build entity, then the design-build entity may withhold retention proceeds in excess of the percentage specified in the contract between the local agency and the design-build entity from any payment made by the design-build entity to the subcontractor.

22172.5. (a) Notwithstanding Section 10231.5 of the Government Code, no later than January 1, 2028, a local agency that uses the progressive design-build process pursuant to this chapter shall submit to the appropriate policy and fiscal committees of the Legislature a report on the use of the progressive design-build process.

(b) The report shall include, but is not limited to, the following information:

(1) A description of the project or projects awarded using the progressive design-build process.

(2) The contract award amounts.

(3) The design-build entities awarded the project or projects.

(4) A description of any written protests concerning any aspect of the solicitation, bid, or award of the contracts, including the resolution of the protests.

(5) A description of the prequalification process.

(6) The number of specialty subcontractors listed by construction trade type, on each project, that provided design services, but did not meet the target price for their scope of work, and therefore did not perform construction services on that project.

(7) Whether or not any portion of a design prepared by the specialty subcontractor that did not perform the construction work for that design was used by the local agency.

(8) The number of specialty subcontractors listed by construction trade type, on each project, that meet the definition of a small business, as specified in paragraph (1) of subdivision (d) of Section 14837 of the Government Code.

(9) The number of specialty subcontractors listed by construction trade type, on each project, that meet the definition of a microbusiness, as specified in paragraph (2) of subdivision (d) of Section 14837 of the Government Code.

(10) If a project awarded under this chapter has been completed, an assessment of the project performance, including, but not limited to, a summary of any delays or cost increases.

(c) The report submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

22173. Nothing in this chapter affects, expands, alters, or limits any rights or remedies otherwise available at law.

22174. This chapter shall remain in effect only until January 1, 2029, and as of that date is repealed.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

DELIVERY METHOD								
		Traditional DBB		Progressive DB (PDB)		Fixed DB (FDB)		Notes
Cost	15%	2	0.3	3	0.45	2	0.3	In PDB - the construction cost can be negotiated at the later stage after the design is more complete and defined. In PDB, GC participates in establishment of the final price, and the price is more accurate. In DBB, the bidding environment provides potential for the lower cost. However, COs might be significant.
Cost Certainty	10%	4	0.4	2	0.2	4	0.4	FDB and DBB have more cost certainty upfront.
Funding	10%	3	0.3	2	0.2	3	0.3	Funding application and reporting is simpler in FDB and more recognizable by the funding agencies.
Materials Market Conditions	10%	2	0.2	3	0.3	2	0.2	In PDB - GC can participate in the selection of the best time for procurement based on the current or historic prices, as City will have access to the real-time actual prices.
Contingencies and Escalation	5%	1	0.05	3	0.15	2	0.1	Higher contingencies in FDB and DBB due to more unknown and potentially paid regardless if not encountered. PDB is less risk to the GC and therefore, potentially less contingencies and escalations; typically not paid if not encountered.
Delivery Method (T&M vs LS)	5%	2	0.1	3	0.15	2	0.1	PDB has more flexibility on the cost model LS and T&M.
Schedule (Ability to Fast-Track)	5%	2	0.1	3	0.15	2	0.1	PDB has a flexibility for early packages.
Risk Allocation (e.g., Contract, Schedule, Quality)	0%	1	0	2	0	1	0	More risk GC during FDB.
Quality Control	5%	2	0.1	4	0.2	1	0.05	Quality of project components are more achieved in PDB.
Design Definition Flexibility	5%	2	0.1	3	0.15	2	0.1	Typically FDB is 30-35% in bridging documents. PDB can be lower to allow DB team innovation and less risk and liability to the City.
Flexibility During Design and Construction	5%	1	0.05	4	0.2	3	0.15	
Team Collaboration/ Constructability Review	5%	1	0.05	3	0.15	2	0.1	PDB is more flexible to incorporate brainstorming and innovations
GP (Construction Price Procurement)	5%	1	0.05	3	0.15	2	0.1	PDB has open book GP procurement.
Environmental/ Permitting	5%	1	0.05	3	0.15	2	0.1	PDB provides more flexibility to adjust to environmental/ permitting requirements.
Contract Management	5%	4	0.2	2	0.1	3	0.15	FDB and DBB day to day contract management is simpler to administer
Competition and DB Teams Procurement	5%	1	0.05	2	0.1	1	0.05	Typically contractors prefer PDB increasing competition
	100%		**2.1**		**2.8**		**2.3**	

DBB: Design-Bid Build
PDB: Progressive-Design-Build
FDB: Fixed Price Design-Build