



The design and construction industry varies greatly in the different project delivery methods available to complete a project from concept to completion. It is important to understand the basics of each method in order to identify roles and responsibilities of the owner, designer, and contractor.

The information below outlines, in general terms, four of the most prevalent delivery methods currently utilized within the industry. Project utilizing public funds may have restrictions on allowable delivery methods whereas projects funded with private money have no restrictions.

Delivery Method	Description
<p align="center"><b>Design-Bid-Build (D-B-B)</b></p>	<p>Characteristics:</p> <ul style="list-style-type: none"> <li>• Separate contract with Architect and Contractor</li> <li>• Contractor is selected based on lowest cost</li> <li>• Most commonly understood</li> <li>• Linear sequence of work (longest delivery time)</li> </ul> <p>Primary Reason to Choose:</p> <ul style="list-style-type: none"> <li>• Owner retains full control of design</li> <li>• Laws are well defined</li> <li>• Low first cost (bidding)</li> </ul> <p>Disadvantages:</p> <ul style="list-style-type: none"> <li>• Owner is responsible for all project costs</li> <li>• Highest rate of legal issues</li> <li>• No utilization of contractor input</li> </ul>
<p align="center"><b>Construction Manager at Risk (CM@Risk)</b></p>	<p>Characteristics:</p> <ul style="list-style-type: none"> <li>• Separate contract with Architect and CM</li> <li>• CM performs as Contractor for project</li> <li>• CM is selected on qualifications and fees</li> <li>• Construction risks are transferred to Contractor</li> <li>• Typically open-book on costs (full disclosure to Owner)</li> </ul> <p>Primary Reason to Choose:</p> <ul style="list-style-type: none"> <li>• Owner retains full control of design</li> <li>• Contractor is involved early</li> <li>• Estimated costs are known prior to final design documents</li> </ul> <p>Disadvantages:</p> <ul style="list-style-type: none"> <li>• Owner is responsible for changes</li> <li>• Owner’s qualification-based selection of CM</li> <li>• Architect under no obligation to take input from CM</li> </ul>
	<p>Characteristics:</p> <ul style="list-style-type: none"> <li>• Single-point of contact/responsibility for design and cost</li> <li>• Often the fastest delivery</li> </ul>



<p><b>Design-Build (D-B)</b></p>	<ul style="list-style-type: none"><li>• Most cost effective</li><li>• Requires a well-defined project scope</li><li>• Timely decisions are critical to success</li><li>• Administration of process is key to success</li></ul> <p>Primary Reason to Choose:</p> <ul style="list-style-type: none"><li>• Owner shares design responsibility with Design-Builder</li><li>• Construction input occurs during the design process</li><li>• Project scope is well defined prior to start of construction</li><li>• Accelerated schedule</li><li>• Typically performed with a guaranteed price from Contractor prior to completion of design</li></ul> <p>Disadvantages:</p> <ul style="list-style-type: none"><li>• Fully dependent on abilities of Design-Builder</li><li>• Need up-front project definition and performance criteria</li><li>• Owner needs to manage quality expectations and cost</li><li>• Owner required to make early design decisions</li></ul>
<p><b>Public-Private Partnership (3P or PPP)</b></p>	<p>Characteristics:</p> <ul style="list-style-type: none"><li>• Still new to the U.S. but becoming more accepted</li><li>• Involves a contract between a government entity and a private corporation to fund, design, and construct a project</li></ul> <p>Primary Reason to Choose:</p> <ul style="list-style-type: none"><li>• Taxpayers are relieved of initial funding obligations</li><li>• Private entities are generally more efficient than public entities due to profit motivation and fewer regulations</li><li>• Public entity still maintains some oversight</li></ul> <p>Disadvantages:</p> <ul style="list-style-type: none"><li>• Some risk must be taken by the public entity</li><li>• Private entity efficiencies may be in conflict with public entity standard procedures</li><li>• Eventually, the public entity will take over the project and must live with the results</li></ul>