

## Project Delivery Options: Pros and Cons

## Traditional Design-Bid-Build

Pros	Cons
<ul> <li>Design-bid-build's linear process is easy for owners to manage and understand</li> <li>Owners can actively participate in the design process</li> <li>Scheduling is straightforward since design and construction phases are sequential, not overlapping</li> <li>Design-bid-build process benefits from the architect's professional responsibility to design a quality building and act on behalf of the owner</li> <li>Once the contractor makes a cost commitment, it is usually reliable because it is based on nearly completed design documents</li> <li>Design and construction roles are separate and well-understood, making both responsibility and liability relatively clear</li> <li>Owners have the opportunity to review competitive bids for construction costs</li> <li>Contractors are familiar with process and work well under this approach</li> <li>Architects are more active in construction administration than in other project delivery methods so design intentions are carried through construction</li> </ul>	<ul> <li>Construction costs are not firmly established until design stage is completed</li> <li>If bids run over budget, redesign, value engineering, and rebidding processes can lead to project delays and additional design costs</li> <li>Architect does not typically receive benefit of the contractor's advice on constructability and costs during the design phase</li> <li>Knowledge of some advanced construction technology offered by specialty subcontractors and general contractors is not as readily available in this approach</li> <li>Since most contractors compete on the basis of the lowest bid, any gaps or alterations in the design documents may lead to opportunities for contractors to delay construction and/or request change orders</li> <li>This approach's relatively long process may be unacceptable for owners</li> <li>Since process is linear, any delay in one of the phases usually sets back the entire schedule</li> <li>Construction delays may result in added costs to owner and architect</li> <li>Adversarial relationships and potential for litigation can develop between architect and contractor, due to their separate contracts with the owner</li> </ul>

## Legal Disclaimer:

Nothing in this material should be construed as investment, financial, brokerage, or legal advice. Moreover, the facts and circumstances relating to your particular project may result in material changes in the processes, outcomes, and expenses described herein. Consult with your own professional advisors, including your financial advisors, accountants, and attorneys, before attempting to consummate any transaction described in this material.