

# WSU 5th Annual Design-Build Forum 'The Promise of Design-Build' Summarized Minutes

PRESENTATION: SHB 1295 and Update on Reauthorization

Thank you, Walter Schacht, for presenting on the SHB 1295 which updated the Design-Build and JOC statutes. A copy of the Summary of Changes: Design-Build Procurement is attached for reference.

As promised the Washington State Disparity Study can be found at the following web address: <https://omwbe.wa.gov/governors-subcabinet-business-diversity/disparity-study>

PRESENTATION: Integrated Design-Build at the University of Washington

As special thank you to Steve Tatge of UW and Scott Siekawitch of Perkins Coie for presenting on Integrated Design-Build contracting being pioneered at UW. Attached is the slideshow presentation given at the forum. As you can see from the materials, this contract method requires a level of complexity that only a public agency highly seasoned in Design-Build should even consider.

TOPIC: Design Charrette as part of Progressive Design-Build

What questions should be asked, why, and what outcomes will they achieve? How would you structure the interview?

- Open dialog allows for ingenuity to happen, informal nature of the discussion will help create this informality. Owner could have an unannounced meeting or make part of the meeting a surprise topic to force this informal feeling.
- Create a problem for the team & owner to work through together.
- Going to the DB teams location helps set the stage for open dialog and team chemistry.
- Ask a hard question to get the ingenuity wheels turning.
- Break up charrette into multiple focused topics and/or times. Three short charrettes, instead of one long meeting.
- Question the program: where are the weaknesses, how to improve upon them.
- Have a panel discussion first.
- Have teams demonstrate how they have worked together previously.
- Answers aren't the important part, the process is.
- Ask the team: What would you never do again? Best project? Worst Project? Some discussion at tables indicate that teams may not be willing to divulge this information, or may provide artificial answers to avoid real responses.
- Manage expectations – look at the process, not what the solution is.

# WSU 5th Annual Design-Build Forum

## 'The Promise of Design-Build'

### Summarized Minutes

- Have the team do a project for a non-profit or volunteer together.
- Ask who is taking ownership of what part of the project.
- Design Ideas – to achieve spontaneity don't come with preconceived ideas.
- Ask what incentives will be used to maintain talent. Don't just bring leadership team, but bring the people who will be working together closely on the project.
- Ask about cost model certainty.
- Need to include Superintendents in the interview and make sure they interact. They are the boots on the ground and know the most about how the project will be built. Identify core roles on design team and have in-depth conversation.
- Present 3 different, finite problems for the Team to work through. Different people at the interview would have specialized knowledge to work through a problem. One site problem, one MEP problem, etc.
- Charrette will be most effective if some information is provided up front, so there is less time wasted on questions during the charrette. Also will help to make sure the "right" people are present, especially if members of the team are limited by WSU. Let the teams develop the best way to present the information.
- Need to have a visionary approach when starting and looking to the team for what will the building look like or function as in 10 years.
- Put in the contract up front that the Design-Builder can't give the Owner anything that they can't afford. How will the owner manage the team to with what can't be afforded.
- How does the builder participate in the design charrette during the presentation.
- Define the difference between chemistry and delivery capability – might want to clarify that grading criteria.
- Focus on the real project issues not an abasement exercise.
- Question such as "contractor/architect had this concept/thought/build – what are your thoughts".
- Reduce focus on prepared presentations by design team.
- Would like the presentation team to be 7-8 people.
- Create a format for typical pre-presentation meetings that defines what owner wants so team can target they're presentation and materials better.
- Ask the DB team: what is a big idea from past projects that was innovative, etc, and how it would add value to WSU?
- Shorten interview from 6 to 4 hours so DB team. This would keep the WSU interviewers from getting overwhelmed with info that they may not be interested in.
- Everyone at the table liked the idea of conducting interviews at the team's offices, it show's WSU's willingness to make an effort.

# WSU 5th Annual Design-Build Forum

## 'The Promise of Design-Build'

### Summarized Minutes

- DB team should challenge the owner in how they will manage expectations of the end user when you have a fixed cost and flexible scope.
- Ask about levels of accountability within the team and how they include the owner.
- Ask the DB team (and owners) how they handle a fiasco?
- The DB team wants to really engage the owner. Owner should describe the “why and what” of the project. The DB team should describe why they’re pursuing it.
- Don’t put too many limits on the tools and format of the charrette and interview
- What does success mean and what does risk / reward look like to DB team?
- Ask owner, if you could add or subtract program from the budget, what would those things be?

#### TOPIC: Design-Build Measurements of Success

What measures should be used to evaluate Design-Build delivery outcomes?

- Design is heavily criticized but the construction approach is not as closely ridiculed.
- Perform team surveys throughout the process to check the pulse and health of the team.
- Give the teams budget & needs, let teams determine solutions. Owner needs to know what they want.
- Actual performance of energy, client comfort, etc.
- User evaluations after the project which include: Did you get what you want/need?
- Did you meet the goals? Follow up a year later.
- Do all of the subs and lower tiers get informed about the project being Design-Build or given the opportunity to achieve incentives?
- Commercial vs. Private Cost differences. Institutional buildings are constructed to last 40 to 60 years. Commercial structures are built to last less than 20. This is why institutional buildings have a higher cost premium.
- DB is less contentious and takes less time by the Owner. Everyone’s time is better spent, which results in better projects.
- More collaboration needs more time by the Owner, though.
- WSU is better at making decisions as compared to the time before DB.
- Target Value – how can we get certainty on cost expectations? Unrealistic expectations on cost. Should have a longer validation process. Set up Target Values at programming stage.
- Measure accuracy not savings. Was is within 5% of that initial cost?
- Efficient Risk: create a risk matrix that measure efficiency and allocation of risk.

# WSU 5th Annual Design-Build Forum

## 'The Promise of Design-Build'

### Summarized Minutes

- Measure behavior through feedback throughout the project and after. Including a third party facilitator.
- Measure through quantity of ideas and quality of ideas.
- Document the benefits.
- Measure by who is contributing to the process versus creating friction.
- Through reduction in redundancies and backtracking.
- Defining "value" versus "cost".

#### TOPIC: Design Process in Design-Build

How is the Design-Build design process different/better than typical DBB or even GCCM?

- Leave the details out of the drawings and allow the shop drawing / submittals to create the details and eliminate repeated work.
- Put the detailing in the hands of those who are best suited to do it.
- Allow building models to be universal by leaving them in a format that can be used by all and let them build upon themselves.
- Eliminates need to unneeded dimensioning and detailing.
- Trade partner involvement early to allow decisions to be made early in the project when there is less of a cost impact. Decide early who is doing the design for what and when.
- Spend the time upfront identifying the problem so it can be solved quickly and correctly.
- 55 minutes identifying the problem 5 minutes solving it.
- Establish the deliverables needed for the project as a team early in the project and together.
- Work backwards from goals through Pull Plan the design. Use pull planning to set milestones per package. Define scope with the Team and determine when is the best time to review that package of work based on the need for decisions/input.
- Traditional methods of design don't work even with Design-Bid-Build.
- Don't ask for any more than you need.
- Make pay based upon the Pull and Staffing Plans.
- Design for Design-Build is a blurred design project with the entire team involved. Should have weekly meetings and constant feedback.
- Architects payment shouldn't be based on the State Fee schedule. Redistribution of design fees.

# WSU 5th Annual Design-Build Forum

## 'The Promise of Design-Build'

### Summarized Minutes

- Target Price design – comparing target price vs. actual price at each phase of the process.
- Design Standards vs. Optimization / Best Value. Consider having less stringent standards and let the A/E and design team find best value modern solutions.
- D-B Produces: Higher Quality, Cost Certainty, Reduces Acquisition Time and transfers risk.
- All the current review schedules just drag out the process. They do not apply anymore.
- Have someone on your internal team that can estimate costs so you're not designing and then stepping back. The contractor should always be in the room.
- Have everyone around the same table for intensive design workshops.
- It is very difficult for the engineers to accept designs from trade partners and be expected to stamp them. Also, how do you deliver the design enough to get the permits. Circles back to trust between designers and trade partners.
- Requires really strong communication – primary estimating take place well before CD's are complete. Will this dilute design if details need to be deleted to hit target number or the architect is dropped out of the conversation.
- Start with basic bare bone design of the structure, agree on it and then building out design for more detail.
- How do you not lose the art and beauty of the project? The intangibles?
- How do you not lose the art and beauty of the project? The intangibles?

#### TOPIC: MWBE in Design-Build

Initiatives to increase use of MWBE and small contractors, sub-contractors and A/Es?

- Target MWBE subcontractors very early and target them in the solicitation process.
- Track MWBE involvement during the buyout process.
- Contractor can assign a large scope of work to a MWBE and mentor them along the way.
- Encourage minorities to start a business and support them through project opportunities.
- Create partnerships with trade / design schools bringing interns into the business to get hands on experience.
- Increase involvement through mentorship programs, protégé programs, etc.
- Discussed the pitfalls of rewarding one owner versus developing a diverse workforce.
- Make bid packages sized to a small company. Multiple alternate in one bid package to get both small firms and big firms interest.
- Maintain consistent requirements.

# WSU 5th Annual Design-Build Forum

## 'The Promise of Design-Build'

### Summarized Minutes

- Experience requirements in solicitations are too rigid, and to what purpose? Open the door to smaller/new/disadvantaged firms through less stringent experience requirements.
- State Certification Process is too cumbersome and timely and not worth the effort. No benefit since the State cannot award or set-aside.
- Privacy is not protected for the businesses – so many choose not to do it.
- Issue should be addressed through our K-12 and Colleges. Students are encouraged “go college – go college” but no emphasis on trade-schools and its opportunities.
- What about focusing on workforce diversity vs only business ownership. Many business have very diverse workforces and activity encourage and recruit but the law only looks at the business ownership equation.
- There are very few available in E. WA, though more women appear to be involved than before.
- Business owner’s status is not relevant. Many companies are building partnerships rather than sole ownership.
- Determine “social justice” targets for those working on a project, within each firm. WSU can set targets and use that in the RFP/Q process. “JUST” (<https://living-future.org/just/>)
- Need diversity within design teams and companies. Have companies report on their mix. Who is at leadership levels?
- Design colleges need to encourage diversity.
- Find people you can trust and work with them. Give smaller firms a change to building trust and partnership.
- There is not enough nurturing of the design profession to encourage diversity.
- Figure out what the barriers are and try to address each of those barriers.
- Retainage is an issue for small firms due to cash flow.
- Build their capacity and not just use the to augment.
- Partner with large firms willing to give smaller MWBE’s a meaningful part of the project.
- Use DB incentive distribution to encourage MWBE Subcontractors.
- Opportunities for internships early (high school).

End of Summarized Minutes