



Progressive Design-Build Introduction, March 11, 2025

Project Delivery Concept: Utilize alternative project delivery methods allowed by the Revised Code of Washington (RCW) to procure the project designer and contractor together as a single team. The team is selected together based on qualifications and price. The City works cooperatively with the design-build team to develop the design. The design-builder then provides a Guaranteed Maximum Price (GMP) and constructs the project.

Process governed by RCW 39.10.300: Progressive Design-Build (PDB) is allowed on projects over \$2M that meet at least one of the following criteria:

- The construction activities are highly specialized, and a design-build approach is critical in developing the construction methodology.
- The projects selected provide opportunity for greater innovation or efficiencies between the designer and the builder.
- Significant savings in project delivery time would be realized.

PDB requires the state Capital Projects Advisory Review Board Project Review Committee (CPARB-PRC) approval. This group approved the City's use of GC/CM for the Senior and Community Center project.

Solicitation of the PDB Team: The process for procuring the PDB team is similar to how the RSCC GC/CM contractor was procured in that they are selected based on a combination of qualifications and fee proposals. However, one significant difference is that in PDB, the designer/architect and the contractor are selected as a team rather than each entity contracting with the City separately.

The City will advertise a Request for Qualifications (RFQ), including team qualifications and experience, past project performance, and past performance utilizing MWBE and small businesses. The Statements of Qualifications will be scored using criteria outlined in the RFQ, and a shortlist of 3-5 teams will be invited to submit proposals.

The Request for Proposals (RFP) for the shortlisted teams will request a Project Management Plan (PMP), including the approach to delivering this project. The City will hold interactive meetings with each team to gauge their ability to work as a team and with the City. Finally, the teams will submit their proposal, including their fee, the PMP, and the inclusion plan. The proposals are scored based on criteria in the RFP. The highest-scoring team based on RFQ+RFP is selected. An honorarium is required for the shortlisted teams that are not selected.

Contracting with the design-builder: The project is a single contract, with amendments and council approval points throughout the project.

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The initial phase is validation, which is the initial contract that will be presented to the Council for approval. The PDB team works with the City to review project requirements, including the Master Plan, and validate the assumptions the team will use as they advance the design.

Following validation, the PDB team will propose an amendment to their contract to provide design services for Council approval. Working alongside City staff, including functional areas and the permitting department, the PDB team advances the design to approximately 85-90% completion. There are many check-in points where the City and Owner's Rep provide formal reviews of progress prints and construction cost estimates. At 85-90% complete, the PDB team will provide the City with a Guaranteed Maximum Price (GMP) to complete the design and construct the project.

The GMP is presented to the Council for consideration and approval and is the final contracting phase for the project. This PDB contract will be a cost-plus with a GMP. This type of contract is a cost-reimbursable contract that provides, in detail, the costs for which the design-builder is entitled to be reimbursed, plus an overhead and profit percentage that is applied to the reimbursable costs. The costs are usually capped with a GMP, the maximum amount the design-builder may be compensated under the contract. Under a cost-plus with a GMP form contract, the Owner is entitled to full transparency into all costs and has the right to audit the costs that are submitted for reimbursement.

Among the benefits that PDB can provide for a project are:

- A single contract for the PDB team – the architect and contractor are partners and approach developing project solutions that meet all parties' needs
- Early work packages – work can begin earlier because the single contract already covers design, procurement, and construction
- The City is involved with design through 90% and can evaluate design and cost considerations throughout the design process

Owner's Rep contract: OAC Services, Inc. has been selected as the Owner's Rep for this project. OAC is a recognized leader in PDB and other alternative delivery methods and has led over 40 agencies through their first PDB project. OAC will lead the project along with the City, from CPARB-PRC approval, PDB team procurement, design, GMP negotiation, and finally, through construction and closeout. Because OAC is involved during the project's entire life, Council will be asked to approve OAC's entire contract. However, staff intends to provide Notices to Proceed at each project phase, so there is an opportunity to evaluate and revise the contract if needed. OAC's contract will be presented to the Parks and Environmental Sustainability Committee of the Whole on March 25 and then the Council Business Meeting on April 1.

Dashboard: The following page shows a dashboard often used by OAC to track progress and provides a "road map" of the PDB process.