***Question: is IPD different from design built ?***

Absolutely. Design-Build is one of the best construction contracts for transferring the majority of risk over to the Design-Builder and their team. IPD is about risk sharing and not transfer and puts the Owner within the design and construction team to create one team. This being said, it is possible that some Design-Build teams may use IPD-like tools and collaboration tactics within their own team but this would exclude the Owner entirely.

Progressive Design-Build could be considered a hybrid of both IPD and Design-Build. This would allow the Owner, Builder and Consultants to be a part of a single team during the initial stages (highly collaborative) although prior to construction starting the Price offered by the Progressive Design-Build team would include agreed to risk transfer items, which may not include all risk transfer. This provides the Owner a better product through a collaborative process as well as a GMP price that the team would not exceed.

Specifically, CCDC has developed two contracts in relation to both delivery models. CCDC is also developing new IPD and Progressive Design Build contracts that should be available shortly after the New Year. Happy to walk anyone through the specifics of both.

***Thoughts on what an appropriate honorarium is?***

It is important to note that the recommended approach to calculating an appropriate honorarium has been established by the Design-Build Institute of America.

On many of our post-secondary projects we have asked for fully engineered structure and foundations drawings to allow the DB to go for permit shortly after award. Because of this typically these honorariums could appear to be high in cost although it is typically a small percentage of what you would pay in the market for the information you get.

Also, there is no honorarium in Progressive Design-Build projects. Owners pay the team for the effort they expend on getting to a GMP. This typically costs 5-10 times more than an honorarium depending on the project.

There is material on an industry calculation (attached herein) and the answer is it depends on the project and needs careful consideration.

***How do operations have more influence on successful project delivery in IPd or progressive delivery?***

In traditional construction delivery models the architect and engineers are “translators” of end users and operational stakeholders. The issue is that many times things get lost of the translation or someone doesn’t understand the translation to the extent that they should. In IPD and Progressive Design-Build, those stakeholders and operational staff are at the table with the builder and the trades. This removes the risk of having a translator although it will still depend on the IPD and PDB Teams to fully understand and construct the system as originally desired.

In addition, and with any delivery model, how you set up the project at the start is critical. Identifying key success measures such as operational requirements and the role those stakeholders play need to be written into the project plan and RFP to ensure you are happy with the product, process and end result. The RFP is particularly important as you want to give proponents an early indication of the central role operations will play in the project.

***Would you call performance contracting progressive delivery?***

We would say any performance focused delivery methodology is progressive as it promotes a team delivery approach as opposed to adversarial contractual positioning. However, if the process, requirements and deliverables are not well defined from the start, any delivery model will struggle.

***Should you be stating explicitly in the RFP that it will be IPD?***

Projects fail at the beginning, not at the end and trying to procure someone under one delivery model and then changing it to another creates mass confusion under a non-competitive structure.

We can’t stress enough the importance of getting in right from the start, especially in drafting the RFP. The start of the project must align to the approach and delivery model and the RFP to procure is critical to the success of the project, no matter what delivery model is chosen. To add, each delivery model has specific and unique characteristics and processes that need to be clearly articulated in the RFP to achieve success. In addition, you should attach the proposed IPD contract you’ll be using so all proponents have the opportunity to comment on Supplementary Conditions.

***Have you gone back to review the feedback from facilities departments regarding long term maintenance and quality of the buildings/projects?   In my experience where this has been used a couple of times on our campus for new builds or additions,  the quality of work is not there and what has been specified in various work divisions is minimized by the contractor/designer to maximize profit.  Within 2-3 year post construction, the college is left paying now on maintenance, operation side and reworking designs for that fixed construction cost that is so desirable.***

An issue that is seen in the market if not managed properly and not only specific to any one delivery model. Quality, operational input and an understanding of operational processes must be front and centre when developing the terms of reference within the RFP. Projects that fail when operational usually can be traced back to a lack of understanding, controls and requirements in the contract. We have found success with maintenance, operations and quality if the terms in the contract and process through the project are crafted appropriately to the expectation. Leaving it all for an entity like a design-builder to figure it out will ultimately fail. Again, the importance of a strong project plan and RFP become even more critical with non-traditional delivery models.