

FINFROCK®

Solutions

DESIGN-BUILD 101

How to design the project you want
for the budget you desire



DESIGN-BUILD VS. DESIGN-BID BUILD

Design-bid-build (DBB), the traditional approach for construction projects, consists of the appointment of a designer under one contract, and the appointment of a general contractor under another contract. An alternative method, construction manager at risk (CMR), incorporates some of design-build's collaboration emphasis but keeps the responsibilities of the architect and contractor distinctly separate. This leaves the owner as the go-between for these two parties –

costing them time and money. The design-build procurement route changes the traditional sequence of work. In contrast to design-bid-build and construction manager at risk, **design-build relies on a single point of responsibility contract that allows the owner many benefits.**

Design-build is quickly growing in popularity in the United States as the preferred project delivery method in construction. In fact, according to Fails Management Institute (FMI),

design-build is quickly gaining traction and will represent nearly half of construction put-in-place spending by 2021. The benefits of design-build are faster construction and delivery, less cost and schedule growth, and being less litigious than design-bid-build or construction manager at risk. Moreover, the Design-Build Institute of America's (DBIA) research shows that design-build is the best performing project delivery method for both schedule and cost over every other.

With such compelling evidence to use design-build, what myths are keeping “the other half” rooted in less beneficial delivery methods? It's the belief that:

MYTH 1. The best price is dependent on bidding

MYTH 2. They will lose control of the design

MYTH 3. It's too risky to try something new

MYTH 4. Design-Build does not provide value

So, is there a way to get the best price, maintain control over design, be sure you reduce risk, all while obtaining exceptional value? Are there other benefits you should expect your design-builder to deliver? There are.

Read on while FINFROCK debunks the myths and shows you how to achieve more than the predictable benefits.



REALIZING THE GREATER BENEFITS OF DESIGN-BUILD

Design-build contracts ensure clear lines of responsibility amongst all parties.

Your contract is with one entity that is responsible for the performance of all other consultants, subcontractors, and suppliers. This is one of design-build's greatest benefits over design-bid-build where, as the owner, you hire a designer under a separate contract. In this scenario, the owner frequently receives no guarantee for the correctness and completeness of the design, yet implies a guarantee to the general contractor that the design is correct and complete. This effectively places the burden of responsibility for expenditures related to sub-optimization, scope creep, change order, and schedule delays that result from incorrect or incomplete design squarely on the owner.

By working with FINFROCK, you get peace of mind knowing that we furnish the best design at the best price, and contractually place risk in the hands of those best able to manage and mitigate it.

Experience a new way to build. Visit www.finfrock.com to find out more today.

Emily Oechslin, AIA
FINFROCK Architectural Manager



MYTH 1

The Best Price is Dependent on Bidding

Many owners accept not knowing the cost of their building project until after their project is designed, or even completed, as simply a necessary evil. Moreover, building costs aren't just the material and labor costs, either. Project delays, change orders, inefficiencies, and errors all add to the bottom line, eroding developer or owner profit. While bidding may be the best way to get the lowest price for any particular design, how do you know you are bidding the best design or greatest value? Because we are a single team, working under a single contract, we are incentivized to work in the best interest of the project. If we know that spending \$10,000 additional in design saves \$100,000 in the field, we will make that call in house to the benefit of the project, not individual service providers. When design and construction contracts are issued separately, individual players lack that incentive.

At FINFROCK, **we price as we design, giving owners real-time economic input to make value-based decisions during the design, not after bidding or during construction.** With design-bid-build, you pay for a full set of construction documents to learn if pro forma numbers work. If not, your design must be "value engineered," which lacks value and lengthens the design time, effectively raising pursuit costs.

Additionally, pursuit costs can have a drastic impact on a project's return on investment. Worse yet, there is the risk if the project fails to move forward, of a negative return on investment. The best scenario is to make the go/no go decision as early and as inexpensively as possible. Because FINFROCK has in-house experience and cost knowledge in delivering your type of project, we help in that decision-making process. **The result is the best design for the best price.**

"FINFROCK's unique design-build model delivered our project on time and on budget; it couldn't have gone any smoother."

-- Albert S. Livingston
Director of Asset Management
TerraCap Management Corp

MYTH 2

Losing Control of the Design

Our vertically integrated approach puts the disciplines necessary to deliver your building under one roof. By working with FINFROCK, owners have a single point of contact, making it simple to coordinate and convey concerns as they arise. Being committed to process optimization, we bring major subcontractors to the table early to assist with system design and equipment choices, **expanding your ability to control design and obtain your desired outcome – the aesthetics and functionality you desire within the budget you require.** Since our design-build team works together on every project we provide, they possess higher team collaboration than teams that come together for just a single project. Our internal feedback loop, where we analyze every project to improve delivery and client satisfaction on future projects, heightens our team chemistry.

As a technology-enabled design-builder, we provide a 3D walkthrough early in the process, giving you a clear picture of your result and the ability to make changes during the design phase affordably, rather than onsite. This use of Building Information Technology (BIM) optimizes design, improves functionality, and mitigates constructability challenges.



HYATT house, Naples / 5th Avenue
Designed and constructed by FINFROCK

MYTH 3

It's Too Risky to Try Something New

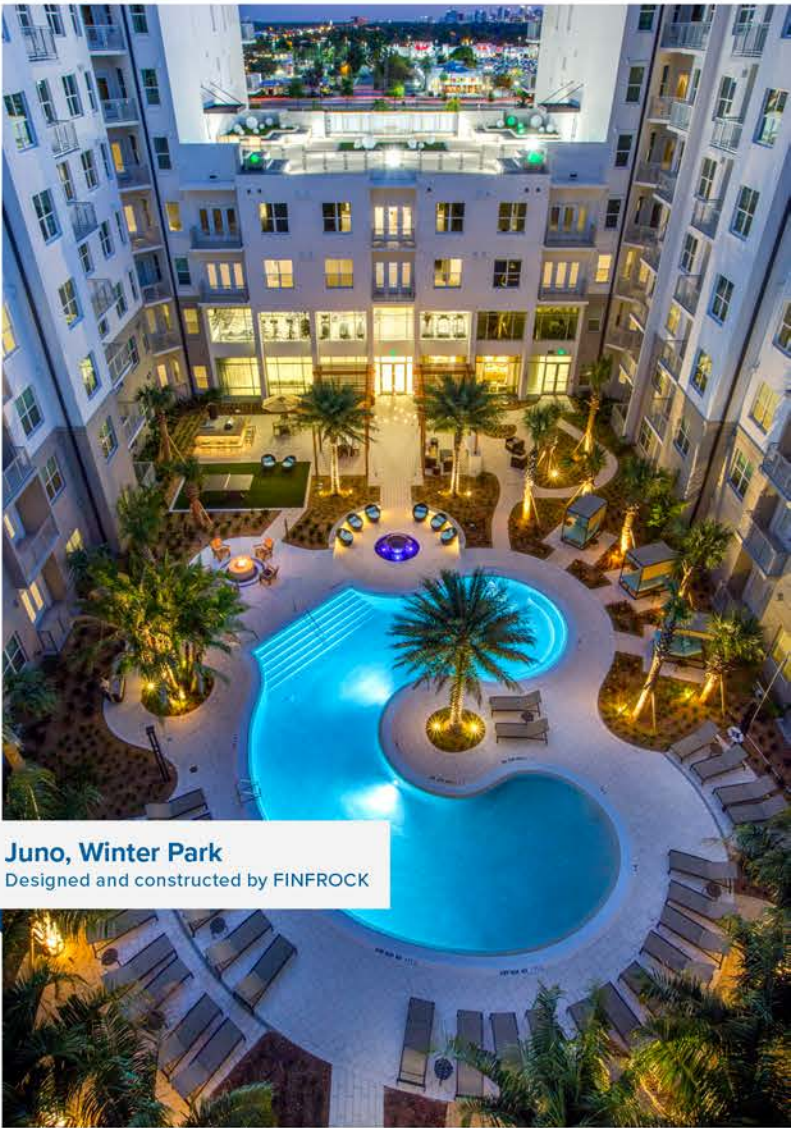
Our single point of contact, single point of accountability, and team experience reduces your risk. **Our process, coupled with control of the professional services and the structural subcontractor, reduces your risk of litigation and keeps you from being the go-between for separately contracted services.** Our highly customizable DualDeck® Building System – where much of the construction takes place offsite, in a controlled environment – gives us the ability to reduce onsite construction time and guarantee project completion. You pay less interest with faster onsite construction, and it lends itself to helping you open your building before the risk of adverse changes in market conditions occur.

FINFROCK buildings continue to reduce your risk long after our contractual relationship ends. We strive to help you make choices that reduce costs for as long as you own the asset. Choices for the structural system, such as concrete over wood, reduce insurance, maintenance and life cycle costs. That same choice can improve the quality and livability of the building, making it more sought after for renters or future buyers.

MYTH 4

Design-Build Does Not Provide Value

The very nature of FINFROCK's vertical integration and project delivery method dictates that we work with you to quickly determine if we can provide value to you and your project. Since we do not provide design and construction as separate services, it is not beneficial to design buildings that no one builds. In that regard, **we are like-minded with owners and developers – the only reason to design a project is to build it and have it provide the intended return on investment.** We are committed to letting you know early if your project can be brought to fruition under a design-build contract.



Juno, Winter Park
Designed and constructed by FINFROCK

DESIGN-BUILD VS. DESIGN-BID- BUILD

1.7%

FEWER
Schedule Extensions

36%

FASTER
Construction Speed

102%

FASTER
Delivery Speed

DESIGN-BUILD VS. CONSTRUCTION MANAGER AT RISK

3.9%

FEWER
Schedule Extensions

13%

FASTER
Construction Speed

61%

FASTER
Delivery Speed

Source: Design-Build Institute of America. "Schedule Performance Comparison chart" dbia.org. 2018, <https://dbia.org/what-is-design-build/>

EXPERIENCE A NEW WAY TO BUILD

FINFROCK's design, manufacturing, and construction knowledge allows us to provide building solutions through the efficient use of precast/prestressed concrete. While many companies offer design-build services, no other company has made the leap to incorporate the design, integration of sub-trades into the manufacturing of the structural components, and construction into one single source of responsibility. Learn more about how we provide value to our customers by operating as a trusted advisor by visiting www.finfrock.com.



LESS RISK

By providing single source responsibility for the entire process, FINFROCK virtually eliminates owner risk. Our 75 years of experience enables us to deliver exactly the building you need – on time and on budget.

LESS EXPENSE

FINFROCK's project delivery system is unmatched in its quality and efficiency. This enables us to guarantee our price while improving performance, resulting in more value for your project dollar.

LESS TIME

As a vertically integrated company, FINFROCK is able to conduct work in multiple phases of a project simultaneously. With multiple disciplines moving forward at the same time, schedules are compressed.

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For additional information about our company, successful projects and our process, visit www.finfrock.com.

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We are always looking for new talent. Check out careers on our website.