

**Progressive Design Build Authority – Department of Water Resources and Caltrans**

**FACT SHEET**

**SUMMARY:**

This language would allow the Department of Water Resources (DWR) and Caltrans to establish a progressive design-build pilot program until 1/1/2031.

**BACKGROUND:**

State law provides alternative contracting authority for public works projects to several state and local agencies including the progressive design-build method to accelerate project delivery and reduce costs.

**NEED FOR LEGISLATION:**

State law generally requires state agencies to use a low-bid, design-bid-build procurement process for public works projects. This requires the full design of the project to be completed before soliciting bids and awarding contracts. This can be costly and inefficient for large, complex projects. Awarding a project prior to the completion of all design work can potentially result in lower costs and shorter delivery schedules.

**WHAT IS PROGRESSIVE DESIGN-BUILD?**

“Progressive Design-Build” means a project delivery process in which both the design services and construction of a project are procured from a single entity that is selected through a qualifications-based selection at the earliest feasible stage of the project. The Department is still required to complete project scoping and preliminary design sufficiently to develop and advertise a request for qualifications. Using PDB, a contractor may be selected in a single step after an evaluation of the submitted statement of qualifications, making it faster than traditional design-build to select a qualified contractor. After selection of a contractor, the owner and contractor collaborate to develop the project design to a point where the owner is satisfied with the design and the contractor can negotiate a fixed price or a guaranteed-maximum-price for completion of the design and construction. After successful negotiation, the contract is amended for the negotiated scope and budget, or the owner and the contractor enter a new contract for the completion of the work.

Awarding a construction contract prior to the completion of design work can result in shorter project delivery schedules, and potentially lead to cost savings. PDB provides the advantage of expedited delivery due to having one entity providing design and construction like traditional design-build, but additionally allows the public agency to give design feedback later in the process. This is critical for more complicated infrastructure projects with public safety implications like dam refurbishment.

**PROPOSED LANGUAGE:**

This language would authorize DWR and Caltrans to pilot the progressive design build method of contracting on up to 8 projects per department. This is an innovative strategy to reduce project delivery costs and shorten completion schedules by as much as a year.

This language would authorize DWR and Caltrans to advertise and award progressive design build projects based on a best value or low-bid basis until 1/1/2031.

Once sufficient preconstruction work is complete on a project, the progressive design-build method would allow DWR and Caltrans to negotiate a contract for any remaining preconstruction work as well as construction. If that negotiation were to not result in a contract, this authority would allow the departments to proceed with another authorized procurement method.