

DESIGN-BUILD BUYER'S GUIDE:

PROCUREMENT, CONTRACTS AND PROJECT EXECUTION



KORTE

build smart.®



DESIGN-BUILD AT A GLANCE

Design-Build gives owners one point of contact for design and construction. One team. One contract. One clear line of responsibility from early planning through post-construction. That matters now more than ever. Schedules are tight. Costs change fast. Early decisions carry weight. Owners need buildings that can meet project goals and roll with the punches along the way.

There are three phases of Design-Build projects:

- 1 Procuring Design-Build services
- 2 Contracting for Design-Build services
- 3 Design-Build project execution

This guide covers the benefits of Design-Build, shows what Design-Build project execution looks like in practice and provides guidance for procuring and contracting Design-Build services.



1. PROCURING DESIGN-BUILD SERVICES

Procurement should start before an RFP goes out. Done right, it gives owners a clearer view of each provider's experience, judgment and ability to lead. Owners need to define the job clearly enough for teams to respond with useful ideas, but not so tightly that it constrains collaboration and problem solving. A strong procurement process should identify the facility's goals, budget range, schedule pressures, site constraints and key decision points. Ask teams to show relevant experience, safety performance, quality systems, communication approach and examples of similar work.

BENEFITS AND ATTRIBUTES OF DESIGN-BUILD

Design-Build is built for speed, clarity and accountability. It brings the people who plan the work and the people who build the work together from the start.



THE KORTE COMPANY HAS DELIVERED MORE THAN 3,500 DESIGN-BUILD PROJECTS NATIONWIDE.



DESIGN-BUILD LEADS THE WAY

47%

FMI/DBIA research projects
Design-Build will account for
47% of construction spending in
the segments studied by 2026.

\$500B+

Design-Build is expected to
exceed \$500 billion in annual U.S.
construction spending by 2028.

90%

Most of The Korte Company's
work is Design-Build.



**OWNERS CONTINUE TO CHOOSE DESIGN-BUILD BECAUSE
EARLY COLLABORATION, EARLY CONTRACTOR INVOLVEMENT
AND SINGLE-SOURCE ACCOUNTABILITY HELP TEAMS MANAGE
RISK, SPEED AND COMPLEXITY.**

THE HIGHEST-RATED DELIVERY METHOD

Design-Build is highly rated by owners because it
creates more opportunities to innovate, supports
fast-track work, improves collaboration and
reduces disputes. Owners value Design-Build for:



More opportunities to innovate



Greater collaboration



Ability to fast-track projects



Early knowledge of cost



High-quality outcomes



Fewer disputes



WHAT MAKES DESIGN-BUILD DIFFERENT

SINGLE-SOURCE RESPONSIBILITY

One entity controls design and construction. This reduces contractual gaps and gives the owner one clear point of accountability.

CREATIVE SOLUTIONS WITHIN THE DESIGN PHASE

Early involvement from builders, estimators and trade partners improves constructability and helps the team solve problems before they reach the field.

DESIGN ALTERNATIVES DRIVE PROJECT VALUE

Close collaboration gives owners a clearer view of options. Teams can compare design alternatives, cost impacts and schedule realities before major decisions are locked in.

UNMATCHED COSTS SAVINGS

Design-Build provides early cost input, fewer handoffs and improved coordination.

DESIGN-BUILD IS FASTER AND MORE EFFICIENT

Design-Build brings the right people to the table from the beginning to find time and cost savings.

RAPID DELIVERY

Design-Build delivers projects as much as 102% faster than design-bid-build.

LESS SCHEDULE GROWTH

Design-Build helps teams identify constraints early, protect long-lead decisions and keep work moving — with 1.7% less schedule growth than DBB and 3.9% less than CMR.

0.3%

lower unit cost than design-bid-build (DBB)

1.9%

lower unit cost than construction manager at risk (CMR)

Lower cost growth

3.8%

Less cost growth than DBB

2.4%

Less cost growth than CMR

A DELIVERY METHOD ACCEPTED BY FEDERAL, STATE AND LOCAL AGENCIES

Design-Build is widely used across public and private sectors and supports complex, schedule-driven work.



DESIGN-BUILD PROCUREMENT

Owners can select from two principal procurement methods to find a Design-Build partner suited to their goals, schedule, risk tolerance and project complexity.

QUALIFICATIONS-BASED SELECTION

Qualifications-based selection puts the team first. Owners select the Design-Builder with the right experience, people, process and partners. This process should evaluate:

- Relevant Design-Build experience
- Similar projects
- Key team members
- Safety performance
- Quality systems
- Communication approach
- References
- Bonding capacity

BEST-VALUE SELECTION

Best-value selection considers both qualifications and price. It gives owners a way to compare technical approach, team strength, schedule, cost and overall value. A good best-value process should:

- Define clear evaluation criteria
- Balance technical concepts and price
- Encourage open exchange of ideas
- Protect proprietary information
- Give teams room to explain how they will solve the job

DESIGN-BUILD IS A STRONG SOLUTION FOR COMPLEX PROJECTS LIKE:



Large builds



Challenging job sites



Tight schedules and
fast-track projects



Construction phasing



2. CONTRACTING FOR DESIGN-BUILD SERVICES

In Design-Build, the contract keeps the entire project on track. A good Design-Build contract should be plain, fair and useful. It should say who is responsible for what and when, as well as place risk with the party best able to manage it. And it should help the team make future decisions regarding budget, design and schedule, showing how changes will be handled and the owner will be protected from surprise problems.



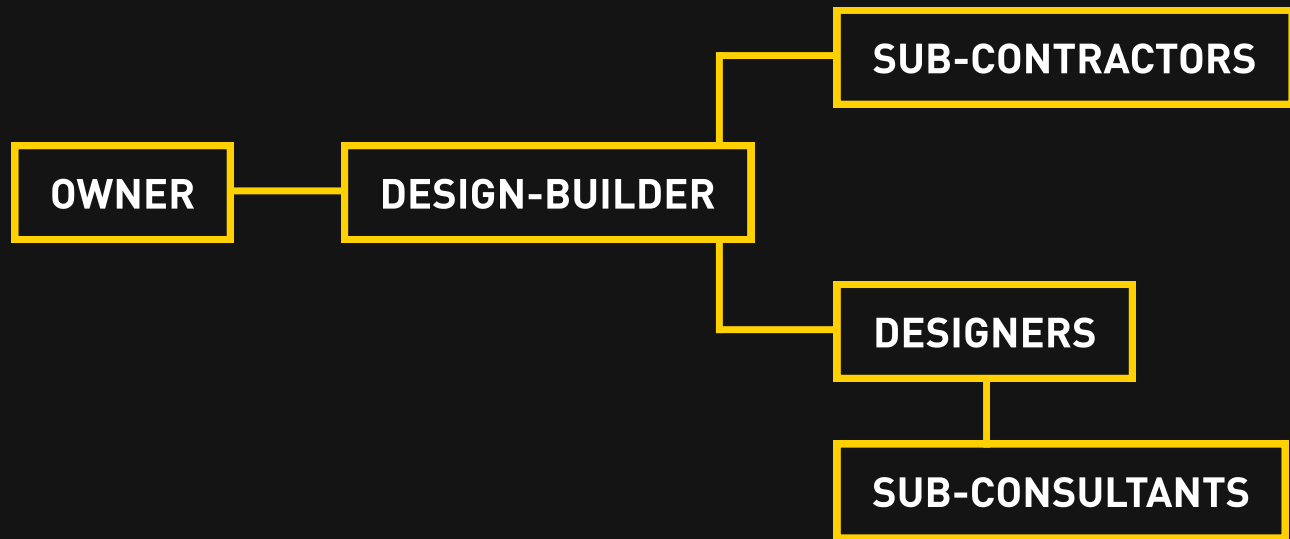
**MORE THAN 90% OF OUR
WORK IS DESIGN-BUILD.**



DESIGN-BUILD CONTRACTUAL RELATIONSHIP

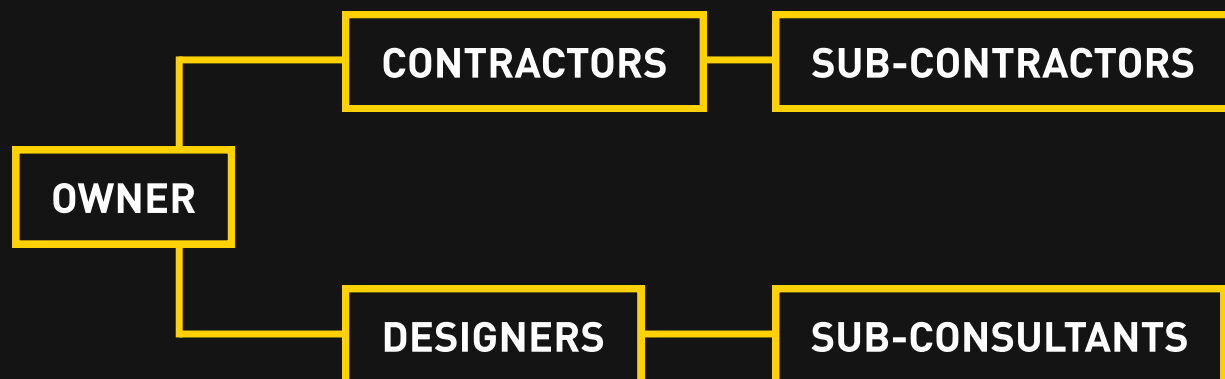
DESIGN-BUILD PROJECT DELIVERY

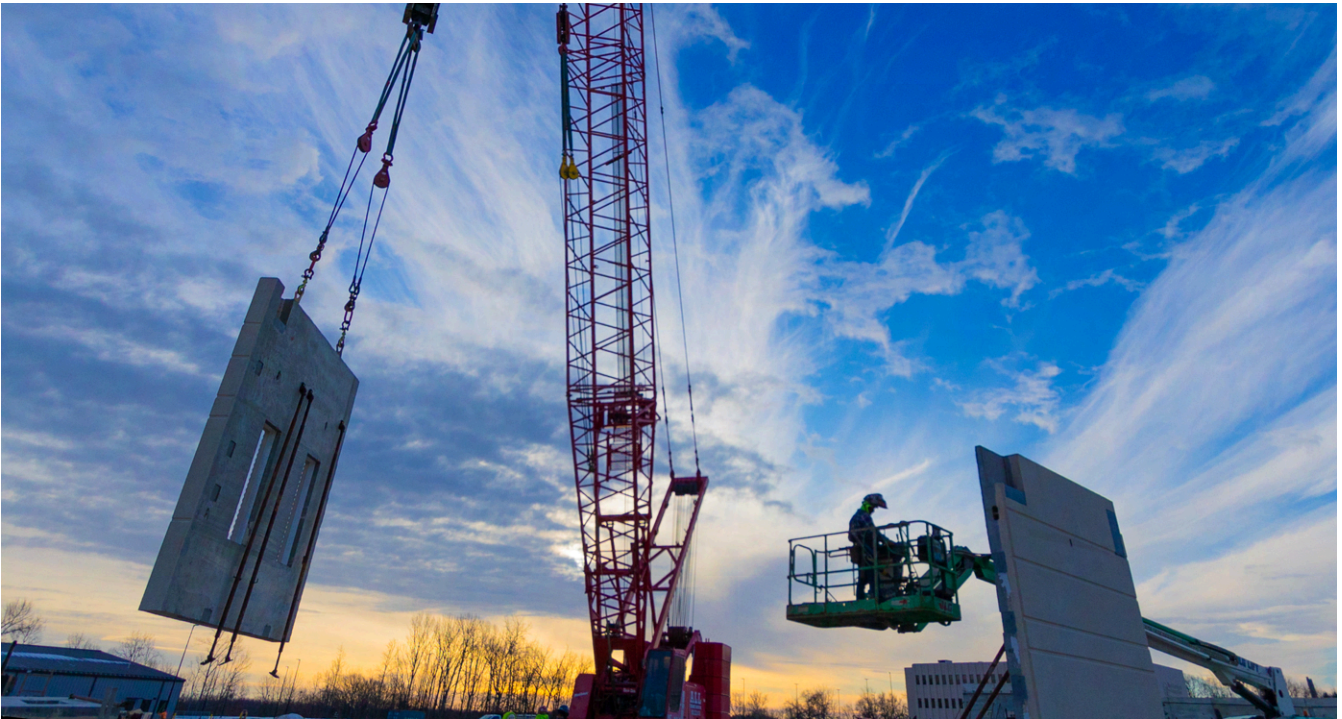
The owner manages one contract with one Design-Builder. Designers and contractors are on the same team, providing unified recommendations, not excuses.



TRADITIONAL PROJECT DELIVERY

The owner manages separate contracts for design and construction. When problems arise, the owner can become the middleman between designer and contractor, leading to delay, dispute and competing recommendations.





3. DESIGN-BUILD PROJECT EXECUTION

To deliver a project of the highest caliber, owners need clear, real-time communication with the Design-Build team.

Design-Build allows planning, estimating, design and construction to work in concert. Design overlaps with estimating. Estimating informs design. Builders test ideas before they hit the field. Trade partners flag long-lead items. Owners make decisions with better information in hand.

That is how the job gains speed without losing control.

INTERACTIVE COLLABORATION BENEFITS OWNERS

Aggressive schedules are possible

- Projects can move faster when teams work together early
- Sitework and procurement can begin while later design details are still being completed
- Long-lead materials can be identified and protected sooner



SUBCONTRACTORS PARTICIPATE FROM THE OUTSET OF A PROJECT

- Early trade input improves constructability
- Team members with specialized expertise can suggest better solutions
- Long-lead materials, equipment needs and site constraints can be identified sooner

DESIGN-BUILD TEAMS INCLUDE EXPERIENCED SUBCONTRACTORS AND PARTNERS

- Projects are a collaborative effort among a unified team
- Partners often bring experience from similar projects
- Specialty contractors can help compare options before decisions are final

OPEN COMMUNICATION BETWEEN KEY TEAM MEMBERS

- Communication is the strongest tool for turning ideas into real value
- Direct, real-time communication supports efficient solutions
- The people closest to the work help make the right decisions at the right time



THE JOB IS THE BOSS®



MEETING THE GOALS AND VISION

- Goals and intentions are reflected through tangible design and construction elements
- Long-term value is transformed into a physical facility
- Owner goals guide design, budget, schedule and execution
- The finished project reflects the owner's needs and mission

KEEPING CONSTRUCTION SCHEDULES ON TRACK

- Owners receive clear, realistic submittal and review processes
- The Design-Builder monitors critical elements of the project
- Key stakeholders interface directly to review and manage progress
- Decisions that affect project goals are evaluated in a collaborative environment
- Transparency helps owners make informed decisions throughout the process



COMPARISON OF PROJECT DELIVERY METHODS ACROSS VARIED PROJECT TYPES AND SECTORS

METRIC	DB VS. CMR	CMR VS. DBB	DB VS. DBB
Unit cost	1.9% less	1.6% more	0.3% less
Cost growth	2.4% less	1.4% less	3.8% less
Schedule growth	3.9% less	2.2% more	1.7% less
Construction speed	13% faster	20% faster	36% faster
Delivery speed	61% faster	25% faster	102% faster

Source: CII/Pankow, "Revisiting Project Delivery Performance," tracking contemporary projects ranging from 5,000 to more than 1 million square feet across diverse public and private sectors.

PROJECT OWNERSHIP

- Owners define and direct the most cost-effective use of funds
- Owners influence when and where to invest in the project
- New opportunities can be realized and acted upon earlier
- Final decisions reflect the owner's needs, operations and long-term vision





MORE ABOUT THE KORTE COMPANY

Design-Build is a key part of how The Korte Company is built. We completed the nation's first commercial Design-Build project in 1963. We were one of seven founding members of the Design-Build Institute of America. And today, 90% of our work is Design-Build. Our teams are built around the job at hand. Designers. Builders. Estimators. Project managers. Superintendents. Trade partners. One team, moving toward one goal. When the job calls for speed, we plan for it. When it calls for savings, we find them. When it calls for a better idea, we bring the right people to the table and work it through. That is how we Build Smart. And that's how owners get results, with fewer surprises along the way.

Let's talk.



KORTE

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