



NEGOTIATION: DESIGN-BID-BUILD

There are two delivery methods commonly used in construction in order to secure contracts: design build and design bid build. Today we will explore the benefits of the design bid build method. [Click here to read about the design build process.](#) (link to previous blog)

There are three phases in this method: the design phase, the bid phase, and the build phase.

Design Phase:

During the design phase, the owner retains an architect to design the construction drawings and technical specifications of a project, which various general contractors will then bid on to construct. The architect and owner will work together to develop a program to document the needs and produce a design. Once a design is created, other professionals will be brought on to complete the technical and safety specifications, such as mechanical, electrical and plumbing.

Bid Phase:

Bidding may be either open, where any qualified bidder can participate, or select, where a limited number of pre-selected contractors are invited. The general contractors then work alongside their subcontractors to compile a complete bid on the project, which includes price, closing date, and all operations. The bids are then reviewed by the architect and one contractor is chosen for the project.

Construction Phase:

Once the project has been awarded to the winning contractor, the bid documents may not be altered. The permits are then applied so construction may begin. Should any design changes arise during construction, the architect may issue sketches or written clarifications. The contractor may then be required to document "as built" conditions to the owner.

Most of the work is then done by subcontractors and managed by the general contractor. The architect acts as the owner's agent to review the progress of the work, to issue site instructions, change orders, or any other necessary documentations.

Benefits and Issues of Design Bid Build

Because the design team is impartial, the process is almost always in the interest of the owner. The process also allows the owner to establish reasonable prices in the build due to the competitive nature of the bidding, and the open bidding process allows for new general contractors to receive projects. One potential issue of the bidding process is that it can lead to the "cheaper is better" mentality, because the winner of the bid is oftentimes the one who presents the lowest price. This can compromise of quality in the construction process.

There are pros and cons to both the design build process and the design bid build process, so it is important to weigh the options of your particular project to discover which is right for you.

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