



*Progressive Design-Build-Operate  
A Better Way...*



**Service Area = 420 Square Miles**

**43 Cities**

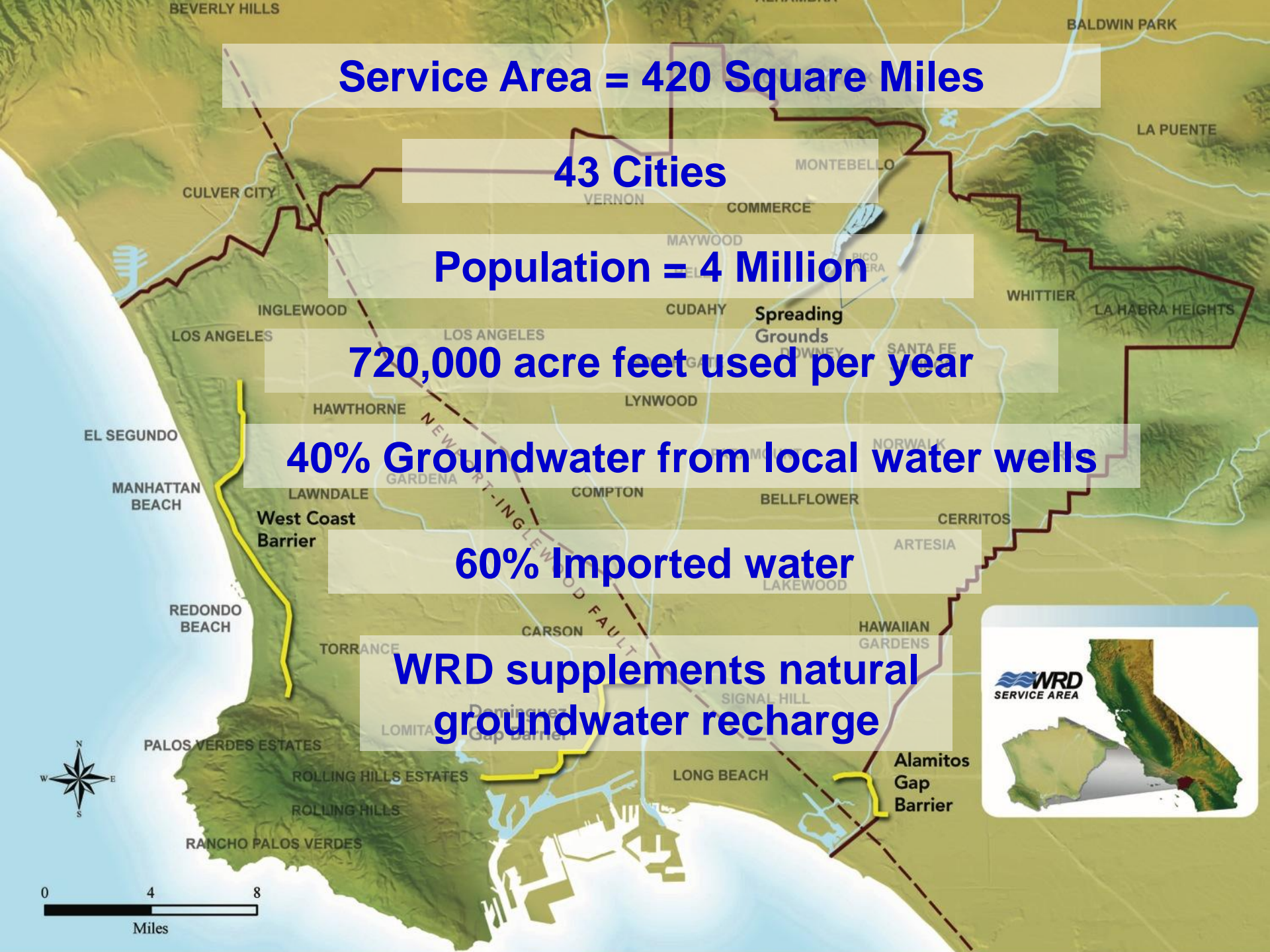
**Population = 4 Million**

**720,000 acre feet used per year**

**40% Groundwater from local water wells**

**60% Imported water**

**WRD supplements natural groundwater recharge**

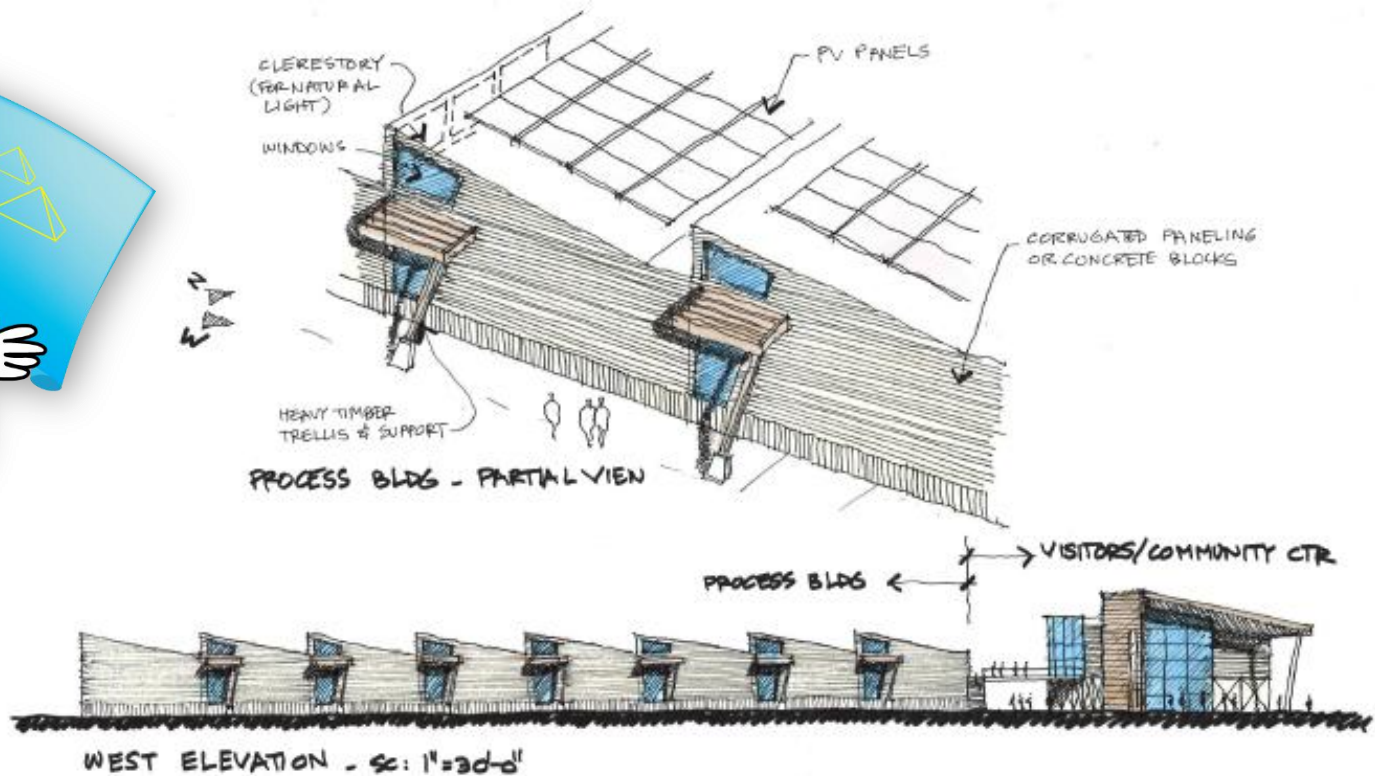
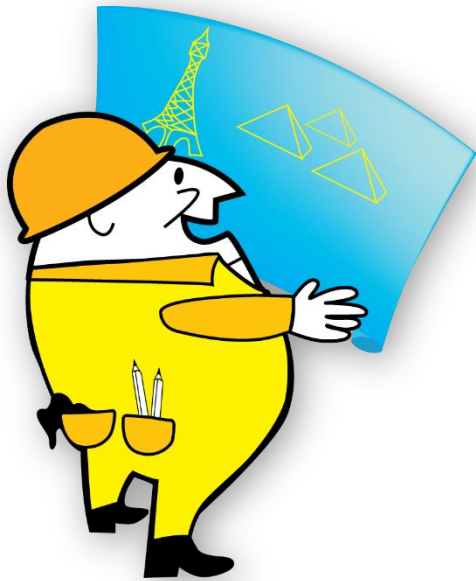


# Water Independence Now Initiative

- Goal to replace imported water with locally available water (e.g. recycled water) for aquifer replenishment.
- Benefits of recycled water over imported water:
  - ✓ increased reliability
  - ✓ cost-effective
  - ✓ locally controlled
  - ✓ drought proof

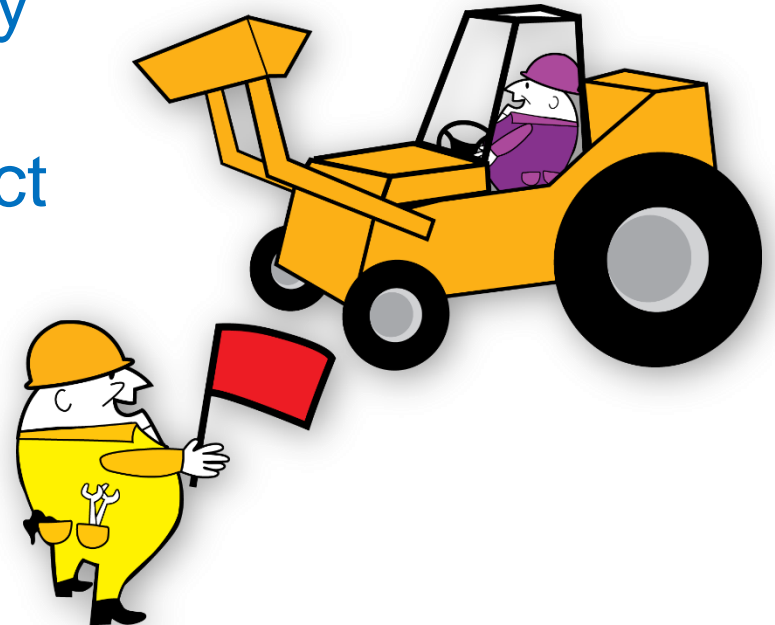


# Advanced Water Treatment Facility



# Why Consider Alternative Project Delivery?

- Prior DBB project was stalled
- Schedule control
- Limited staff
- Desire to have more control
- Future operational optionality
- Price control
- Master Plan and other project alignment(s)



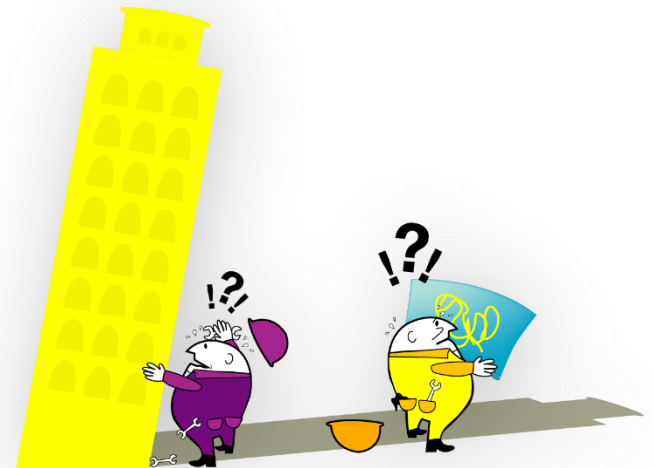
# D-B-B: What's really the Difference?

## “Traditional”

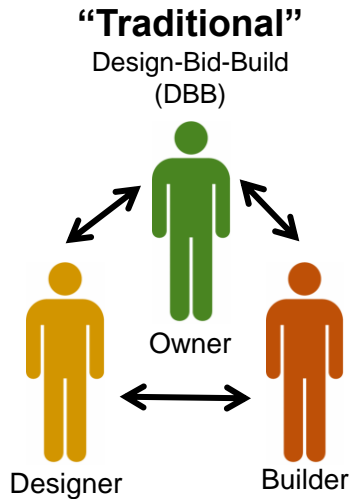
Design-Bid-Build  
(DBB)



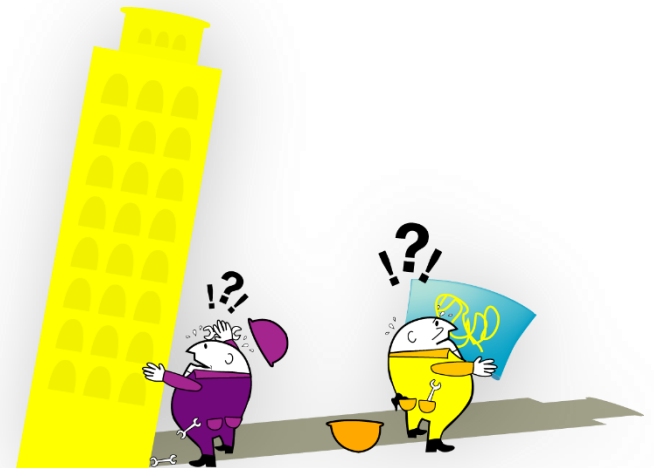
- Owner always owns the risk



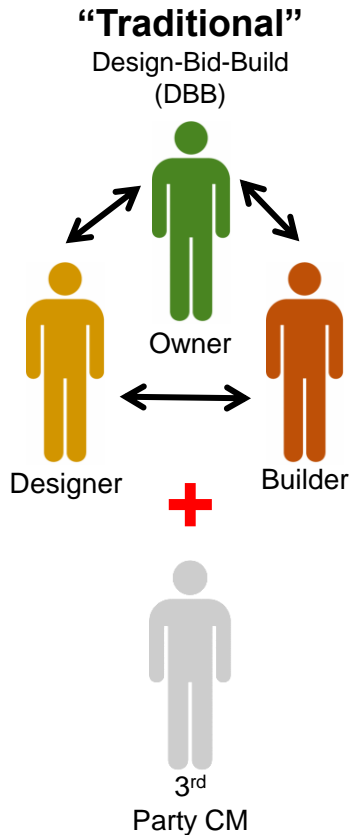
# D-B-B: What's really the Difference?



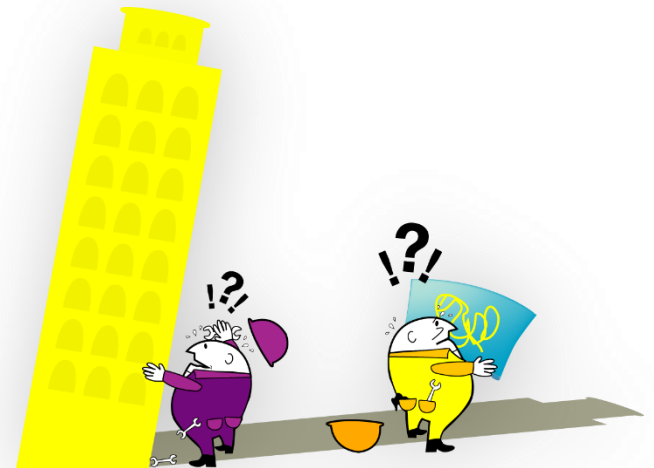
- Owner always owns the risk
- Transferred/assigned risk (myth versus reality)
- Owner must be willing to accept consequences for decision making



# D-B-B: What's the really the point?



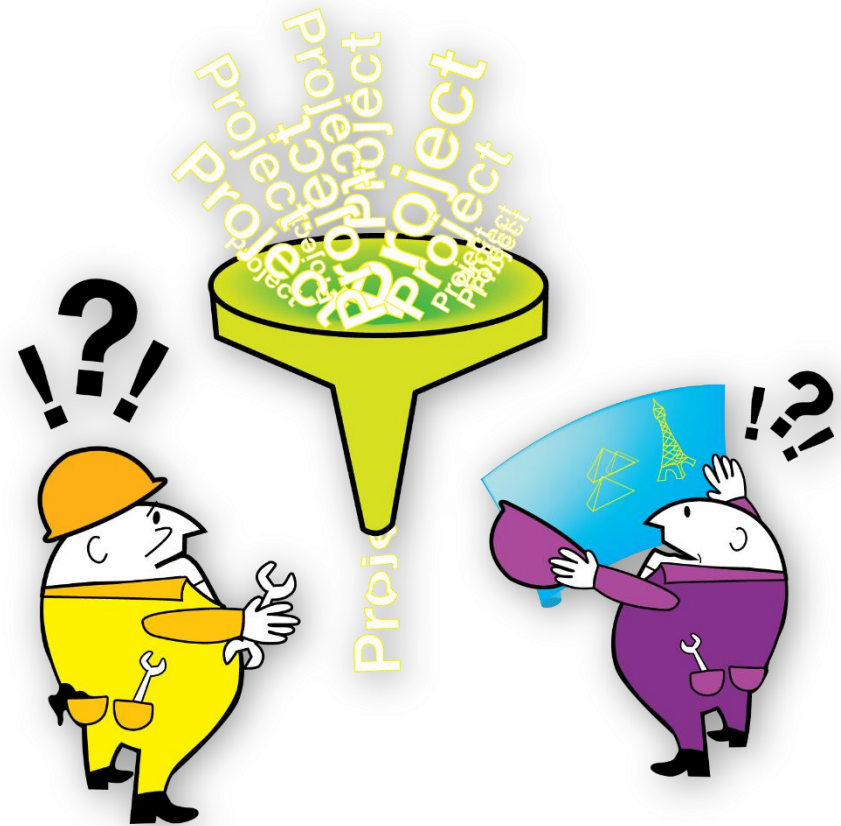
- Owner always owns the risk
- Transferred/assigned risk (myth versus reality)
- Owner must be willing to accept consequences for decision making
- ***Does partnering under D-B-B really make a difference?***



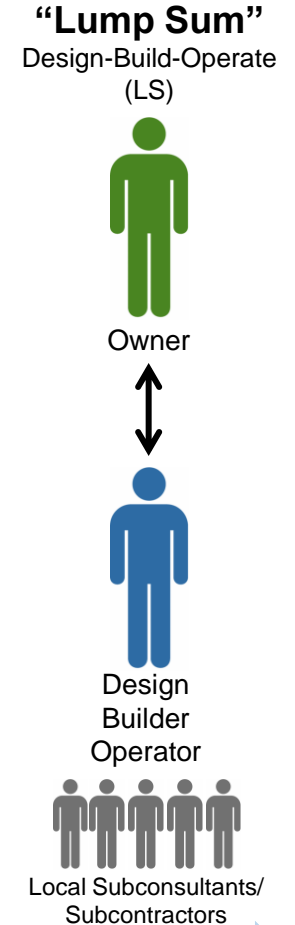
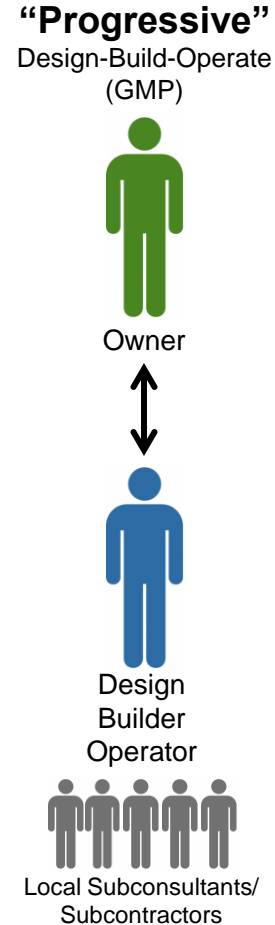
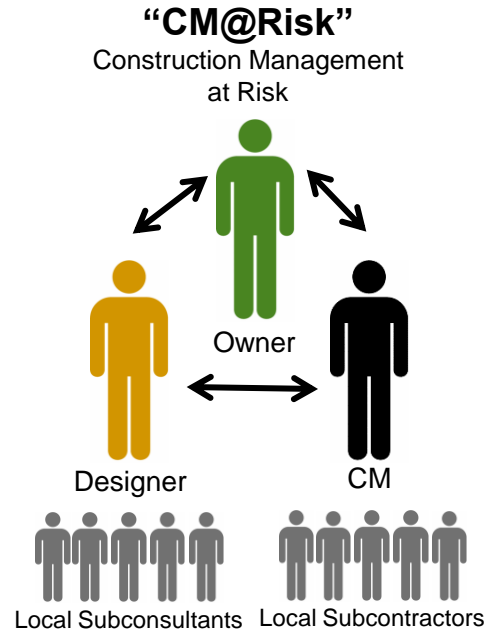
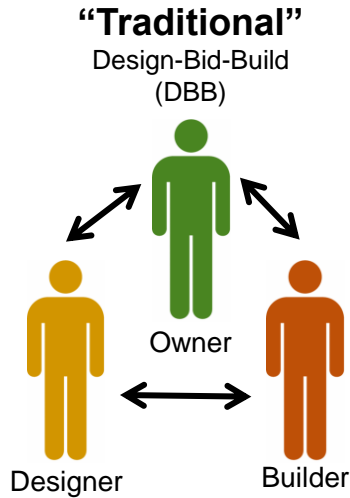


# Key Points: Other Delivery Options

- There are multiple forms of allowable alternative project delivery formats
- Each form has strengths and weaknesses
- Owner must pick the best approach for individual project needs



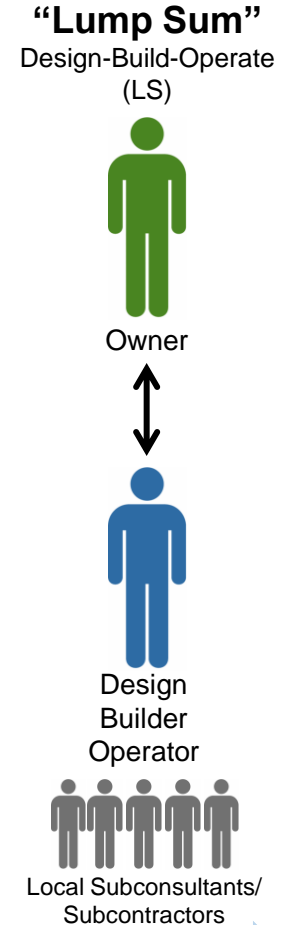
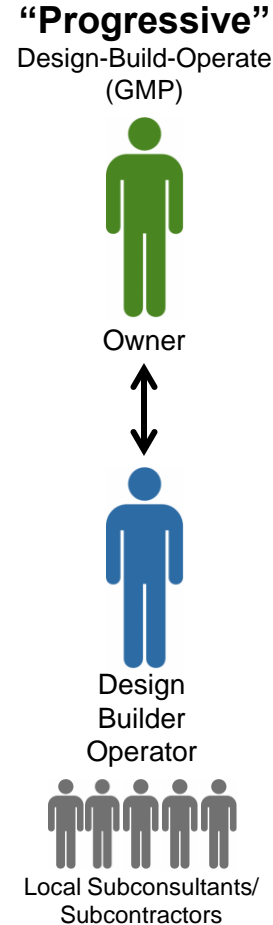
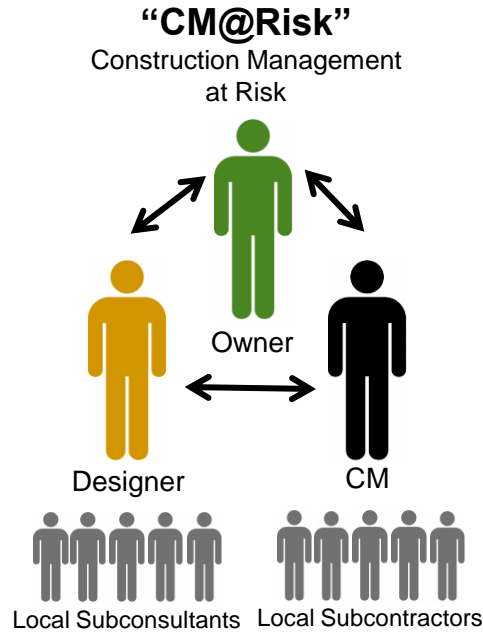
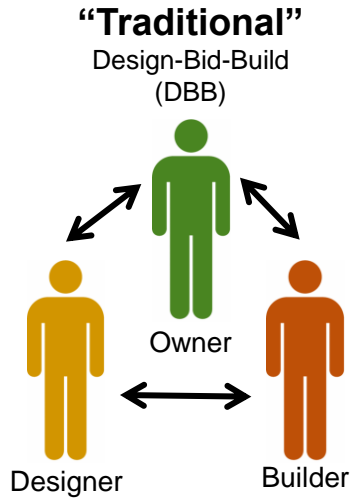
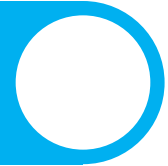
# Alternative Project Delivery Methods



Traditional Delivery

Alternative Delivery

# Alternative Project Delivery Methods



Traditional Delivery

Alternative Delivery

# Key Points: Prescriptive vs. Non-Prescriptive

**“Lump Sum”**  
Design-Build-Operate  
(LS)



Owner



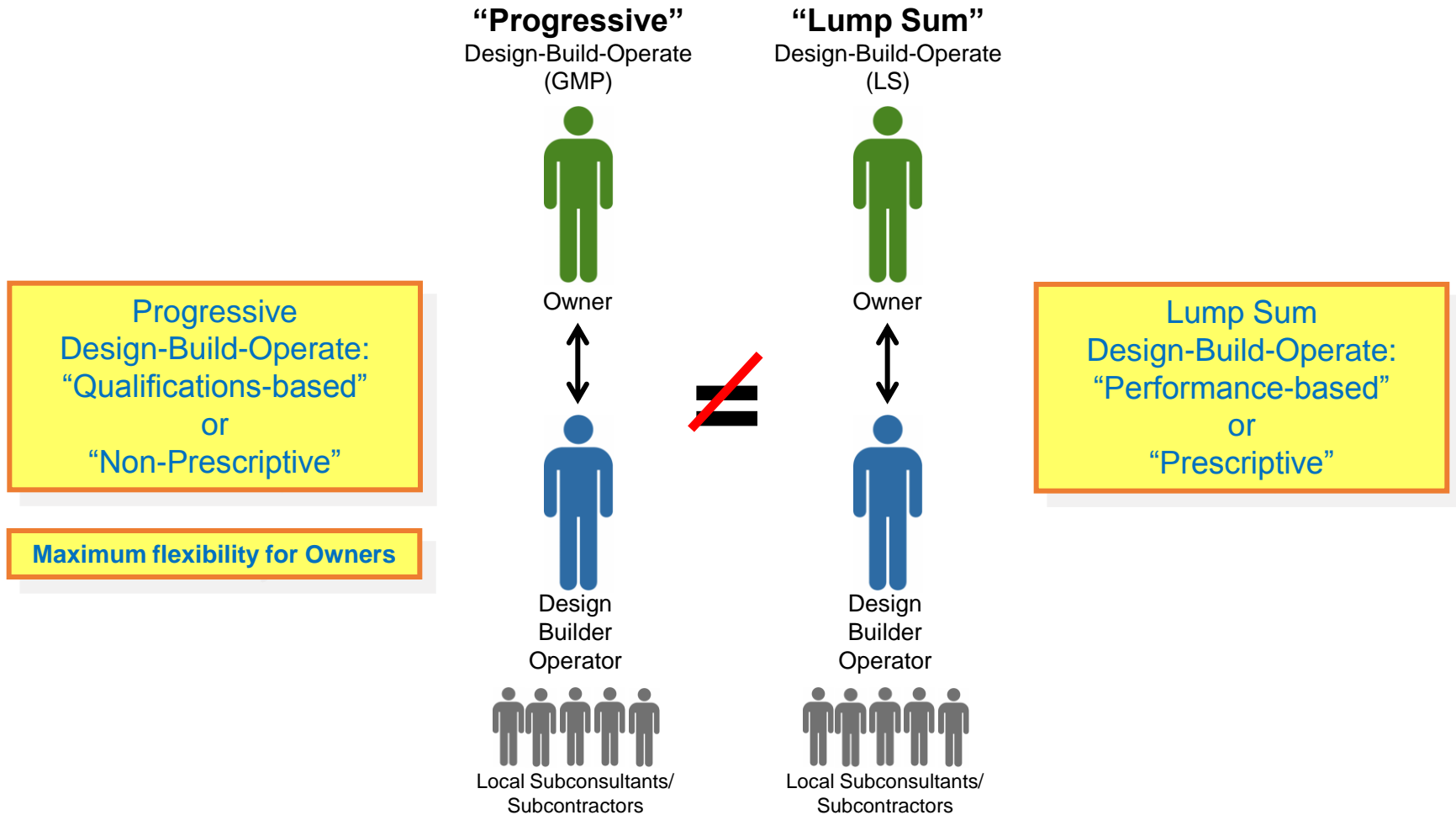
Design  
Builder  
Operator



Local Subconsultants/  
Subcontractors

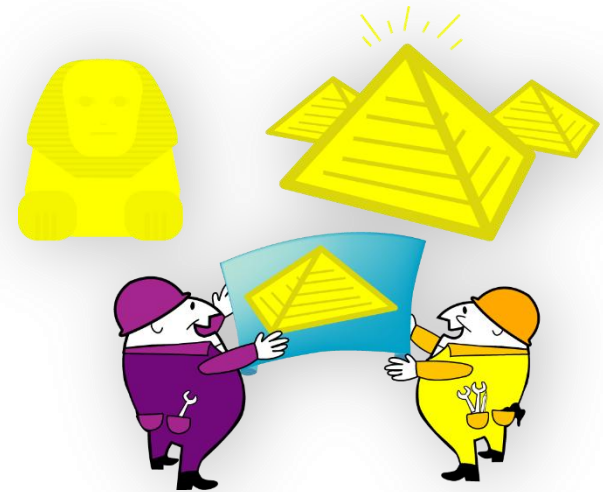
Lump Sum  
Design-Build-Operate:  
“Performance-based”  
or  
“Prescriptive”

# Key Points: Prescriptive vs. Non-Prescriptive



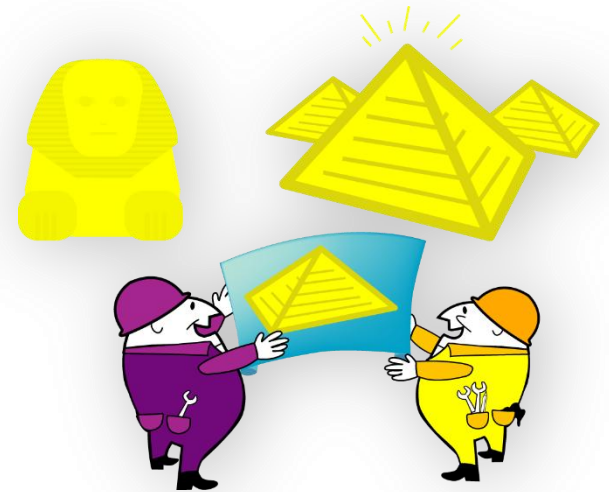
# Key Points: Managed Risk

- Owner enjoys maximum flexibility/opportunity to collaborate on permitting/design
- Adds flexibility for budget constraints
- Owner has multiple “off-ramps” in case of permitting issues or if GMP can’t be successfully negotiated
- Progressive (non-prescriptive) Design-Build-Operate reduces the time it takes to select a Design-Builder-Operator
- Procurement can run in tandem with other critical path efforts (e.g., permits)
- Accelerates concept development evaluation and pricing



# Key Points: Managed Risk

- Owner enjoys maximum flexibility/opportunity to collaborate on permitting/design
- Adds flexibility for budget constraints
- Owner has multiple “off-ramps” in case of permitting issues or if GMP can’t be successfully negotiated
- Progressive (non-prescriptive) Design-Build-Operate reduces the time it takes to select a Design-Builder-Operator
- Procurement can run in tandem with other critical path efforts (e.g., permits)
- Accelerates concept development evaluation and pricing
- **Potential for delay re how many issues/technical questions might arise?**



# Progressive D-B-O: A Better Way?

## Key Advantages

- Invest in Projects not Procurements
- Schedule
- Progressive costs estimates address Owners' financing challenges
- Better opportunities for local subconsultant and subcontractor support
- Owner is completely engaged and part of collaborative project delivery team

**“Progressive”**  
Design-Build-Operate  
(GMP)



Owner



Design  
Builder  
Operator

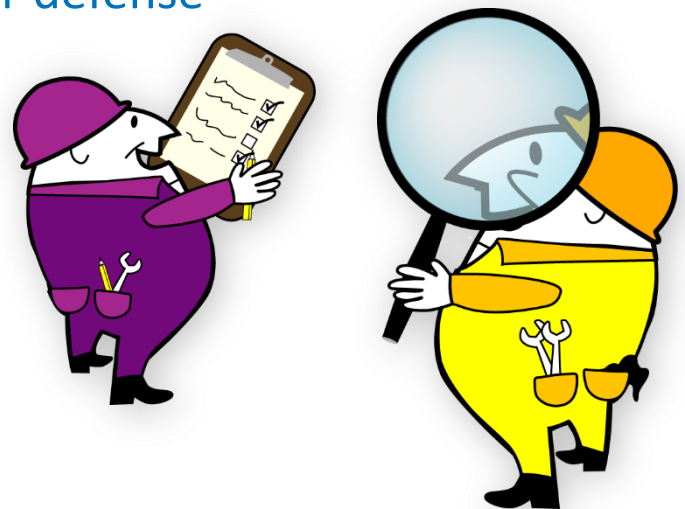


Local Subconsultants/  
Subcontractors



# Keys to Achieving Success

- Need a project champion/advocate
- Stakeholder buy-in an absolute must
- Must be willing to share risk and work harder/differently
- OE/OA is part of the overall team
  - Extension of staff and not a “first” line-of-defense
  - Provide programmatic management and technical advisory services
  - Collocation is critical to facilitating the collaborative process
  - Must be a facilitator and team leader



# Benefits of Progressive D-B-O

- **Selection methodology focuses on traditional evaluation criteria**
  - Primarily qualifications based allowing owner to select team that offers best innovations, approach, and value
  - Excellent approach when considering cost, schedule, and operational impacts associated with various process and design configurations
  - Selection criteria can be tailored to support owner’s project-specific needs
- **More flexibility after design-builder-operator selection**
  - Supports a “best value” approach where design-builder-operator works hand-in-hand with owner to make critical design and process decisions
  - Owner can provide input on preferred specialty firms/manufacturers/equipment providers
    - Design-builder-operator can still secure bids to ensure competitive pricing
    - Easier to integrate PLA and monitor labor compliance



*For more information visit [www.wrd.org](http://www.wrd.org)*