

# Alternative Project Delivery in Iowa

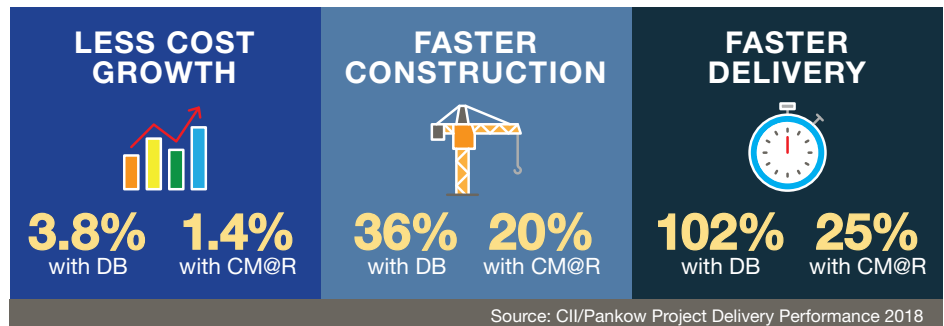
The majority of America's construction dollars are spent on collaborative delivery projects using methods like design-build (DB) and construction manager at risk (CMAR). However, Iowa is one of only two states that does not explicitly allow collaborative project delivery as an option for public Owners.

Iowa Legislation (House Bill 616) would:

- Provide public Owners like cities, counties and school districts the option to use alternative project delivery bid methods to select designers/builders/engineers to construct public buildings.
- Provide public Owners the discretion to determine what project delivery method is best suited for a specific building project that will provide the best value for their taxpayers.

## The Data.

Collaboration fuels innovation while controlling cost and schedule. Research by CII/Pankow compared traditional design-bid-build (low-bid) to collaborative approaches and found design-build and CMAR provide consistently better results.



## The Facts.

### MYTH:

Alternative project delivery allows public owners to pick their friends to build projects.

### FACT:

Favoritism or patronage is the opposite of best practices. Robust and transparent competition exists for all projects. Alternative project delivery allows the consideration of factors beyond just price, such as team qualifications and project innovation. These factors have been proven to drive down cost by ensuring the team is reliable and produces quality work; something that is virtually impossible to decipher from low-bid alone. Collaborative projects consistently delivery best value for taxpayers and superior projects by maximizing the experience and talents of the entire project team.

### MYTH:

Low-bid is the best competition when choosing the project team — alternative approaches don't provide a level playing field for bids.

### FACT:

Just the opposite is true. With the low-bid delivery method, the primary factor considered in the competition is price. Alternative project delivery processes, conversely, put in place a rigorous competition procedure that focuses on price as well as qualifications, experience, technical approach, and other factors. This encourages better competition that allows many qualified firms of all sizes to bid. This competitive selection process is just one reason why collaborative delivery processes are ranked the most popular among owners across the nation.

**MYTH:**

Low-bid provides the best value for the taxpayer.

**FACT:**

Decades of research proves otherwise. Alternative delivery processes like design-build and CMAR consistently deliver projects more efficiently in both cost and schedule than traditional low-bid delivery. Early involvement of the project team and full collaboration with the public agency means challenges are addressed early, with fewer surprises and finger-pointing that leads to costly schedule delays and litigation. When projects finish on-time and on-budget, taxpayer dollars go further and deliver more.

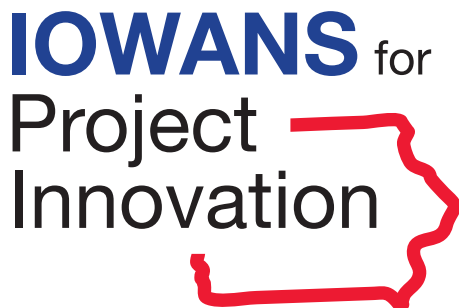
**MYTH:**

Alternative delivery processes create barriers between design professionals and public owners.

**FACT:**

Successful teams nationwide include designers working collaboratively with owners and builders to deliver exceptional projects. In Iowa, alternative delivery legislation ensures:

- The public owner engages a licensed architect or engineer to be involved in the development of the design criteria and request for proposal;
- Design professional qualifications include a license to practice architecture or engineering;
- There is direct communication between design professionals and public owners;
- The bid includes a plan to share cost savings.



**MYTH:**

Out-of-state companies will take work from Iowa companies.

**FACT:**

Actually, alternative project delivery is better than low-bid at addressing this fear. In fact, so far, Iowa's limited design-build projects have only gone to Iowa firms. Traditional large design-bid-build projects will see both in-state and out-of-state contractors submitting ridiculously low bids in order to win the project, then force their sub-contractors (which are often local) to lower their costs so they can meet the low-bid they offered. Because the primary focus is price, there is little incentive to truly collaborate with local firms.

On large collaborative projects, big companies may compete for the job; however, it is most likely that they will form a partnership with local companies that have the local resources to build the project. The result: strong teams that deliver high-quality projects and support the local economy.

## The Coalition.

Collaboration is more than just a catchphrase. It's changed the way America builds. That's why a diverse coalition of Iowans support legislation to allow our public agencies the option to choose the best project delivery method to fit each project. Iowa is one of only two states restricting the use of collaborative delivery methods on public projects. It's time to change that. Iowa agencies should have access to the full range of innovative project options available to best serve Iowa's communities and taxpayers.

