

11 TH ANNUAL OWNER'S FORUM

How Project Delivery Methods Impact the Structure and the Role of the Owner's Project Team

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PROJECT DELIVERY STRATEGY – RISK MANAGEMENT

- **AT THE OUTSET, THE OWNER OWNS ALL OF THE PROJECT RISK**
- **THE RISK PORTFOLIO FOR THE PROJECT IS DEPENDANT UPON THE PROJECT DELIVERY METHOD IMPLEMENTED BY THE OWNER**



PROJECT DELIVERY STRATEGY—TRADITIONAL PROCESS

- **DESIGN-BID-BUILD**
 - most widely used/public & private
 - maximizes competition
 - proven to be very effective

WHY NOT JUST STOP HERE ?

Spearin Doctrine

CREATES A LIABILITY GAP FOR OWNERS



PROJECT DELIVERY STRATEGY – ALTERNATIVES

- **CM @ RISK - most widely used**
- **DESIGN BUILD – limited use**
- **INTEGRATED PROJECT DELIVERY - future use**



PROJECT DELIVERY STRATEGY – DESIGN BID BUILD

- **Traditional Process – not widely used but**
- **Complexity of Design – low to medium**
- **Need to Control Design – medium to high**
- **Complexity of Construction – low to medium**
- **Expertise & Depth of Owner's Team – medium**
- **WIDENS THE SPEARIN GAP**



PROJECT DELIVERY STRATEGY – CM @ RISK

- **Complexity of Design – medium to high**
- **Need to Control Design – medium to high**
- **Complexity of Construction – medium to high**
- **Expertise & Depth of Owner's Team – high**
- **MINIMIZES THE SPEARIN GAP**



PROJECT DELIVERY STRATEGY – DESIGN BUILD

- **Complexity of Design – low**
- **Need to Control Design – low**
- **Complexity of Construction – low to medium**
- **Expertise and Depth of Owner’s Team – medium to high**
- **ELIMINATES THE SPEARIN GAP**



PROJECT DELIVERY STRATEGY – INTEGRATED PROJECT DELIVERY (IPD)

- Complexity of Design – ????????????
- Need to Control Design – ????????????
- Complexity of Construction – ????????????
- Expertise & Depth of Owner's Team – HIGHEST
- ELIMINATES THE SPEARIN GAP IN THEORY BUT PROBABLY NOT LEGALLY

