

# City of New York



# Design-Build Program 2021 Progress Report to the New York State Legislature

# Executive Summary

The passage of the New York City Public Works Investment Act (PWIA) in December 2019 authorized seven agencies — New York City’s Department of Design and Construction, Department of Transportation, Department of Parks and Recreation, Department of Environmental Protection, School Construction Authority Housing Authority, and Health and Hospitals Corporation — to use design-build project delivery on certain projects. The PWIA enables these agencies to use a two-step qualifications-based procurement process to select a single team of designers and builders to work on public works projects from start to finish.

Prior to the PWIA’s passage, these agencies were only permitted to deliver capital projects using the “design-bid-build” approach, which requires a project be fully scoped, initiated and designed as a first step. Once design is completed, the agency must then procure a contractor, a process that typically takes up to nine months. The contract must also be awarded to the contractor who presents the lowest “responsible” bid, regardless of the bidder’s suitability for a project or their experience with the type of work they are bidding on. The design-bid-build process slows project schedules, increases cost, and degrades project quality as compared to design-build because it encourages time-consuming and expensive change orders, claims by the contractors against the City, and litigation between the project’s construction firms and designers.

In comparison, the PWIA allows an agency to select a project team based on their qualifications using clearly defined selection criteria, who then both design and build a project. Design-build streamlines and combines design and construction into one single point of responsibility, in a single contract, on the basis of which design and construction team can deliver the best project at the best value. Design-build allows factors such as quality of the firm and quality of the project team proposed to be accounted for, and collaboration and innovation are encouraged. Design-build creates a true partnership, unlike the design-bid-build project delivery method, which prohibits the design firms and the construction firms from collaborating with each other. For these reasons design-build is particularly well-suited for projects with clearly defined scopes and room for innovation in design or construction. For these reasons design-build is a widely used best practice in cities and states across the nation.

The PWIA requires the City to provide an annual report on design-build projects, short lists and proposers, cost savings, time savings, and projected M/WBE utilization. This document serves as an update on progress on design-build projects during Fiscal Year 2021, the first full year since that permission was granted to some agencies.

This report also includes the New York City Housing Authority (NYCHA), which received legislative permission from the State of New York under the NYC Housing Authority Modernization Investment Act in 2018 to use design-build project delivery on certain projects for the first time.

# Executive Summary Cont'd

The City has moved quickly to take advantage of the provisions in the PWIA. The authorized agencies quickly reorganized and hired staff, onboarded outside expertise, implemented new training programs and developed new procedures and documents. The agencies have also hosted open-houses, roundtables and otherwise been available for potential contractors and other vendors to learn about how the City will manage design-build projects, with a special emphasis on outreach to small firms and MWBE contractors.

Despite delays due to COVID and the urgent need to support the emergency pandemic response, agencies created a brand-new program from the ground up and initiated a number of procurements to select design-build partners. During FY2021, H+H secured a design-build advisor and identified 3 funded capital projects for design-build. Additionally, H+H secured initial funding for 2 additional design-build projects and has secured an outside legal team to support the RFQ and legal contract writing required to implement this program. This occurred while H+H attended to the public health system's first priority to expand bed capacity throughout the COVID-19 pandemic and prepare for the winter wave of COVID-19 which occurred during FY2021.

Based on the preliminary results and the benefits of a design-build delivery for certain types of projects, the included agencies are strongly in favor of extending the design-build legislation in order to deliver projects more efficiently and cost effectively.

The City asks that the Legislature consider modifying the PWIA to allow more flexibility with how design build procurements are structured to shrink procurement schedules, maximize collaboration between the City and proposing teams, and control costs. The City recommends that legislation permit a single-step RFP process (as opposed to a two-step process) referred to as Progressive Design Build. Once a design-builder is selected PDB permits an iterative, collaborative process between the winning design-builder and the project owner that leads to a specific scope that meets projects goals and requirements and allows for more time to do so. Since there is more certainty about the project at this point, the design-builder is able to lock in a guaranteed maximum price ensuring a high-quality project, further reducing risk and accelerating the overall project delivery process.

# New York City Department of Design and Construction

# I. Key Findings

While much of the first wave DDC's design-build portfolio is moving through the procurement stage, several early projects are showing promising time savings:

## Borough-Based Jails

### Queens Garage and Community Space Facility.

One month after the City Council approved the Borough Based Jails program in late 2019, DDC released its first Request for Qualifications (RFQ), pursuant to State law. A Request For Proposals, the second step of the two-step procurement process required by State law, was later released in June 2020. By March 2021, a design-build team had not only been selected but preparation work for the site had begun. Installation of building foundations is now underway and construction completion is expected in October 2022.

**Actual procurement, design and construction duration:**  
**3 years**

**Forecast design, procurement and construction duration using design-bid-build:**  
**6 years**

**Total time savings:**  
**3 years**

**M/WBE participation:**  
**Design: 30%**  
**Construction: 27%**

### Facility Dismantling and Site Preparation.

Four procurements are advancing concurrently to prepare the Bronx, Brooklyn, Manhattan and Queens sites for new buildings. After being interrupted by the pandemic, RFP responses were received during the summer of 2021 and all four procurements are now simultaneously in negotiations and DDC anticipates registration and work to commence by the end of 2021. Site preparations will be completed in approximately two years, in spring, 2023.

**Forecast procurement, design and construction duration:**  
**3 years**

**Forecast design, procurement and construction duration using design bid build:**  
**6 years**

**Total estimated time savings:**  
**3 years**

## Public Buildings Design-Build Pilot Program

Immediately after passage of the State Legislation in 2020, DDC established a Pilot Program to organize a design build project management team, prepare a brand-new procurement strategy, and select and commence procurements for several priority projects. Despite the lead time for this extensive set up, procurements for several of the pilot projects are well under way and construction is expected imminently:

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### **Orchard Beach Maintenance and Operations Facility and Rockaway Operations HQ.**

Procurement for these two critical administrative facilities advanced rapidly through 2021. Contract negotiations with design build teams are underway and design will be able to proceed with the ability to commence phased construction work later in the year.

**Forecast procurement period:**  
**14 months (including a pause to complete PLA negotiations)**

**Forecast construction period:**  
**2 years**

**Total forecast time savings:**  
**3 years**

## II. Description of each Design-Build Contract

### Portfolio Summary

There are 19 projects in DDC's current design-build portfolio with a total estimated cost of \$7- \$8.2 billion. These projects include 3 infrastructure projects and 7 public buildings, as well as 9 projects that are part of the Borough-Based Jails program. Work includes support facilities for the NYC Department of Parks and Recreation, pedestrian ramps for the NYC Department of Transportation, and the construction of new jails for the NYC Department of Correction. Certain projects are City priorities that stand to benefit from design-build's emphasis on innovation and collaboration. Others, including the Green Infrastructure pilot, have the potential to allow the agency to realize significant time savings on overall programs.

Division / Program	#Design-Build Projects	Total Value
<b>INFRASTRUCTURE</b>	3	\$58,300,000
<b>PUBLIC BUILDINGS</b>	7	\$533,000,000
<b>BOROUGH-BASED JAILS</b>	9	\$6,408,000,000–\$7,608,000,000
	<b>19</b>	<b>\$6,999,300,000–\$8,199,300,000</b>

### Infrastructure Division

#### HWP20MXQC Pedestrian Ramps

**Sponsor:** Department of Transportation

**Est Contract Value:** \$13.3 million

**Contract Type:** Lump sum, GMP

**Description:** Complex pedestrian ramp installation across Manhattan, Queens and the Bronx.

**Reasons for selecting project for DB:** Standard scope of work across the Ped Ramp portfolio that can be replicated and performance can be measured from project to project. If pilot execution is successful, potential to realize significant time savings on overall Ped Ramps program.

## HWMMLEXAV Lexington Avenue Pedestrian Safety Improvements

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**Sponsor:** Department of Transportation

**Est Contract Value:** \$18 million

**Contract Type:** Lump sum, fixed price

**Description:** Construction of seven curb and sidewalk extensions along the east side of Lexington Avenue between East 41st and East 48th Streets, ensuring that all corner ramps and pedestrian crossings in the project area are built to ADA compliance.

**Reasons for selecting project for DB:** Well-defined scope and significant sub-surface investigation is complete. Major priority for the administration and East Midtown Governing Group.

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## GKOH15-DB Green Infrastructure - Gravesend Bay CSO Phase 4

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**Sponsor:** Department of Environmental Protection

**Est Contract Value:** \$27 million

**Contract Type:** Lump sum, GMP

**Description:** Pilot for DB with Gravesend Green Infrastructure project

**Reasons for selecting project for DB:** Standard performance criteria for green stormwater drainage interventions across a large project portfolio and potential for schedule savings. If pilot is successful, potential to realize significant time savings on overall Green Infrastructure program.

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## Public Buildings Division

### SANDY4-50 Rockaway Operational Headquarters

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**Sponsor:** Department of Parks and Recreation

**Est Contract Value:** \$23.5 million

**Contract Type:** Lump sum, fixed price

**Description:** Construction of a new, resilient facility for a Parks operational headquarters in the Rockaways. The new facility will consist of elevated shop space for maintenance activities as well as elevated and ground level storage; elevated office space, locker rooms and bathrooms. A vehicular ramp, freight elevator, and possible loading dock are required.

**Reasons for selecting project for DB:** A Parks priority project with clearly defined scope and potential for schedule savings. Presents opportunity to standardize maintenance facilities across the Parks portfolio.

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## P-1ORCHMO Orchard Beach Maintenance and Operations Facility

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**Sponsor:** Department of Parks and Recreation

**Est Contract Value:** \$34.5 million

**Contract Type:** Lump sum, fixed price

**Description:** Construction of a new two-story, 9,000 sf building that will house material and equipment storage, and a variety of DPR offices to meet a range of critical operational needs, includes an enclosed yard.

**Reasons for selecting project for DB:** A Parks priority project with clearly defined scope and potential for schedule savings. Presents opportunity to standardize maintenance facilities across the Parks portfolio.

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## NDF-CRLYN Mary Cali-Dalton Recreation Center

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**Sponsor:** Department of Parks and Recreation

**Est Contract Value:** \$85 million

**Contract Type:** GMP

**Description:** New construction of a recreation center within the Lyons Pool complex with a variety of amenities and flexible programming spaces.

**Reasons for selecting project for DB:** A community priority project with a complex scope of work that could benefit from design-build innovation and close coordination between design and construction team experts.

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## HR25BRCS 444 Thomas S. Boyland Multi-Service Center

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**Sponsor:** Human Resources Administration

**Est Contract Value:** \$120 million

**Contract Type:** Lump sum, fixed price

**Description:** Demolition, design and construction of a new multi-service center. This new building will have sufficient space to accommodate the needs of a Girls Club and also returning (or new) community-based organizations.

**Reasons for selecting project for DB:** An administration priority project with a complex scope of work that includes demolition and could benefit from design-build innovation and close coordination between design and construction team experts.

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## HAM17GHSE Marlboro Greenhouse

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**Sponsor:** New York City Housing Authority

**Est Contract Value:** \$15 million

**Contract Type:** Lump sum, fixed price

**Description:** New building to house a greenhouse, community kitchen, and educational spaces for Bed-Stuy Campaign Against Hunger in NYCHA-owned Marlboro Houses in Brooklyn.

**Reasons for selecting project for DB:** A project with a complex scope and site conditions that will benefit from an integrated team.

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## HWHARPADM Harper Street Administrative Building

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**Sponsor:** Department of Transportation

**Est Contract Value:** \$125 million

**Contract Type:** Lump sum, fixed price

**Description:** Construction of a new administration and personnel building for DOT, including demolition of the existing building and associated trailers to create space for vehicle storage.

**Reasons for selecting project for DB:** A DOT priority project with clearly defined scope and potential for schedule savings.

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## P-217SCRC Shirley Chisholm Recreation Center

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**Sponsor:** Department of Parks and Recreation

**Est Contract Value:** \$130 million

**Contract Type:** Lump sum, fixed price

**Description:** New recreation center at Nostrand Playground in Flatbush, Brooklyn that will include an indoor pool and kitchen for cooking classes.

**Reasons for selecting project for DB:** A community priority project with a complex scope of work that could benefit from design-build innovation.

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# Borough-Based Jails Program

## BBJ-QGAR Queens Garage and Community Space

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**Sponsor:** Department of Correction

**Contract Value:** \$80,142,427

**Contract Type:** Lump sum, fixed price

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**Description:** Construction of new multi-level Garage with Community Space as part of the Borough-Based Jails program.

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## BBJ-MDSS Manhattan Dismantle and Swing Space

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**Sponsor:** Department of Correction

**Contract Value:** \$125,183,169

**Contract Type:** Lump sum, fixed price

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**Description:** Dismantle of existing Manhattan Facility and construction of swing space/interim sallyport.

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## BBJ-QDSS Queens Dismantle and Swing Space

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**Sponsor:** Department of Correction

**Contract Value:** \$43,104,235

**Contract Type:** Lump sum, fixed price

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**Description:** Dismantle of existing Queens Facility and construction of swing space/interim sallyport.

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## BBJ-KDSS Brooklyn Dismantle and Swing Space

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**Sponsor:** Department of Correction

**Contract Value:** \$59,760,000

**Contract Type:** Lump sum, fixed

**Description:** Dismantle of existing Brooklyn Facility and construction of swing space/interim sallyport.

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## BBJ-XSP Bronx Site Preparation

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**Sponsor:** Department of Correction

**Contract Value:** \$76,711,100

**Contract Type:** Lump sum, fixed

**Description:** Site preparation of existing NYPD Bronx Tow Pound for future BBJ Facility, including removal of debris and ground leveling.

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## BBJ-KFAC Brooklyn BBJ Facility

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**Sponsor:** Department of Correction

**Est Contract Value:** \$1.5 - \$1.8 billion

**Contract Type:** Cost Plus Not-to-Exceed GMP

**Description:** Construction of new Brooklyn Facility as part of the Borough-Based Jails program. This will be an 886-bed facility focusing on reentry services.

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## BBJ-MFAC Manhattan BBJ Facility

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**Sponsor:** Department of Correction

**Est Contract Value:** \$1.5 - \$1.8 billion

**Contract Type:** Cost Plus Not-to-Exceed GMP

**Description:** Construction of new Manhattan Facility as part of the Borough-Based Jails program. This will be an 886-bed facility focusing on reentry services.

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## BBJ-QFAC Queens BBJ Facility

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**Sponsor:** Department of Correction

**Est Contract Value:** \$1.5 - \$1.8 billion

**Contract Type:** Cost Plus Not-to-Exceed GMP

**Description:** Construction of new Queens Facility as part of the Borough-Based Jails program. This will be an 886-bed facility focusing on reentry services.

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## BBJ-XFAC Bronx BBJ Facility

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**Sponsor:** Department of Correction

**Est Contract Value:** \$1.5 - \$1.8 billion

**Contract Type:** Cost Plus Not-to-Exceed GMP

**Description:** Construction of new Bronx Facility as part of the Borough-Based Jails program. This will be an 886-bed facility focusing on reentry services.

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### III. Short lists of Each Project

DDC's design-build procurement process during FY21 demonstrates that high-caliber industry leaders chose to participate, aiming to partner with us on constructible projects. Pursuant to the State Law, a two-step procurement process is required. First, interested teams may submit a Statement of Qualifications, which are evaluated and scored by the selection teams. After that, the highest-evaluated teams are short-listed and may participate in the Requests for Proposals phase. Included here is a summary of each project's short list, where applicable, as well as the complete list of proposers for each project that has reached that phase. Short lists are determined based on general capability, capacity, qualifications, experience, and past performance. A best value selection process that prioritizes design, quality, past performance, and qualifications over price will lead to improved outcomes.

16 design-build procurements have been initiated. Requests for Qualifications for 12 projects are upcoming. Seven procurement initiations are upcoming, including one in Infrastructure, two in Public Buildings, and four in the Borough-Based Jails Program.

Division / Program	Project Name	# of Respondents	Status	Next Steps
<b>INFRASTRUCTURE</b>	Complex Pedestrian Ramps Installs	12	Shortlisted	Issue RFP
	Lexington Avenue Pedestrian Safety Improvements	10	Shortlisted	Issue RFP
	Green Infrastructure-Gravesend Bay CSO Phase 4	–	In FEP	Issue NOI
<b>PUBLIC BUILDINGS</b>	Rockaway Operational HQ	17	Awarded	Contract
	Orchard Beach M&O	18	Awarded	Contract
	Mary Cali-Dalton Recreation Center	11	Awarded	Contract
	444 Thomas S. Boyland Multi-Service Center	7	RFQ	Shortlist
	Marlboro Greenhouse	16	RFP	Award
	Harper Street Admin Building	–	–	Release RFQ
	Shirley Chisholm Recreation Center	14	RFP	Award
<b>BOROUGH-BASED JAILS PROGRAM</b>	Queens Garage and Community Space	9	In Construction	
	Manhattan Dismantle & Swing Space	3	Awarded	Registration
	Queens Dismantle & Swing Space	5	Awarded	Registration
	Brooklyn Dismantle & Swing Space	5	Awarded	Registration
	Bronx Site Preparation	12	Awarded	Registration
	Brooklyn BBJ Facility	–	RFQ	Shortlist
	Manhattan BBJ Facility	–	RFQ	Shortlist
	Queens BBJ Facility	–	RFQ	Shortlist
Bronx BBJ Facility	–	RFQ	Shortlist	

<b>Project ID</b>	<b>Project Name</b>	<b>Shortlisted Firm</b>
<b>HWP20MXQC</b>	Complex Pedestrian Ramps	JR Cruz Corp Oliviera / LiRo JV Restani Construction
<b>HWMMLEXAV</b>	Lexington Avenue Pedestrian Safety Improvements	JR Cruz Corp. Restani Construction Triumph Construction Corp.
<b>SANDY4-50</b>	Rockaway Operational HQ	EW Howell + H3/Arquitectonica Gilbane Building Company/ Marvel Architects Suffolk Construction Company, Inc./ Ennead Architects
<b>P-1ORCHMO</b>	Orchard Beach M&O	Gilbane Building Company/ nARCHITECTS Skanska USA Building, Inc./ Dattner Architects Suffolk Construction Company, Inc./ Ennead Architects
<b>NDF-CRLYN</b>	Mary Cali-Dalton Recreation Center	Peter Scalamandre & Sons Inc. / STV Incorporated Caples Jefferson Architects PC Padilla Construction Services, Inc./ Rogers Partners Architects Architecture in Formation J. Kokolakis Contracting, Inc./ Ikon.5 Architects, LLC.
<b>HAM17GHSE</b>	Marlboro Greenhouse	CNY Public LLC PSF Projects Architecture D.P.C Consigli & Associates / Studio Gang Architects Kiss & Cathcart LoDuca Associates Skyline Industries
<b>P-217SCRC</b>	Shirley Chisholm Recreation Center	Lendlease (US) Construction LMB Inc./ Studio Gang Architects DeMatteis-Dattner Sciame Construction, LLC./ Grimshaw Architects P.C.
<b>BBJ-QGAR</b>	Queens Garage and Community Space	Hunter Roberts Construction Group, LLC Peter Scalamandre & Sons, Inc. Walsh Construction Company II, LLC
<b>BBJ-MDSS</b>	Manhattan Dismantle & Swing Space	Gramercy Group, Inc. Hudson Meridian - Breeze National Inc. JV Leon D. De Matteis Construction Corp.

Project ID	Project Name	Shortlisted Firm
<b>BBJ-QDSS</b>	Queens Dismantle & Swing Space	Hudson Meridian Construction Group Hunter Roberts Construction Group NorthStar Contracting Group, Inc.
<b>BBJ-KDSS</b>	Brooklyn Dismantle & Swing Space	Hudson Meridian Construction Group Hunter Roberts Construction Group, LLC Northstar Contracting Group, Inc.
<b>BBJ-XSP</b>	Bronx Site Preparation	ECCO III Enterprises, Inc. Gramercy/LiRo JV Yonkers Contracting Company, Inc.

## IV. Cost of each contract and estimated savings

When the agency utilizes the design-bid-build method, costly and delay-inducing change orders are not uncommon. Design-build is structured to avoid change orders, yielding significant savings. Change orders on design-bid-build projects are estimated at 10% of total cost. By avoiding change orders, our design-build projects will yield an estimated \$700-830 million of the estimated portfolio value.

As shorter construction schedules will save public funds on a range of costs, such as field office rentals, the time savings of utilizing design-build delivery will also yield significant cost savings, although these are not illustrated within this report.

- **Total estimated savings from DB projects - \$700 million to \$830 million - out of \$7 - \$8.2 billion total estimated portfolio value**



	Estimated Portfolio Value		Estimated CO Savings	
<b>PUBLIC BUILDINGS</b>	\$533,000,000		\$53,300,000	
<b>INFRASTRUCTURE</b>	\$58,300,000		\$5,830,000	
<b>BOROUGH-BASED JAILS</b>	\$6,408,000,000	\$7,608,000,000	\$640,800,000	\$760,800,000
<b>TOTAL</b>	<b>\$6,999,300,000</b>	<b>\$8,199,300,000</b>	<b>\$699,930,000</b>	<b>\$819,930,000</b>

## DDC Divisions of Infrastructure and Public Buildings

Project ID	Project Name	Project Size	Est. DB Contract Value	Est. CO Cost Avoided
<b>HWP20MXQC</b>	Complex Ped Ramp Installs - Manhattan, Queens & Bronx	69 corners	\$13,300,000	\$1,130,000
<b>GKOH15-DB</b>	Green Infrastructure: Gravesend Bay CSO Phase 4	30,000 linear ft	\$27,000,000	\$2,700,000
<b>HWMMLXAV</b>	Lexington Ave. Pedestrian Safety Improvements	7 curb ext. 11 corners	\$18,000,000	\$1,800,000
<b>SANDY4-50</b>	Rockaway Operational HQ	11,000 ft <sup>2</sup>	\$23,500,000	\$2,350,000
<b>P-1ORCHMO</b>	Orchard Beach M&O	9,000 ft <sup>2</sup>	\$34,500,000	\$3,450,000
<b>HAM17GHSE</b>	Marlboro Greenhouse	8,000 ft <sup>2</sup>	\$15,000,000	\$1,500,000
<b>P-217SCRC</b>	Shirley Chisholm Rec Center	65,000 ft <sup>2</sup>	\$130,000,000	\$13,000,000
<b>NDF-CRLYN</b>	Mary Cali Dalton Rec Center	64,830 ft <sup>2</sup>	\$85,000,000	\$8,500,000
<b>HR25BRCS</b>	444 Thomas Boyland Community Center	60,000 ft <sup>2</sup>	\$120,000,000	\$12,000,000
<b>HWHARPADM</b>	Harper Street Admin Building	63,350 ft <sup>2</sup>	\$125,000,000	\$12,500,000
			<b>\$591,300,000</b>	<b>\$59,130,000</b>

# Borough-Based Jails Program

- Total estimated cost from BBJ portfolio - **\$1.2 billion to \$1.4 billion** out of \$6.4 - \$7.6 billion total estimated portfolio value

		Early Works	New Facilities	
<b>Lowest End of Range</b>	Est DB Contract Value	\$408,000,000	\$6,000,000,000	<b>\$6,408,000,000</b>
	CO Cost Avoided	\$40,800,000	\$600,000,000	<b>\$640,800,000</b>
<b>Highest End of Range</b>	Est DB Contract Value	\$408,000,000	\$7,200,000,000	<b>\$7,608,000,000</b>
	CO Cost Avoided	\$40,800,000	\$720,000,000	<b>\$760,800,000</b>

Project ID	Project Name	Project Size	Est. DB Contract Value	Awarded Contract Value	Est. CO Savings + Contract Savings
<b>BBJ-QGAR</b>	Queens Garage & Community Space	TBD	\$81,000,000	\$80,142,427	\$8,900,000
<b>BBJ-MDSS</b>	Manhattan Dismantle & Swing Space	TBD	\$137,000,000	\$125,183,169	\$24,300,000
<b>BBJ-QDSS</b>	Queens Dismantle & Swing Space	TBD	\$44,000,000	\$43,104,235	\$5,200,000
<b>BBJ-KDSS</b>	Brooklyn Dismantle & Swing Space	TBD	\$63,000,000	\$59,760,000	\$9,200,000
<b>BBJ-XSP</b>	Bronx Site Preparation	TBD	\$83,000,000	\$76,711,100	\$14,000,000
<b>Total Estimated Savings</b>					<b>\$61,600,000</b>

## New Facilities Projects

Project ID	Project Name	Project Size	Lowest End of Range		Highest End of Range	
			Est. DB Contract Value	CO Cost Avoided	Est. DB Contract Value	CO Cost Avoided
<b>BBJ-KFAC</b>	Brooklyn BBJ Facility	TBD	\$1,500,000,000	\$150,000,000	\$1,800,000,000	\$180,000,000
<b>BBJ-MFAC</b>	Manhattan BBJ Facility	TBD	\$1,500,000,000	\$150,000,000	\$1,800,000,000	\$180,000,000
<b>BBJ-QFAC</b>	Queens BBJ Facility	TBD	\$1,500,000,000	\$150,000,000	\$1,800,000,000	\$180,000,000
<b>BBJ-XFAC</b>	Bronx BBJ Facility	TBD	\$1,500,000,000	\$150,000,000	\$1,800,000,000	\$180,000,000
			<b>\$6,000,000,000</b>	<b>\$600,000,000</b>	<b>\$7,200,000,000</b>	<b>\$720,000,000</b>

## V. Time Savings

Design-build shows tremendous promise to help DDC speed projects. We remain certain that the emphasis on collaboration and efficiency will allow the agency to complete public projects faster. Selecting teams of design-builders ensures improved coordination to limit delays, and when design and construction team members work together, they can deliver a high-quality and constructible project within the scheduled timeframe. With clear project performance requirements established early in the process, our design-build teams can deliver public assets that are inspiring, enduring, practical, constructible, and cost-sensitive. Estimated time savings on design-build projects range from one year to over two years, depending on project complexity as well as other factors. One procurement process instead of two separate processes leads to time savings of approximately nine months. Construction work can begin during design, which creates additional efficiencies. Additionally, integrated design and construction teams can produce better design results that lead to fewer errors down the line.

As an example, constructing and completing a center like the Shirley Chisholm Recreation Center through design-bid-build would take an estimated 2344 days. Using design-build, we estimate this community asset to be complete within 1424 days. This schedule savings totals over two and a half years, a tangible difference to the community served by this center, as well as our City partners.

	<b>Project Name</b>	<b>Project ID</b>	<b>Est Schedule Savings (years)</b>
<b>INFRASTRUCTURE</b>	Pedestrian Ramps	HWP20MXQC	<b>2.0</b>
	Lexington Avenue Pedestrian Safety Improvements	HWMMLEXAV	<b>1.0</b>
	Green Infrastructure-Gravesend Bay CSO Phase 4	GKOH15-DB	<b>2.0</b>
<b>PUBLIC BUILDINGS</b>	Rockaway Operational HQ	SANDY4-50	<b>1.2</b>
	Orchard Beach M&O	P-1ORCHMO	<b>2.3</b>
	Mary Cali-Dalton Recreation Center	NDF-CRYLN	<b>2.5</b>
	444 Thomas S. Boyland Multi-Service Center	HR25BRCS	<b>2.1</b>
	Marlboro Greenhouse	HAM17GHSE	<b>1.7</b>
	Shirley Chisholm Recreation Center	P-217SCRC	<b>2.7</b>
	Harper Street Admin Building	HWARPADM	<b>2.3</b>
<b>BOROUGH-BASED JAILS PROGRAM</b>	Queens Garage and Community Space	BBJ-QGAR	<b>2.9</b>
	Manhattan Dismantle & Swing Space	BBJ-MDSS	<b>2.9</b>
	Queens Dismantle & Swing Space	BBJ-QDSS	<b>3.2</b>
	Brooklyn Dismantle & Swing Space	BBJ-KDSS	<b>3.1</b>
	Bronx Site Preparation	BBJ-XSP	<b>3.1</b>
	Brooklyn BBJ Facility	BBJ-KFAC	<b>1.5</b>
	Manhattan BBJ Facility	BBJ-MFAC	<b>1.5</b>
	Queens BBJ Facility	BBJ-QFAC	<b>1.5</b>
	Bronx BBJ Facility	BBJ-XFAC	<b>1.5</b>
	<b>Average</b>		<b>2.1</b>

### Data Notes

Design-build and design-bid-build don't have the exact same alignment in terms of project phases. For this report, we consider the durations for design-bid-build to be Design NTP through Substantial Completion and for design-build to be design-build NTP through Substantial Completion. Design-bid-build durations are either estimates of what the project would have taken with the delivery method based on typical durations for those project types and sizes or from an original Front-End Planning design-bid-build schedule development before pivoting to design-build. The design-build substantial completion dates are projections and subject to change.

## VI. M/WBE Participation Goals

DDC intends to use in its design-build program qualified firms that have a demonstrated history of hiring, training, developing, promoting, and retaining minority and women staff and to encourage participation by City- and State-certified Minority and Women-Owned Business Enterprises. Our anticipated M/WBE Participation Goal for design-build projects is 30% for both design and construction. DDC has been conducting a series of forums to inform and educate the industry, thereby increasing knowledge of and participation in the procurement process. In addition, the program allows for those without prior design-build experience to participate, thus increasing the number of firms who are eligible to partner with the agency.

### **Anticipated M/WBE Participation Goal for Design-Build projects:**

- Design work – 30%
- Construction work – 30%

### **BBJ – Queens Garage**

- Final Participation Goal: **30% of design work and 30% of construction work**

### **Data Notes**

Based on the refinements in the project's scope and design, DDC may revise the M/WBE participation goals during the RFP period and prior to the Proposal due date.

# New York City Health and Hospitals

# I. Description of each Design-Build Contract

## Portfolio Summary

There are 2 projects in H+H's current design-build portfolio with a total estimated cost of \$42 million. These projects include a new build parking garage at Queens Hospital Campus and cogeneration plant which will include 3 new boilers at our Harlem Hospital Campus. One project is a facility priority that benefits from design-build's emphasis on innovation and collaboration. The other includes sustainability and client resiliency measures that have the potential to allow the corporation to realize significant time savings overall.

Facility / Program	#Design-Build Projects	Total Value
QUEENS HOSPITAL	1	\$10,000,000
HARLEM HOSPITAL	1	\$32,000,000
	<b>2</b>	<b>\$42,000,000</b>

## Capital Development Group

### 34202101 Queens Parking Garage

**Facility:** Queens Hospital Campus

**Est Contract Value:** \$10 million

**Contract Type:** Lump sum, fixed price

**Description:** Project includes construction of a new 350 space two-level parking garage on the western portion of the NYC Queens Hospital Campus for an approximately 142,000 Sq. Ft parking garage structure. The new parking garage will require zoning and massing in compliance with Floor Area Ratio (FAR) allowances. The Performance documents deliverable under this RFP includes identifying a successful path for the future design-builder to design, permit, and construct the new parking garage.

**Reasons for selecting project for DB:** Reasons for selecting project for DB: As a new relatively simple structure with only below grade risks and an aggressive schedule, design-build presents opportunity to identify time and cost efficient parking structure standards which may be applicable to additional campus needs.

## TKYHHC904 Harlem 1.5MH combined heat and power (CHP) and boiler upgrades

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**Facility:** Harlem Hospital Campus

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**Est Contract Value:** \$32 million

**Contract Type:** Lump sum, fixed price

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**Description:** Replacement of all 3 existing 2134HP boilers with 3 smaller right-sized and more efficient 1300HP boilers. Installation of 1 new 1.5 MW CHP with Gas Turbine Generator. The system is expected to generate 12,000,000 kWh annually. Installation of “Micro” heat recovery economizer in the gas turbine stack - This is a new cost reduction and space saving measure compared to conventional HRSG with Duct burner. The system is expected to produce 9,000 lbs/hour of high-pressure steam..

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**Reasons for selecting project for DB:** A facility priority project with defined performance criteria and potential for schedule savings. Presents opportunity to standardize large equipment replacements seamlessly at facilities across system-wide.

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## II. Short Lists of Each Project

H+H's design-build program aims for high-quality design delivered by an experienced team that will collaborate at all stages of the design and construction process. Our procurement process during FY21 demonstrates that high-caliber industry leaders choose to participate, aiming to partner with us on constructible projects. Reflecting H+H's two-step procurement process where only short-listed firms may participate in the Requests for Proposals phase, we are including reports on each project's short list, where applicable, as well as the complete list of proposers for each project that has reached that phase. (Note that short lists are composed of up to three firms that may proceed to the Requests for Proposals stage.) Short lists are determined based on general capability, capacity, qualifications, experience, and past performance. A best value selection process that prioritizes design, quality, past performance, and qualifications over price will lead to improved outcomes.

No design-build procurements have been initiated. Requests for Qualifications for 2 projects are upcoming. 2 Mini Requests for Proposal procurement initiations are upcoming for Design Consultant to develop Performance based Bridging Documents.



Facility/ Program	Project Name	Number of Proposers	Status	Next Steps
<b>QUEENS HOSPITAL CAMPUS</b>	Parking Garage	3	Evaluation	Mini-RFP Issued
<b>HARLEM HOSPITAL CAMPUS</b>	CHP and boilers upgrades	Open	Solicitation Commenced	Issue Construction Documents
	Parking Garage	4	Awarded	Issue Construction Documents

Project ID	Project Name	Procurement Type	Shortlisted Firm
<b>34202101</b>	Queens Parking Garage	Mini-RFP	Submitted - Gensler, Lothrop, Urbahn) ( 7 no-responses ) Shortlisted - 3 Responded/shortlisted ( Gensler, Lothrop, Urbahn) Awarded - Pending
		RFQ	
		RFP	
<b>TKYHHC904</b>	Harlem CHP and boilers upgrade	Mini-RFP	
		RFQ	
		RFP	
	Parking Garage	Mini-RFP	Submitted - (Gensler, Lothrop, Moody&Nolan and NK), 3 no responses Shortlisted - 4 responded/shortlisted (Gensler, Lothrop, Moody&Nolan and NK), Awarded - Lothrop
		RFQ	
		RFP	

### III. Cost of each contract and estimated savings

When the corporation utilizes the design-bid-build method, costly and delay-inducing change orders are not uncommon. Design-build is structured to avoid change orders, yielding significant savings. As the Corporation is early in launching the program, below applies a conservative 10% savings against the current budget.

As shorter construction schedules will save public funds on a range of costs, such as field office rentals, the time savings of utilizing design-build delivery will also yield significant cost savings, although these are not illustrated within this report. Additionally, design-build builds in certain contingencies that design-bid-build does not. Therefore, the fiscal year convinces us that cost savings from design-build are likely to be significant.

	<b>Estimated Portfolio Value</b>	<b>Estimated CO Savings</b>
<b>QUEENS HOSPITAL CAMPUS</b>	\$10,000,000	\$1,000,000
<b>HARLEM HOSPITAL CAMPUS</b>	\$32,000,000	\$3,200,000
<b>TOTAL</b>	<b>\$42,000,000</b>	<b>\$4,200,000</b>

## IV. Time Savings

Design-build shows tremendous promise to help H+H efficiently deliver certain types of projects. We remain certain that the emphasis on collaboration and efficiency will allow the corporation to complete public projects faster. Selecting teams of design-builders ensures improved coordination to limit delays, and when design and construction team members work together, they can deliver a high-quality and constructible project within the scheduled timeframe. With clear project performance requirements established early in the process, our design-build teams can deliver public assets that are enduring, practical, constructible, and cost-sensitive. Estimated time savings on design-build projects range from one year to over two years, depending on project complexity as well as other factors. One procurement process instead of two separate processes leads to time savings of up to nine months. Construction work can begin ahead of full design completion, which creates additional efficiencies. Additionally, integrated design and construction teams can produce better design results that lead to fewer errors down the line.

Facility/ Program	Project Name	Project ID	Est Schedule Savings (years)
<b>QUEENS HOSPITAL CAMPUS</b>	Parking Garage	34202101	<b>1.0</b>
<b>HARLEM HOSPITAL CAMPUS</b>	CHP and boilers upgrades	TKYHHC904	<b>1.0</b>
	Parking Garage	Not yet decided	<b>Planning</b>

# V. M/WBE Participation Goals

H+H intends to use in its design-build program qualified firms that have a demonstrated history of hiring, training, developing, promoting, and retaining minority and women staff and to encourage participation by City- and State-certified Minority and Women-Owned Business Enterprises. Our anticipated M/WBE Participation Goal for design-build projects is 30% for both design and construction. The program allows for those without prior design-build experience to participate, thus increasing the number of firms who are eligible to partner with H+H.

## **Anticipated M/WBE Participation Goal for Design-Build projects:**

- Design work – 30%
- Construction work – 30%

## **Data Notes**

Based on the refinements in the project's scope and design, H+H may revise the M/WBE participation goals during the RFP period and prior to the Proposal due date.

# New York City Housing Authority

# I. Details of Design-Build Projects

## Portfolio Summary

In 2018, the New York City Housing Authority (NYCHA) received legislative permission from the State of New York under the NYC Housing Authority Modernization Investment Act to use design-build project delivery on certain projects for the first time. This legislation permits NYCHA to select a team of designers and builders that would work on selected design-build projects from start to finish, instead of the standard design-bid-build process. NYCHA subsequently received further authorization to undertake design-build procurements pursuant to the New York City Public Works Investment Act. This section serves as an update on NYCHA's progress on its current portfolio of design-build projects, all of which were undertaken pursuant to the initial legislation.

There are 19 projects in NYCHA's current design-build portfolio with a total estimated budget of \$480.4 million. These projects include 7 waste yards, 1 pneumatic waste system, and 11 heating and hot water projects.

<b>Program</b>	<b>#Design-Build Projects</b>	<b>Total Budget</b>
<b>WASTE YARDS</b>	7	\$18,680,296
<b>PNEUMATIC SYSTEMS</b>	1	\$26,394,400
<b>HEATING SYSTEMS-STATE</b>	9 <sup>1</sup>	\$372,482,109
<b>HEATING SYSTEMS-CITY</b>	2	\$62,852,220
	<b>19</b>	<b>\$480,409,025</b>

The waste yard projects include the construction of new waste yards with auger compactors, hydraulic compactors, and for certain projects, secondary waste collection centers, which greatly improve the waste management of NYCHA developments, thereby addressing a key quality of life area for residents. The pneumatic waste system project also addresses waste management at developments by replacing individual compactors with a network of underground pipes, which keep trash away from residents' homes and deter pests. The heating system projects involve replacing boilers with new heating and hot water equipment to reduce heating outages and improve energy efficiency of NYCHA's heating plants.

<sup>1</sup>Three projects are contracted through the New York State Power Authority (NYPA).

<b>Category</b>	<b>Project Name</b>	<b>Current Budget</b>	<b>Shortlisted Firms</b>
<b>WASTE YARDS</b>	e21231-Waste Yard Auger Compactors-303 Vernon Avenue	\$1,870,810	a. Hunter Roberts Construction Group, LLC
	e21232-Waste Yard Auger Compactors-East 180th Street Monterey Avenue	\$1,870,810	b. Hudson Meridian Construction Group LLC and;
	e21233-Waste Yard Auger Compactors-La Guardia	\$2,091,144	c. Liro Engineers, Inc JV JR Cruz
	e21234-Waste Yard Auger Compactors-Marcy Houses	\$3,659,943	
	e21235-Waste Yard Auger Compactors-Morris II	\$3,591,144	
	e21238-Waste Yard Auger Compactors-Webster	\$2,091,144	
	e21296-Waste Yard Auger Compactors-Jackson	\$3,505,302	
	<b>TOTAL</b>	<b>\$18,680,296</b>	
<b>PNEUMATIC SYSTEMS</b>	e21316-Auger Compactor Pneumatic System – Polo Towers	\$26,394,400	a. MLJ Contacting Corp.,  b. Navillus Title, Inc / DBA Navillus Contracting and;  c. LiRo Engineeers, Inc. JV JR Cruz.
	<b>TOTAL</b>	<b>\$26,394,400</b>	

<b>Category</b>	<b>Project Name</b>	<b>Current Budget</b>	<b>Shortlisted Firms / Design Build Agreements (DBA)</b>
<b>HEATING SYSTEMS</b>	e21093-Boilers-830 Amsterdam Avenue (Managed by NYPA)	\$28,431,189	DBA with Dynamic US
	e21094-Boilers-Marble Hill (Managed by NYPA)	\$41,132,039	DBA with Dynamic US
	e20432-Boilers-Berry (Managed by NYPA)	\$31,404,532	DBA with Dynamic US
	e20748-Boiler-Ocean Hill Apartments (Bundle 1B)	\$10,571,352	a. Tully Construction Co. Inc / Richards Plumbing & Heating Co., Inc JV and; b. WDF Inc.
	e21090-Boilers-Saratoga Village (Bundle 1B)	\$20,452,220	a. Tully Construction Co. Inc / Richards Plumbing & Heating Co., Inc JV and; b. WDF Inc.RFQ
	e20912-Boilers-Brownsville (Bundle 1A)	\$42,400,000	a. Tully Construction Co. Inc / Richards Plumbing & Heating Co., Inc JV and; b. WDF Inc.
	e20742-Heating-Eastchester Gardens (Bundle 2)	\$44,034,644	DBA with Adam's European Contracting Inc.
	e20743-Heating-Jackson (Bundle 2)	\$31,410,505	DBA with Adam's European Contracting Inc.
	e20036-Heating-Pink (Bundle 3)	\$48,947,950	DBA with Wildan Energy Solutions
	e20746-Heating-Tilden (Bundle 3)	\$60,619,598	DBA with Wildan Energy Solutions
	e20744-Heating-Marlboro (Bundle 4)	\$75,930,300	a. Adam's European Contracting Inc. b. MDE-MARIC JV and; c. Technico Construction Services Inc.
<b>TOTAL</b>		<b>\$435,334,329</b>	



The eight Design-Build firms that were selected to participate in submission of proposals under the RFP stage were MLJ Contracting Corp., Tully Construction Co. Inc. / Richards Plumbing & Heating Co., Inc JV, Wildan Energy Solutions, Navillus Tile, Inc/DBA Navillus Contracting, Adam's European Contracting Inc., WDF inc., Technico Construction Services, Inc, and Macan Deve Engineers-Maric Mechanical Inc JV (MDE-MARIC JV).

There were three Design-Build firms that were selected to participate in submission of proposals under the RFP stage of the NYPA projects. These firms were CDM Smith, Dynamic US and LiRo.

## II. Estimated Cost and Time Savings & M/WBE Participation

Compared to the traditional design-bid-build approach, design-build can provide PHAs significant time and cost savings, and better value-for-money, especially for projects with complex or comprehensive scopes of work.

### **On a project level, NYCHA anticipates that use of design-build:**

- Saves 0.5 to 1 year on average depending on the project complexity;
- Saves 4% to 8% across projects;
- Improves value-for-money, MWBE participation, and resident employment.

**Time savings projections result from:** (i) reduced procurement timelines, (ii) ability to overlap design and construction phases, and (iii) reduced communication lead times between design and construction partners during construction.

**The estimated cost savings projections are a result of:** (i) value engineering and constructability analysis during design, (ii) shorter project timelines, and (iii) reduced change orders due to improved coordination. The 4% to 8% benchmark range is based on experience in New York and nationally, but NYCHA will learn more about exact cost savings as these projects continue and when the projects are ultimately completed. Applying this savings benchmark to NYCHA's current portfolio of design-build projects, with a total estimated budget of \$480.4 million, implies a savings of \$20.0 million to \$41.8 million overall.

In its design-build program, NYCHA intends to use qualified firms that have a demonstrated history of hiring, training, developing, promoting, and retaining minority and women staff and to encourage participation by City- and State-certified Minority and Women-Owned Business Enterprises. Of the shortlisted firms, two companies have M/WBE status. In addition, from City FY 2015 to 2021, NYCHA has awarded over \$3.2 billion to M/WBE firms and is ranked third of all Mayoral and Non-Mayoral Agencies for M/WBE contracts according to Mayor's Office of Contract Services, OneNYC.<sup>2</sup>

<sup>2</sup> OneNYC\_MWBE\_Bulletin\_FY2015\_and\_FY2021.pdf

# New York City Department of Transportation

## I. Details of Design-Build Projects

There are 4 projects in NYCDOT's current design-build portfolio with a total estimated budget of \$527.5 million. This includes 3 projects within the Division of Bridges; each project comprising of multiple bridges and 1 ferry terminal project. The Bridge Division is nearing completion of procurement of two teams of Owner's Representative to support the design-build program going forward. NYCDOT is also working closely with NYSDOT to make sure our policies and procedures adhere to federal guidelines as these bridge and ferry projects will likely be recipients of federal funding.

Program	#Design-Build Projects	Total Value
<b>BRIDGES</b>	3	\$302,100,000
<b>FERRIES</b>	1	\$45,000,000
	<b>4</b>	<b>\$347,100,000</b>

## II. Portfolio Summary

Project Name	Est Contract Value	Status	Next Steps
East 183rd Street Bridge & East 188th St Bridge Over Metro North Railroad Harlem Line	<b>\$63 million</b>	<b>Preliminary Design / Design Approval</b>	RFP Development
Belt Shore Parkway over Sheepshead Bay Road / Ocean Avenue / Bedford Avenue/ Nostrand Avenue	<b>\$193.1 million</b>	<b>Preliminary Design / Design Approval</b>	RFP Development
191st St Pedestrian Tunnel over Broadway & IRT #1 Subway	\$46 million	<b>Preliminary Design</b>	RFP Development
Ferry Terminal Floodproofing	\$45 million	<b>RFQ Development</b>	RFQ Release

### III. Estimated Cost and Time Savings & M/WBE Participation

Design build shows promise to help DOT speed projects and reduce costs for the following reasons.

- Design-build is structured to avoid change orders resulting from development of design without the collaboration with the contractor or other contract documentation related issues which are at estimated at 10% of total cost for design-bid-build projects.
- Construction work can begin earlier in the project development and overlap with design completion which reduces the overall project duration and associated costs. These cost savings could take the form of reduced administrative burden as well as shorter contract duration for related consultant contracts.
- Selecting teams of design-builders based on best value ensures improved coordination and innovation to limit delays by delivering high-quality, constructable projects.
- Efficient construction schedules determined by contractor and designer working together result in the time saving and significant cost savings for design-build contracts.

Increase opportunities for ready, willing and able certified Disadvantaged/Minority/Women-owned Business Enterprises and City MWBE companies. This will promote contracting opportunities for small business owners to perform projects governed by the New York City M/WBE program and the Federal Highway Administration DBE program. These opportunities will help to strengthen the Design Build Program by establishing minority participation goals on all contracts for construction, and professional and standard services. Our intent is to require goals on both the design and construction portion of the procurement. The anticipated goal is 30% on each segment. The new monitoring and accountability requirements under these equity programs will ensure transparency and increase participation. DOT is actively engaging with MWBE associations and providing information on the Design Build program to ensure we keep the community apprised of our progress. When we establish minority goals for these procurements, the agency is providing opportunities for Disadvantaged/Minority/Women-owned Business Enterprises and City Certified MWBE companies to develop greater capacity, thereby increasing competition and participation in City procurement and contracting.