Blueprint 2022
Capital Project Delivery Progress Update
Critical Next Steps
I’m extremely honored that in January 2022 Mayor Adams asked me to serve as Commissioner of the Department of Design and Construction. Having worked at DDC since its inception in 1996, I can attest to the talent and dedication of our outstanding employees. Alongside the agency’s senior leadership, I am committed to doing everything I can to help our dedicated professionals successfully deliver for New York City.

Our responsibilities are expanding, and we continue to tackle pressing issues, from closing Rikers Island to embarking upon the largest resiliency program in the country. With our partners, DDC is working to improve project delivery as the agency’s capital portfolio continues to grow. In the past few years, DDC efficiently managed construction to meet emergency needs during the COVID-19 pandemic, and we are applying those lessons to our projects today as we continue to press for the tools needed to deliver for the City. We know that we need to treat every project and every day as if they were an emergency. This will take hard work, as well as strong support and partnership across the industry.

It will also take innovation and new ideas, including those detailed in this report. Process and delivery improvements include the implementation of a design-build program, which is already showing its potential for time and cost savings. As we seek to improve our pipeline of projects, we are streamlining interagency approvals, providing Expanded Work Allowances, including price adjustments for materials to reduce vendor risks and early incentives in our contracts, and ultimately working with our partners to manage projects more effectively. DDC is also working to increase the capacity of minority-owned, women-owned (M/WBEs), and small businesses, and address ongoing disparities in City procurement.

Blueprint 2022 summarizes DDC’s continued commitment and ambitious new goals to maximize public investments. Our overarching goal is to plan, design, and build better for the City of New York. In the words of Mayor Adams, we will work with our partners to “Get Stuff Done.”

Thomas Foley, P.E.
Commissioner
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As the City’s primary construction project manager, we design and build new public buildings, collaborating with creative and experienced architects and designers. We work on major rehabilitations and renovations, from restoring police station façades to making libraries accessible. We also manage essential system upgrades including fire alarms and mechanical systems. We work closely with our partners in City government to deliver these essential structures on behalf of over 20 sponsor agencies, including the City’s public health and safety agencies, three library systems, cultural institutions, and others.

DDC builds and upgrades public infrastructure around the City. Our work includes water mains, sewers, pedestrian ramps, street reconstructions, public plazas, and green infrastructure. We install and repair the water mains that deliver one billion gallons of water a day. We also fix and improve the City’s sewer system of 7,000 miles of pipes and 135,000 storm drains. We install green infrastructure to manage stormwater. We build and reconstruct public spaces including step streets, streets and sidewalks, plazas, and pedestrian bridges. We share the goals of the City of New York to invest in reliable and resilient infrastructure that improves and strengthens communities.

We support New Yorkers during emergencies. Making use of emergency authorization that allowed for changes to procurement and construction management methods, DDC delivered for New York City during the COVID-19 crisis, managing construction for two field hospitals, four laboratories, 26 testing sites, eight mobile testing trucks, three large community clinics, and vaccination sites across the city. We also helped hundreds of thousands of New Yorkers seeking relief from summer heat and facilitated construction of hundreds of blended learning classrooms for public school children.

We are an integral part of the City’s response to climate change, working to incorporate sustainability and resiliency in all our projects. Our goals for our public buildings projects include reducing energy use, conserving water and other natural resources, and preparing for the risks and impacts of climate change. Integrating sustainable measures into our infrastructure projects ensures that they will serve the community for decades while enhancing well-being and quality of life. We are undertaking ambitious coastal protection and resiliency projects across the five boroughs to reduce the risk of flooding, facilitate access to the waterfront, and enhance natural areas. Projects underway include East Side Coastal Resiliency Project and Red Hook Integrated Flood Protection System, among others.

Our growing portfolio — from $2 billion in capital commitments in Fiscal Year 2022 to a projected $3.8 billion in FY 2023 — reflects the urgent need to upgrade the City’s vast infrastructure to meet the demands of the next century. With the federal bipartisan Infrastructure Investment and Jobs Act bringing even more investment, DDC is on the front lines building a green, healthy, and equitable New York City.

To meet these challenges, we are on a mission of continuous improvement. DDC released our first Strategic Blueprint in 2019, a comprehensive and ambitious plan to transform how the agency manages capital construction projects from start to finish. Since then, we have advanced improvements at every stage of capital project delivery. We have made tremendous strides, but we know we must do even better for the City of New York and its residents. In 2022, we are planning better, designing better, and building better — and continuously finding ways to improve.

Meeting our critical and growing mandate will take partnership at every level of City government to challenge the status quo of capital project delivery in NYC.

Now more than ever is the time to enhance our progress to not only build the city and make it resilient, but also create more opportunity for all New Yorkers. We are partnering to build NYC for the future.
The East Side Coastal Resiliency (ESCR) project is one of the most technically complex infrastructure projects in New York City’s history—and among the largest endeavors of its kind in the country. ESCR will protect 110,000 New Yorkers from the impacts of climate change by reducing flood risk to communities, properties, businesses, critical infrastructure, and public open spaces. In addition to providing flood protection, the project will enhance waterfront spaces on Manhattan’s East Side by improving accessibility, increasing ecological diversity, and delivering improved recreational amenities to a vibrant and highly diverse community.

ESCR will create an integrated 2.4-mile system of raised parkland, floodwalls, berms, and movable flood gates to create a continuous line of protection against sea level rise and the growing threat of stronger, more severe coastal storms worsened by climate change. The project has been designed to improve waterfront access through reconstructed bridges and entry points and will also upgrade existing sewer systems to capture and manage precipitation during storms. Construction of ESCR began in November 2020 at Asser Levy Playground, with major construction beginning in April 2021. The $1.45 billion ESCR project will be completed in 2026.
FOCUS AREAS

Infrastructure upgrades, Southeast Queens
Authorization to Utilize Design-Build

In January 2020, following years of advocacy by DDC and others across the city, the New York City Public Works Investment Act (PWIA) became law. The PWIA authorized DDC and six other agencies to use design-build project delivery on a range of projects. For the first time, we could partner with a designer and builder as a single integrated team, selecting them based on their qualifications, technical solution, and other factors in addition to price. The City could finally benefit from a key project delivery tool used widely by public and private owners across the nation.

We immediately got to work building our design-build pilot program. DDC partnered with national leaders and experts in design-build delivery, like the Design-Build Institute of America (DBIA), to train staff in-house and at our oversight agencies.

Design-Build Relies on Collaboration to Speed Projects

Design-build delivery will allow DDC to get high-quality and enduring critical facilities into the hands of their communities faster, with fewer cost overruns and risks of delay. Partnership between the designer and builder — with a single point of responsibility — fosters a culture of trust and collaboration throughout the project’s life cycle. It ensures that construction expertise can help shape even the earliest stages of design, leading to more constructible projects, and that design expertise is available when challenges arise during construction.

Best value procurement allows the City to select the best team for the work based on a range of established criteria, not just lowest price. And the ability to initiate certain construction activities, like site preparation and prefabrication, during design means delivering facilities up to years earlier.

In the City’s 2021 Progress Report to the New York State Legislature, DDC estimated it will save up to $800 million on avoided change orders alone on the 19 projects in its design-build program. Time savings for the 19 projects is estimated at an average of 2.1 years each.

Design-Build vs. Design-Bid-Build

Design-Bid-Build Delivery Timeline

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<thead>
<tr>
<th>Planning</th>
<th>Initiation</th>
<th>Design</th>
<th>Procurement</th>
<th>Construction</th>
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<tbody>
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<tr>
<td>COMPLETION</td>
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*Phases not sized to scale

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<td>COMPLETION</td>
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*Phases not sized to scale

Alternative project delivery tools, which fundamentally change the relationships between DDC, our designers, and our builders, hold tremendous potential to foster collaboration, speed projects, and reduce costs. As part of our agenda for capital process reform, DDC is advocating to extend and expand our toolbox of alternative delivery methods. This expansion will ensure we can always use the best tool for the job, using quality-based selection methods to partner from the outset with the city’s most qualified designers and builders.
We have created a new hub for design-build information on DDC’s website. We post Notices of Intent—the earliest announcement of a design-build project—to ensure the widest interest and greatest competition.

At the proposal stage, we publish a directory of short-listed teams so that interested firms and subcontractors can engage with them to join the team. And we post recent design-build contracts and procurement materials so teams can build familiarity with the process.

DDC created our design-build Request for Qualifications (RFQ) and Request for Proposals (RFP) to emphasize quality and innovation while encouraging new partnerships among designers, builders, and subconsultants. Recognizing that design-build is a new model for public work in New York City, teams are not required to have partnered on previous projects and do not need prior design-build experience, provided they can demonstrate other relevant experience.

We build opportunities for collaboration into the earliest stages of a design-build project. During procurement, DDC holds Collaborative Dialogue Meetings (CDMs) with short-listed teams to address questions and vet solutions before proposals are submitted. The first CDM occurs before we release the final RFP so we can ensure that our final procurement requirements are clear and responsive to the proposers’ feedback. After award, we host partnering workshops to ensure alignment between all stakeholders. And we offer detailed debriefings after public hearings to teams not awarded for the project to build their capacity to win future work.

Additional Alternative Delivery Tools

CM-BUILD AND CM-AT-RISK

Design-build is a key tool for DDC, but it is not the only alternative to low-bid construction procurement. Other qualifications-based tools, such as CM-Build (Construction Manager-Build) and CM-at-risk (Construction Manager-at-risk), can reduce lengthy procurement processes, allow construction to begin while the design is still being developed, and foster early collaboration between the designer and builder. Like design-build prior to enactment of the PWIA, current procurement rules do not allow us to use these delivery methods under normal circumstances.

At the peak of the COVID-19 crisis in March 2020, the State removed procurement and construction constraints for COVID-related work. Because of this change, DDC was able to employ CM-Build, where construction management firms hired through an accelerated RFP process managed dozens of critical projects to build testing, vaccination, and other urgently needed healthcare facilities.

Utilizing CM-Build afforded us remarkable flexibility and speed. The average construction time for COVID-19 testing sites was seven days. We built a 470-bed field hospital in Queens in ten days and achieved high contract awards to M/WBEs.

New Processes to Support Delivery

Implementing design-build at DDC has meant developing a new set of processes and tools for every stage of project delivery. From the start, DDC has approached our design-build program as a laboratory for innovation and an opportunity to pilot best practices and process improvements across the agency. By listening closely to industry organizations, builders, architects, engineers, and our own staff, we are working to ensure that the way we do design-build reflects the best practices that the model can offer.
ALTERNATIVE DELIVERY TO INCREASE M/WBE PARTICIPATION

The value-based selection of designers and contractors is a critical tool for increasing participation by M/WBEs because it awards contracts on criteria other than low bid, which can be difficult for emerging firms to win and can prevent them from seeking City contracts. On our design-build procurements, DDC has been able to set M/WBE participation goals at 30 percent for both the design and construction phases with targeted goals for certain minority groups. We have also included firms’ experience with M/WBEs as a selection criterion, so teams are evaluated on their past performance in engaging M/WBEs.

By The Numbers

<table>
<thead>
<tr>
<th>Project Description</th>
<th>M/WBE Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Project</td>
<td>46%</td>
</tr>
<tr>
<td>COVID-19 Centers of Excellence</td>
<td>50%</td>
</tr>
<tr>
<td>COVID-19 Testing Sites</td>
<td>55%</td>
</tr>
<tr>
<td>COVID-19 Mobile Testing Trucks</td>
<td>45%</td>
</tr>
<tr>
<td>Rikers Island Emergency Construction</td>
<td>88%</td>
</tr>
</tbody>
</table>

DDC has reached historic levels of M/WBE utilization under emergency declarations.

Perhaps DDC’s most significant CM-Build effort during the pandemic was the construction of three expansive permanent healthcare facilities for NYC Health + Hospitals (H+H) in Brooklyn, Queens, and the Bronx. Located in neighborhoods hit hard by the pandemic, the COVID-19 Centers of Excellence are designed to meet the complex needs of recovering COVID-19 patients while providing comprehensive primary care health services for residents.

When the pandemic struck, H+H had plans to develop three selected sites into community health clinics. The project was turned over to DDC to quickly adapt the proposed facilities for use in the pandemic. Using a rapid RFP process, we hired a construction manager to procure and oversee design and construction for all three sites. The CM used an integrated project delivery framework to collaborate with the architects, engineers, and City team, to accelerate the schedule, alter the design to provide COVID-19 care, and prioritize high-quality design for patient spaces.

The construction manager awarded at least 86 subcontracts, with almost half the value of all contracts to certified M/WBEs. From start to finish, construction of the three Centers of Excellence took only a matter of months, with the Bronx center finishing in just four months.

SPOTLIGHT: CM-Build in Action

By The Numbers

<table>
<thead>
<tr>
<th>Site</th>
<th>Number of Sites</th>
<th>Number of Days</th>
<th>Average Construction Duration</th>
<th>Average Size</th>
<th>M/WBE Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brooklyn</td>
<td>3</td>
<td>7</td>
<td>192</td>
<td>34,333 SF</td>
<td>46%</td>
</tr>
<tr>
<td>Queens</td>
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<td>10</td>
<td>240</td>
<td>50,000 SF</td>
<td>50%</td>
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<tr>
<td>Bronx</td>
<td>1</td>
<td>14</td>
<td>200</td>
<td>50,000 SF</td>
<td>88%</td>
</tr>
</tbody>
</table>

The impact of value-based selection on M/WBE participation has been striking. Using CM-Build during the pandemic, 55 percent of the agency’s work to build testing sites and 45 percent of the work to build mobile testing trucks were awarded to M/WBEs. On Rikers Island, where DDC is making emergency upgrades to improve conditions using CM-Build delivery, the M/WBE participation rate is a remarkable 88 percent.

ADVOCATING FOR ALTERNATIVE DELIVERY OPTIONS

The New York City Public Works Investment Act must be periodically reauthorized by the State or DDC and other City agencies will lose the ability to use design-build for future projects. The law was reauthorized through 2027 as part of the 2022 State budget.

On behalf of the City, DDC is advocating for the following additional delivery tools:

Progressive Design-Build, which allows a one-step selection process based on qualifications alone, and allows the designer, builder, and owner to work together from the outset to refine the project scope and cost. This model is essential to projects with complex existing conditions like some types of infrastructure.

CM-Build and CM-at-Risk, which allow DDC to hire a construction manager to procure and manage construction, working alongside the design team under a separate contract.

Emergency Completion Contracts to allow DDC to use an on-call CM to replace a failing contractor at 70 percent project completion. In circumstances where the contractor is unable to complete the project, this model allows the work to continue to completion without the need for a lengthy procurement process during construction.

ADVICE FOR CM-BUILD IN ACTION

Center of Excellence, Brooklyn
Transform the City’s Capital Delivery Process

DDC’s projects are subject to layers of approval and oversight that were originally designed to protect the public interest. However, these measures have often become redundant with our own business practices, while adding months to delivery timelines. Today, technology enables new and effective methods to ensure transparency and accountability. As part of our capital process reform agenda, we seek to partner with our oversights to simplify the way the City budgets, procures, and permits capital projects.

In 2022, as part of Mayor Adams’ Capital Process Reform Task Force, DDC is working with capital and oversight agencies and the industry to imagine a better way of doing business and identify the steps it will take to get there.
While the data collected through AIMS is extensive, small changes to the survey may provide even more useful information to support long-term planning. For instance, adding data on ADA compliant accessibility status and energy performance would enable sponsors to plan important upgrades across their portfolios. DDC is analyzing how critical new data points could be collected alongside the AIMS survey and could be linked to existing City-wide data sources.

With portfolio-wide information available, DDC will be able to comprehensively support our sponsors in assessing their capital assets and holistically planning their budget and construction needs. Having this data readily available will also allow us to scope capital projects faster and more comprehensively.

**ENABLE LONG-TERM PLANNING THROUGH SHARED DATA**

As part of our capital reform agenda, DDC is undertaking an ambitious program to leverage our trove of public buildings data to support long-term capital planning. This planning is especially critical to tackle the climate crisis with energy-efficient, low-carbon, and resilient buildings across the City’s public buildings portfolio.

**PORTFOLIO-WIDE SURVEYS TO AID PLANNING**

DDC conducts detailed surveys for hundreds of City-owned buildings each year on behalf of the Office of Management and Budget (OMB). This information is not accessible to be used for other purposes, yet many of our sponsor agencies lack the portfolio-wide building data to create multi-year capital plans. The result is incremental repairs and replacements that may not address longer term needs. With portfolio-wide information available, DDC will be able to comprehensively support our sponsors in assessing their capital assets and holistically planning their budget and construction needs. Having this data readily available will also allow us to scope capital projects faster and more comprehensively.

**ADVANCED CAPITAL PLANNING**

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With portfolio-wide information available, DDC will be able to comprehensively support our sponsors in assessing their capital assets and holistically planning their budget and construction needs. Having this data readily available will also allow us to scope capital projects faster and more efficiently through the Front-End Planning stage.

**ESTABLISH A PUBLIC BUILDINGS DATABASE**

DDC is creating a user-friendly database of public buildings information for every building in our portfolio. It will include data from the detailed conditions assessments surveys completed as part of OMB’s Asset Information Management Survey (AIMS), as well as information we gather in Front-End Planning and during design and construction. For the first time, DDC and our sponsors will have easy access to portfolio-wide data on the condition of public buildings – for example, all libraries with aging roofs and facades that may be ready for energy upgrades.
REFORM PROCUREMENT RULES FOR INCREASED FLEXIBILITY

Procurement and contract administration for design and construction are governed by New York State law, the City Charter, and the Procurement Policy Board (PPB) rules. Many of these rules were created in the early 1990s to address widespread corruption. They are highly prescriptive and limit DDC’s ability to adapt and meet challenges to deliver our projects. For example, these rules make it exceedingly difficult to replace failing contractors quickly to complete public work, and a contractor default can mean that a project in construction stalls for months or more.

Since the adoption of these rules, most have been codified in agency contracting offices (ACCOs), standard contracts, trainings, and other tools that make the prescriptive rules redundant. DDC’s professional construction procurement staff can manage procurement and meet the intent of state and local procurement laws.

Adapting the rules to enable a more flexible approach based on policies rather than rules would allow DDC and other capital agencies to design and deliver projects more efficiently and effectively — getting them into communities faster while maintaining the same level of integrity and accountability. We are advocating to reform PPB rules to eliminate prescriptive requirements for design and construction.

The result would be months of savings on procurement and contract administration, the flexibility to solve problems as they arise, and further expansion of opportunities for M/WBEs.

TRANSFORM AND ACCELERATE THE CAPITAL BUDGET PROCESS

All City projects must be assessed to ensure their budgets are eligible to receive capital funding through a process culminating in a Certificate to Proceed (CP). The CP process can occur multiple times in the life of a single project: at the start of design, the start of construction, and again when any major change orders are processed. While this process is critical to the City’s construction bonding, it adds months to the schedule for every capital project regardless of budget, scope, or scale.

Following the 2019 publication of the Blueprint, we made strides in streamlining this process for DDC’s projects, in partnership with the Office of Management and Budget (OMB). Together, we standardized and consolidated key review documents to eliminate redundant work. OMB implemented a Capital Coordination Task Force to partner exclusively with DDC, helping resolve capital eligibility and procurement questions unique to capital construction. This DDC-focused Task Force has been essential to the rollout of design-build, the Expanded Work Allowance, and ensuring other improvements at DDC are integrated into the oversight and approval of all capital projects for dozens of sponsor agencies.

Larger changes in this area will require City-wide partnership. As part of our capital process reform agenda, we seek to partner with oversights to explore how CPs can come off the critical path to starting work. The impact would be months of time savings on every capital project.

SPOTLIGHT: Procurement Flexibility in Action

State and City emergency orders issued in March 2020 declared a disaster emergency in the City and allowed for the temporary suspension of certain Procurement Policy Board (PPB) rules for work related to the pandemic. City Charter Chapter 13 was suspended in its entirety, allowing oversight processes to occur in parallel with design and construction and cutting through much of the red tape DDC’s projects typically encounter. These changes allowed us to deliver quality projects in a matter of days or months — instead of years.

The emergency orders enabled qualifications-based selection with M/WBE goal setting on each emergency project, allowing DDC to engage high-quality contractors and increase contract awards to M/WBE firms. These M/WBE firms played a crucial role in delivering urgently needed emergency projects, such as community clinics, testing sites, and vaccination site expansions, in record time.
STREAMLINE INTERAGENCY PERMITTING

DDC’s projects are subject to review, approval, inspection, and signoff by other City agencies throughout the design and construction process. These agencies include the Department of Buildings (DOB), Fire Department (FDNY), Department of Small Business Services (SBS), Department of Environmental Protection (DEP), Department of Parks and Recreation (DPR), the Public Design Commission (PDC), and the Landmarks Preservation Commission (LPC), among others. This occurs while our team of licensed architects, engineers, and other professionals rigorously reviews every DDC project at several milestones to confirm compliance with the building code and other rules and regulatory requirements. This redundancy adds to the time needed to complete projects.

To expedite public project delivery, DDC is advocating for partnership among capital and permitting agencies to streamline and reduce interagency permitting. This means delegating approval and inspection authority to DDC’s licensed professionals where possible and establishing dedicated regulatory liaisons to support and expedite approvals.

LAUNCH PILOT PROJECTS FOR CAPITAL DELIVERY REFORM

The changes described in this section will require creative problem-solving and careful planning in partnership with our oversights. These reforms should be tested before a full rollout.

DDC is advocating for a program of pilot projects to advance better approaches to project delivery ahead of large-scale rule change and reform. We recommend a pilot program that includes both infrastructure and public buildings projects. Like our work during COVID-19 and other emergency declarations, we can test what works, adapt what doesn’t, and track and assess our progress as a step on the path to broader overhaul.

DDC is embracing partnership as an operating principle and taking concrete steps to become a better business partner. We are sharing opportunities, building industry capacity to win and excel on City contracts, and listening closely to our consultants, contractors, and M/WBE firms to continuously improve our business practices. By strengthening our partnerships with the industry, our goal is to position DDC—and the City—as an owner of choice. As DDC rolls out the City’s largest resiliency projects and meets aggressive sustainability targets for buildings, our partnerships will also build the City’s green workforce.

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Expanding Opportunities for M/WBEs

Support for Minority- and Women-Owned Firms

In 2015, the City set a goal to make $16 billion in contract awards to minority- and women-owned business enterprises (M/WBEs) by 2025, a goal that has since increased to $25 billion. DDC has contributed the largest amount toward that goal among mayoral agencies, with $3.6 billion in awards, second only to the NYC School Construction Authority.

As part of the Blueprint, DDC is implementing comprehensive programs and innovative strategies to further increase opportunities for groups underrepresented in the design, construction, and industry. These programs also expand the pool of firms eligible to contract for DDC projects.

DDC targets M/WBE participation goals on all projects and for every one of our design and construction contracts. We are one of the leading agencies for contract awards to M/WBEs, with 334 total contracts valued at $660 million awarded last fiscal year. Half of DDC’s new architectural and technical design contracts for the next round of our Project Excellence Program were awarded to M/WBEs.

Targeted Goals to address the “Disparity within the Disparity”

In 2017, the City commissioned a Disparity Study to determine if there are “disparities between the availability of the firms owned by minorities and women in a market area and the utilization of those firms by a public entity.” The findings demonstrated substantial disparities across M/WBE classifications and procurement categories and supported the City’s existing goal of 30 percent M/WBE utilization, but also the need for establishing new goals, remedies, and programs to bring equity to these inner disparities.

DDC spearheaded the initiative for disaggregated (ethnicity-specific) goal setting to gain greater insight into M/WBE participation trends and address the disparities within the disparity. The practice of disaggregated goal setting is now represented on projects across DDC’s portfolio. Currently, DDC has two active design-build projects with disaggregated goals and aims to include them in all future contracts.

An Innovative Mentoring Program

In November 2021, DDC launched a Mentoring Program for qualified M/WBE construction firms and small businesses, the first of its type for any City agency. To be eligible for the new program, firms must be certified by the NYC Department of Small Business Services (SBS) as an M/WBE or small business. Businesses in various areas of construction, such as general contracting, concrete, electrical, HVAC, mechanical and plumbing services, are all eligible. The program aims to grow the capacity of these firms, to enable them to eventually complete for larger projects.

Participating businesses receive mentoring and gain experience under the guidance of DDC professionals and established construction management firms. Program participants receive customized business assessments, business growth planning, industry training and experience, and opportunities to work as prime contractors on specially designated construction projects. Together with detailed assistance from construction industry experts, firms will improve their ability to successfully work with City agencies and will have exclusive opportunities to bid on specially designated construction projects valued at up to $1.5 million.

DDC will welcome its first cohort of mentoring program participants in 2022 and will seek to award the first contracts for construction services this year.

An Exclusive Pre-Qualified List

DDC maintains pre-qualified lists (PQLs) of construction firms that can be called upon to perform work quickly without the months-long steps associated with a typical procurement. Recent State legislation granted City agencies authority to create M/WBE-only PQLs for general contracts between $500,000 and $3 million in value. DDC was the first agency to use this tool and just launched a first-of-its-kind M/WBE-only PQL. We are actively working to award the first projects under this contract.

Discretionary Contracts for M/WBEs

State law permits the discretionary award of contracts up to $500,000 directly to M/WBEs. This cap limits the types of contract opportunities that the City can make available to M/WBEs. While seeking to retain a competitive bidding environment, DDC is working with its City partners to seek to raise the discretionary spending threshold to allow a wider application of this tool.

Pedestrian Ramps Initiative

DDC partners with DOT on the City’s 30-year, $6 billion program to overhaul more than 180,000 sidewalk pedestrian ramps to ensure they are ADA-compliant. With many small work sites scattered throughout the city, the program is an ideal opportunity for M/WBEs and small firms to gain valuable experience competing for and fulfilling City contracts. DDC is working with DOT to create an M/WBE pedestrian ramps initiative that will identify and train M/WBEs to complete pedestrian ramp projects. The first pilot will be underway this summer.

Support for Minority- and Women-Owned Firms

In 2015, the City set a goal to make $16 billion in contract awards to minority- and women-owned business enterprises (M/WBEs) by 2025, a goal that has since increased to $25 billion. DDC has contributed the largest amount toward that goal among mayoral agencies, with $3.6 billion in awards, second only to the NYC School Construction Authority.

As part of the Blueprint, DDC is implementing comprehensive programs and innovative strategies to further increase opportunities for groups underrepresented in the design, construction, and industry. These programs also expand the pool of firms eligible to contract for DDC projects.

DDC targets M/WBE participation goals on all projects and for every one of our design and construction contracts. We are one of the leading agencies for contract awards to M/WBEs, with 334 total contracts valued at $660 million awarded last fiscal year. Half of DDC’s new architectural and technical design contracts for the next round of our Project Excellence Program were awarded to M/WBEs.

Targeted Goals to address the “Disparity within the Disparity”

In 2017, the City commissioned a Disparity Study to determine if there are “disparities between the availability of the firms owned by minorities and women in a market area and the utilization of those firms by a public entity.” The findings demonstrated substantial disparities across M/WBE classifications and procurement categories and supported the City’s existing goal of 30 percent M/WBE utilization, but also the need for establishing new goals, remedies, and programs to bring equity to these inner disparities.

DDC spearheaded the initiative for disaggregated (ethnicity-specific) goal setting to gain greater insight into M/WBE participation trends and address the disparities within the disparity. The practice of disaggregated goal setting is now represented on projects across DDC’s portfolio. Currently, DDC has two active design-build projects with disaggregated goals and aims to include them in all future contracts.
BUILDING PARTNERSHIPS
DDC partners with leading design and construction professionals to complete our public projects. We are actively engaging in open dialogue that builds capacity on both sides, enhancing the industry’s ability to win and execute City contracts while improving our own business practices. At the same time, we are building new tools to work better with our vendors, connecting them more easily with opportunities and getting them paid faster for their work.

ENGAGE IN DIALOGUE THROUGH INDUSTRY ROUNDTABLES
Acknowledging that our partner firms are experts, DDC is expanding opportunities to engage in direct dialogue with designers and builders. These discussions allow us to learn about their successes and challenges and incorporate best practices for executing City work.

Following publication of the Blueprint, we engaged in a series of roundtable discussions with architects and industry associations that informed significant updates to our design contracts to better meet the needs of our partners. We continue to engage with architects as we seek innovative ways to improve the design process at DDC.

In 2022, DDC is engaging in a series of roundtable discussions with contractors. The roundtables will focus on tackling specific administrative issues that slow construction and impede collaboration. Our goal is strengthening partnerships and collaborating better to deliver DDC projects more efficiently. This engagement has already led to improvements to our construction contracts, described in the sections that follow.

SHARE OPPORTUNITIES THROUGH INDUSTRY FORUMS
DDC regularly hosts industry forums and networking and outreach events to communicate upcoming opportunities, share program expectations, and encourage new partnerships. These include forums targeted specifically to M/WBE firms, designers, design-build teams, and CMs.

We also host events that focus on specific programs, such as East Side Coastal Resiliency, and pre-solicitation conferences for design-build procurements, standalone design procurements, and major construction contracts, such as Borough-Based Jails.

In 2022, we are inviting the vendors who hold DDC’s contracts to communicate opportunities directly to the industry. In March, we hosted a design-build forum for our teams to provide information on current and upcoming teaming opportunities to contractors and consultants. This summer, we will host a similar program for DDC’s coastal resiliency portfolio.

BUILD CAPACITY THROUGH EXTERNAL WORKSHOPS
DDC is expanding our training program to deepen the bench of eligible consultants and contractors and ensure that all our vendors have the tools they need to excel at delivering City projects.

With 30 newly awarded architectural and technical design contracts for public buildings, we are undertaking detailed consultant onboarding workshops to familiarize vendors with DDC’s policies and procedures. Within our Infrastructure Division, we are developing a series of workshops for small and emerging design firms that have not previously worked with DDC, to expand the pool of firms winning City contracts.

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NEW TOOLS TO SUPPORT VENDORS
We are implementing new tools to engage more effectively with our vendors at every stage of project delivery.

DDC is moving all our procurements online as part of the City’s new end-to-end digital procurement platform, PASSPort. Launched by the Mayor’s Office of Contract Services (MOCS), PASSPort manages every stage of the procurement process, making it easier for vendors to receive and respond to solicitations and for the City to award contracts. DDC is working closely with MOCS and with our vendors to test and troubleshoot the new system during rollout.

Once fully implemented, PASSPort will centralize and streamline City procurement, easing the path from solicitation to award.

We are also launching a new online payment system to help our vendors get paid faster. The new Project Delivery Management System, or PDMS, will ease payments for all project delivery types, provide DDC with better data to scope and budget our projects, and ensure payments, audits, and approvals travel more efficiently through the agency. We are comprehensively training all our vendors on our new payment system to ensure they can be paid quickly for the work they have performed.

DDC also develops detailed trainings to share the firsthand knowledge we gain building the City’s complex infrastructure. We have trained more than 1,700 professionals from 100 different engineering companies on a water main certification course to help inspectors in the field identify proper techniques for water main installation.
DDC’s professionals drive our success and ensure all aspects of the project’s lifecycle are managed effectively, working hard every day to deliver projects of critical importance to the public. To deliver our increasingly complex portfolio of public work while meeting rigorous project schedules, our staff must have the tools they need to move projects forward. We are working to equip and empower our team for success.

TOOLS AND SYSTEMS
Our staff rely on internal systems and technology to provide the support necessary to deliver projects efficiently and cost effectively, and a key component of the Blueprint is modernizing these systems to keep pace with our needs.

DDC launched and will continue to expand its cloud-based applications footprint through the “DDC Anywhere” portal, which brings DDC’s expansive knowledge base to staff and vendors working in the field. DDC Anywhere allows DDC staff, client agencies, and partner companies to access DDC’s cloud-enabled systems.

We continue to phase out legacy applications and migrate data as we transition to cloud-based computing. Rollout of critical applications are complete or underway, such as expansion of our internal project management system, Benchmark, and a pilot program using a cloud-based, commercial construction management tool on certain large and complex projects.

The agency’s Technology and Innovation Division has also enhanced its network capability to support secure and fast connections to remote DDC offices and has worked with OTI (Mayor’s Office of Technology & Innovation) to protect DDC systems from potential cyber threats.

KNOWLEDGE-SHARING AND STAFF DEVELOPMENT
DDC’s staff possess enormous collective expertise in all aspects of capital project delivery, supported by the agency’s 25 years of construction experience. We are implementing programs to leverage that knowledge to train and elevate all our staff.

Since 2019, DDC’s Public Buildings Division has hosted more than 55 workshops on critical issues, including vendor management and cost estimating. Led directly by DDC staff members, the workshops are opportunities to share knowledge, as well as build relationships across units and divisions. In 2022, we will expand these workshops to the entire agency.

We recently launched a “Lessons Learned” template to formalize the process of gathering knowledge from Project Managers to be shared with their colleagues. Lessons shared through this initiative include the importance of constructability reviews and consultant evaluations.

DDC’s Project Management Training Program continues to enhance construction management expertise throughout the agency with training on items such as risk management expertise, project budgeting and scoping, and streamlined workflows. Since the program’s inception in 2018, it has hosted 16 cohorts and successfully trained 250 design and construction professionals on the skills required of DDC Project Managers.

To help staff maximize their potential and ensure diverse representation in our technical titles, DDC hosts annual professional forums on the benefits of licensure and brings members of New York State licensing boards to speak to staff about the requirements to obtain various professional and technical licenses, including for Professional Engineer and Registered Architect licenses.

STANDARD OPERATING PROCEDURES
As part of our original Blueprint, DDC undertook a complete review of agency business practices to analyze pain points and develop Standard Operating Procedures (SOPs) to formalize and communicate process improvements. DDC is developing SOPs on all common project delivery processes including design and construction management tasks, effective utilization of contract tools for contractor and CM management, and finance, procurement, and other central Division workflows, with over 200 SOPs issued since 2020. We approach SOPs as living documents that are regularly evaluated and improved with input from DDC staff.

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Permission Slip
Ask Yourself:
1. Does it make sense?
2. Is it good for the City?
3. Is it legal and ethical?
4. Is it something I am willing to be accountable for?

If so, don’t ask for permission. You already have it.

Just do it!

Thomas Foley, P.E.
Commissioner
AGENCY PERFORMANCE AND METRICS
A Focus on Data-Driven Improvement

Since the 2019 Blueprint, DDC has advanced a rigorous, performance-based approach to agency operations. We have embedded a culture of performance management at all stages of project delivery. Using clear and measurable data alongside ambitious targets, DDC continually monitors performance to chart our progress. We also identify opportunities for improvement and devise data-driven strategies to address them.

DDC centralized the Project Controls Division in 2019 to support project teams in delivering capital projects on time and within budget, conducting rigorous schedule and cost analysis to identify risks and opportunities. Since full integration, Project Controls has developed multiple reporting tools for proactive project monitoring and plays a key role in supporting DDC staff and consultants. New tools include the Project Controls Guide, standardized design and construction durations, and standardized processes for baselining project schedules, recording delays and managing risks. For our vendors, support includes an added chapter on project controls in consultant guides, standardized cost estimate templates for their use, and specifications for submitting construction schedules for DDC review.

Since the 2019 Blueprint, DDC has used data to assess our performance and diagnose challenges, using the resulting information to shape agency policy and processes. We look forward to partnering with the City Chief Efficiency Officer, established following the mayor’s Executive Order 13 of 2022, with DDC’s newly appointed Chief Performance Officer, to elevate our agency’s focus on efficiency, data-driven performance management, transparency, and accountability.

Blueprint 2022 sets out repeatable performance metrics that we will track and publish regularly over time. In this publication DDC is sharing median project durations, meaning that durations on 50 percent of our projects fall below these numbers and 50 percent above. This reflects an update to how we have reported on project durations in previous Blueprint publications. Earlier publications incorporated P80 data, intended to show the most challenging projects rather than “typical projects.” Providing typical durations allows us to more accurately show progress toward our targets across our entire portfolio. Since it aligns with other public reporting, such as the Mayor’s Management Report, this methodology allows us to report back with greater consistency and transparency.

Early data on the projects launched since the 2019 Blueprint show substantial improvements in project durations. Much of this data represents an early projection rather than performance, since design on many of these projects is still underway. However, DDC is committed to achieving the durations we have indicated, and we look forward to continuing to report on our progress as transparently as possible.

The COVID-19 pandemic impacted performance, halting work on much of DDC’s portfolio for several months in 2020 and continued to impact schedules for months afterward. However, COVID-related impacts are diminishing and should impact durations less over time.

Joseph A. Verdino
Jr., Field of Dreams, Staten Island
**DDC’s capital commitments continue to increase as the agency upgrades vital infrastructure and builds critical public buildings for a growing city.**

**A GROWING PORTFOLIO**

**DDC’s current projects are valued at $24 billion across more than 20 City agencies.**

**Top Sponsor Agencies**

- $8,380  BOROUGH-BASED JAILS PROGRAM
- $3,995  DEPT. OF TRANSPORTATION
- $3,889  DEPT. OF ENVIRONMENTAL PROTECTION
- $2,876  COASTAL RESILIENCY PROGRAM
- $1,174  ADMINISTRATIVE SERVICES
- $774  LIBRARIES (NYPL, BPL, QPL)
- $714  CORRECTIONS
- $444  PARKS AND RECREATION
- $424  POLICE
- $424  CULTURAL AFFAIRS
- $397  SANITATION
- $597  OTHERS

**STAGES OF PROJECT DELIVERY: BLUEPRINT IMPROVEMENTS**

**M/WBE PERFORMANCE**

<table>
<thead>
<tr>
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<th>Utilization Rate</th>
<th>Contract Value</th>
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<tr>
<td>2020</td>
<td>32%</td>
<td>$335M</td>
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<tr>
<td>2021</td>
<td>25.6%</td>
<td>$660M</td>
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<table>
<thead>
<tr>
<th>Year</th>
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<th>Projects Returned</th>
<th>Bids Over Budget Est.</th>
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<tbody>
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<td>101</td>
<td>N/A</td>
<td>21</td>
</tr>
<tr>
<td>2020</td>
<td>83</td>
<td>21</td>
<td>10</td>
</tr>
<tr>
<td>2021</td>
<td>55</td>
<td>11</td>
<td>2</td>
</tr>
</tbody>
</table>
PHASE BY PHASE IMPROVEMENT

Newtown Creek Nature Walk, Brooklyn
Plan Better, in Partnership with Our Sponsors

To improve project delivery from its outset, DDC launched a comprehensive Front-End Planning effort to develop realistic project scopes that reflect sponsors’ needs and meet their budgets — before a project is initiated. This investment in better planning pays off during design and construction by curtailting later scope changes that can lead to costly delays. We continue to work closely with sponsors to improve the pipeline with viable projects supported by appropriate budgets and schedules.

Working Together

When a sponsor agency submits a potential project, DDC’s Front-End Planning (FEP) teams thoroughly assess the project goals and scope, budget and schedule, regulatory requirements, and risks.

To make it easier for sponsors to provide the information we need for Front-End Planning, DDC created an online Sponsor Agency Portal. The portal has standardized the intake of critical project information from our sponsors and allowed for a more collaborative FEP process, as well as streamlined the initial Design CP submission. Since better information upfront leads to fewer changes down the line, we are continuing to enhance the information gathered during initiation, including history of past public engagement and major design considerations.

ASSESS AND LIMIT CHANGES

While the detailed scoping undertaken during Front-End Planning helps to mitigate future changes, DDC often receives requests from sponsors to add scope or change other requirements once a project is underway. To ensure that DDC and our sponsors understand and agree on any schedule and budget implications before a scope change is approved, DDC is implementing a formal change request process. When a change is requested, DDC’s Front-End Planning teams conduct an impact assessment that must be accepted by DDC and the sponsor before proceeding with the change.

FASTER PROCUREMENT OF DESIGN SERVICES

DDC’s planning and initiation stage culminates in the procurement of a design consultant. To ease the requirements associated with procurement and get work started faster, DDC holds multi-year contracts with architects, design engineers, and other professionals who can be activated quickly at the start of a project. We raised the dollar threshold on these contracts and are now assigning all but the most complex projects on a rotational basis, eliminating project-specific Requests for Proposals and further expediting this step.

PLAN BETTER TOGETHER

In 2022, DDC is investing in the tools to better equip our sponsor agencies for smart long-term capital planning. As described in our Focus Areas, we are creating a database of public buildings information to support Advanced Capital Planning. We are coordinating Sponsor Agency workshops to better communicate our processes and procedures, readying sponsors for successful project submission, design and delivery partnerships. Because better assessment leads to better planning, we are also working with our sponsors to implement a post-occupancy evaluation survey that will help DDC to understand how our projects perform for end users.
As part of the 2021 Climate Mobilization Act, new local laws were enacted that impact all our projects, including public buildings and infrastructure. DDC has been at the forefront of the change, proactively coordinating with sponsor agencies to ensure the impacts of new local laws are reflected in project scopes, schedules, and budgets from the outset. This coordinated approach will lead to efficient and cost-effective project delivery of durable, resilient public works that can withstand the impacts of climate change.

In our Infrastructure Division, the Sustainable Infrastructure Task Force reviews incoming projects and provides recommendations for sustainable features to address climate risks and meet advanced "Envision Framework" goals.

In our Public Buildings Division, the Office of Sustainability, Resilience, and Commissioning incorporates sustainability and resilience through an Integrated Design approach starting from project planning through substantial completion. Following local laws and resiliency best practices, the unit created tools that screen projects for exposure to changing climate conditions, investigate risk, assess the Climate Resiliency Design Guidelines, and develop benefit-cost analyses and recommendations for implementing resilient design strategies.

DDC is also participating in the pilot program outlined in LL41, in which 23 City capital agencies will apply the NYC Climate Resiliency Design Guidelines to the design and construction of 40 pilot projects with the goal of developing a new resiliency scoring system for public projects. A comprehensive benefit-cost analysis after the completion of these projects will help guide future methods to address climate challenges.

SPOTLIGHT:
Planning for Climate Change

East Side Coastal Resiliency flood wall under construction, Manhattan
Design Better,
in Partnership with Our Consultants

DDC engages the city’s top designers and engineers to deliver our portfolio of public works, and we are partnering with these professionals as we streamline and improve the design phase.

NEW TOOLS TO COMMUNICATE EXPECTATIONS
DDC published our Project Excellence Principles to define the agency’s broadest goals for the delivery of high-quality public works. The principles translate DDC’s mission into broad design criteria, communicating our values by sharing expectations and best practices, encouraging innovation, and defining excellence in public project delivery.

To clarify what the agency expects from our consultants at every phase of project delivery, we have published a new Design Consultant Guide that translates our process improvement priorities into a clear consultant roadmap. The guide includes detailed information on navigating the City’s ambitious sustainability, resiliency, and commissioning requirements.

STREAMLINE DESIGN CONTRACTS FOR PUBLIC BUILDINGS
The Project Excellence Program was expanded to encompass both architectural and technical design services under new contracts that reflect the feedback we heard from the industry. Awarding projects in the program on a rotating basis means that the architects selected to hold DDC contracts receive more projects with less time spent competing for them. Architects now build their teams of subconsultants on a project-by-project basis so they can choose the team best suited to the work and can better meet M/WBE participation goals.

Contract values have been increased with higher fee curves, and construction administration is paid based on time spent rather than percent complete. All these steps are designed to make DDC an owner of choice for the city’s best firms.

TARGETED DESIGN PHASE DURATIONS
DDC is implementing several initiatives to streamline design. Ambitious, data-driven design phase durations are now communicated for every Public Buildings project as part of the architect’s contract. These durations represent a significant improvement over our pre-Blueprint performance and are reflected in the schedule commitments included here. DDC is also streamlining internal design reviews to begin immediately upon design submission, without stopping a project’s clock.

In 2022, DDC is piloting an expedited design phase on certain projects with enhanced scoping information to leverage the expertise of our consultants and uncover additional opportunities for time savings.

PROVIDE STANDARD SPECIFICATIONS
Part of a construction bid package, specifications communicate minimum standards of care and quality in materials, installation, and construction. These specifications, which number in the hundreds or thousands of pages, have historically been written by architects and reviewed by DDC for each individual project. DDC has now compiled a standard set of specifications for all Public Buildings projects. Using DDC’s Office Master Specifications (OMS), all consultant specifications will be developed from a common master document in a cloud-based system and will be standardized from project to project. This will expedite DDC’s specification review process, ease coordination for field staff and contractors, and enable us to rapidly roll out any new requirements, such as sustainability requirements and sponsor agency design standards. Construction approaches will also be more systematized from project to project.

The 40th Precinct incorporates the first community center within an NYPD facility.

THE MUSIC HALL at Snug Harbor, Staten Island
As projects move from design into construction, DDC is partnering with designers, builders, and other stakeholders to find innovative ways to get the work done better, faster, and with fewer delays.

Build Better, in Partnership with Our Consultants, CMs, and Contractors

Design for Better Construction
The groundwork for good construction is laid during design. Many of the tools described previously, including the Project Excellence Principles, Design Consultant Guide, and Office Master Specifications, encourage DDC's designers to plan ahead and to think like builders, choosing materials and building systems with proven track records of success that are easily available, and that can be achieved with standard construction practices. With pandemic-related supply chain disruptions impacting our work, this has never been more important.

To bring construction expertise into the design phase, DDC holds contracts with construction managers (CMs) whom we engage to perform constructability reviews of in-progress designs on large and complex public buildings projects. DDC's new round of CM contracts, now part of the Project Excellence Program, have been expanded to include a range of services to streamline construction, including cost and change order management, schedule management, document management, contractor payment processing, commissioning oversight, regulatory approvals tracking, and contractor performance monitoring.

Within our Infrastructure Division, in-house constructability reviews bring design and construction personnel together to discuss the design intent alongside construction complexities and risks, providing a forum to share expertise and anticipate construction challenges before they arise. And DDC's Lessons Learned site visits, described earlier, provide another avenue to share construction knowledge across projects and teams.

Integrating design and construction is a key advantage to the alternative delivery methods. As DDC implements our design-build program and advocates for other alternative delivery methods, we will continue to find ways to bring construction expertise into the design phase across our portfolio, regardless of delivery type.

Updated Construction Contracts
Meeting tighter construction schedules requires creative problem-solving in partnership with the firms who build our work. We have listened closely to our CMs and contractors and are updating our contracts with tools aimed to make DDC a better business partner.

Reducing Delays with Expanded Work Allowances
Change orders during construction are one of the most persistent sources of delays to DDC projects. When unexpected field conditions arise, it can take six to 12 months for the associated change order to be reviewed by outside agencies and approved for payment. During this time, the project may come to a halt.

Following the 2019 Blueprint, DDC and the OMB agreed to pilot a program to change how field conditions are addressed during construction. The Expanded Work Allowance program allocates additional funding at the beginning of a project for change orders resulting from adverse field conditions. Up to 80 percent of the amount requested by the contractor can be paid with the approval of DDC auditors, without the need for lengthy external reviews.

DDC recently used the Expanded Work Allowance during its successful project with DEP to reduce combined sewer overflows to Pugsley Creek in the South Bronx. The $106 million project, which eliminated about 200 million gallons of sewage overflow annually and upgraded water mains in the area, was completed 14 months ahead of schedule. A change order for $7.25 million was paid in fewer than three months, saving from three to nine months in potential project delays.

The Expanded Work Allowance program has proven successful in allowing DDC and its contractors to quickly address common, predictable changes during construction. In 2022, DDC is expanding the use of the Expanded Work Allowance to all applicable projects using data on past projects to allocate an appropriate amount of funding.

Listening and Sharing Knowledge: Changes Based on Direct Feedback from our Partners

Combined sewer and water main overhaul, Penelope Avenue, Queens
**A More Collaborative Approach**

**INCORPORATE COST ADJUSTMENTS**

To help contractors cope with price fluctuations without inflating bid prices, DDC is incorporating cost adjustments into our contracts to offset unanticipated fluctuations within fuel, asphalt, and steel indexes. Drawing on a model utilized by New York State DOT (NYSDOT) for its highway projects, this allowance extends a best practice to our public buildings and infrastructure projects intended to further strengthen partnerships with our contractors.

**PILOT VALUE ENGINEERING**

To help manage costs, DDC is piloting a Value Engineering Change Proposal (VECP) option during construction, an effort to collaborate with contractors to leverage their ingenuity and experience in arriving at alternative construction designs, methods, and procedures. Under this model, the cost savings achieved by alternate approaches proposed by the contractor and approved by DDC are shared by the contractor and the City. VECP is currently being piloted on federally funded Housing and Urban Development (HUD) projects, and DDC is exploring areas where this method could be used effectively on a broad range of projects.

**ALLOWANCE FOR OVERTIME**

City projects are sometimes subject to unavoidable delays during construction due to the complexity of building in New York City's streets and public spaces. Where delays are incurred due to City requirements like traffic stipulations, DDC's infrastructure contracts include an allowance to compensate contractors for overtime work to make up the time. We are exploring opportunities to expand this provision to a broader range of projects.

**EARLY COMPLETION INCENTIVES**

To encourage contractors’ innovation in speeding construction delivery, DDC has begun piloting incentive-based approaches for early completion of critical projects. The approach was used on large infrastructure projects, including the reconstruction of Tillary Street in Downtown Brooklyn, and a major, areawide infrastructure investment in Downtown Far Rockaway. Coupled with other contract requirements and significant interagency coordination, we were able to reduce the overall construction timeline by nearly two years. By adding financial incentives at critical milestones, we shaved months off these projects, providing upgraded sewers and streetscapes while allowing businesses to return to normal operations more quickly.

**JOINT BIDDING WITH UTILITIES**

Another major source of delays to infrastructure projects is the need to relocate existing underground utilities — including gas, electrical, and telecommunications — to provide adequate space for the City's sewers and water mains. Coordination of this work can add years to construction because some utilities are not marked or identified until construction begins or may be in poorer condition than initially anticipated by the utility companies themselves. To eliminate this persistent conflict, DDC’s Infrastructure Division has developed a new approach for “joint bidding” with local utilities called Joint Bid 4.0.

By analyzing more than a decade of bids data, DDC developed a standard price list for common construction items related to utility work. Under Joint Bid 4.0, utility companies provide an engineering design as part of DDC’s bid package which commits the utilities to a firm price based on the price list. This removes the negotiation process that often delays construction and creates a transparent, consistent approach for every contractor working on DDC projects. In 2022, DDC released the first projects for bid under Joint Bid 4.0 and the results have been promising, with a high level of participation from the industry.

Strikingly, a significant percentage of bids have fallen below DDC’s estimates. We will continue to listen to our vendors and monitor the success of the program in open dialogue with the industry and utility companies to find new ways to improve, just as we did when we increased the overall price list by 25 percent based on the industry feedback.
ENSURE SITE SAFETY

Safe construction sites are a top priority at DDC, and DDC’s Safety and Site Support Division is dedicated to ensuring the safety of all involved, including workers and the public.

Last year, to minimize incidents related to utility damages caused during construction activities, the Division established the DDC Allianc-Program with the NYC One Call Center which led to a 50 percent decrease in these occurrences during 2021.

DDC implemented a Stop Work Order policy to mitigate imminent safety hazards observed during field audits, making site visits and safety evaluations more effective and impactful.

The Division partnered with our Technology & Innovation Division to develop and implement a web-based application, Support Service Tracking (SST), for contract and task management, centralizing all the division’s project management and tracking.

We are also developing enhancements to the field inspection process using mobile applications, which will be rolled out later this year, to provide greater efficiency with scheduling, field auditing, quicker corrective actions, and real-time feedback to project staff.
Blueprint Accomplishments

Reform Agenda

ALTERNATIVE PROJECT DELIVERY
- Implemented a full-scale design-build (DB) program with 10 DB projects currently underway
- Completed the first design-build project in 2022, saving over three years from a typical project

CAPITAL PROCESS REFORM
- Collaborated with OMB’s new Capital Coordination Task Force to efficiently resolve capital eligibility and procurement questions
- Implemented the Expanded Work Allowance program in partnership with OMB to quickly fund construction changes for field conditions, which will be standardized agency-wide

Continuous Improvement

PLANNING BETTER
- Standardized Front-End Planning for all sponsor agency submissions
- Integrate climate change considerations into the Front-End Planning process
- Launched a web-based Application, Support Service Tracking, for safety management and tracking

DESIGNING BETTER
- Published new Project Excellence Principles and a Design Consultant Guide to provide a clear roadmap to our consultants for buildable, high-quality public works
- Updated our Project Excellence contracts for Architectural Design and Technical Design to reflect feedback we heard from the industry — raising fee curves while shortening design durations
- Implemented data-driven design phase durations as part of every Public Buildings design contract
- Released standard specifications for all Public Buildings projects — translating design objectives into buildable instructions for contractors

BUILDING BETTER
- Launched new CM contracts to perform constructability reviews and support DDC staff directing construction
- Launched Joint Bid 4.0 to streamline utility coordination with a standard price list for common construction items related to utility work
- Piloted construction contract updates that leverage the expertise of our contractors, including value engineering and incentives for early completion

Team and Tools

STAFF DEVELOPMENT
- Expanding the Project Management Training Program, which has hosted 16 cohorts and trained 250 staff members since its inception
- Led more than 55 Public Buildings virtual workshops, Lessons Learned template to formalize the knowledge sharing process.
- Launched a program to develop Standard Operating Procedures to formalize and communicate process improvements

SYSTEMS
- Expanding the DDC’s cloud-enabled systems to staff, client agencies, and partner companies in the field.
- Expanding our internal project management system, Benchmark, and piloting commercial construction management tools
- Launched a web-based application, Support Service Tracking, for safety management and tracking

AGENCY PERFORMANCE AND METRICS
- Centralized Project Controls — DDC’s internal data management warehouse — to standardize and provide granular information on project schedules, costs, and agency performance
- Reduced the projected duration of all project phases, most notably design phase durations
- Nominated a Chief Performance Officer to elevate the agency’s focus on data-driven performance management, as mandated by EO13 of 2022

Better Business Partners

OPPORTUNITIES FOR M/WBES
- Launched the M/WBE Mentoring Program for construction firms, the first for any City agency
- Launched an M/WBE-only pre-qualified list (PQL) for small general contractors, the first agency to use this tool
- Set 30% M/WBE participation goals for design-build procurements — for both design and construction services
- Piloted the use of disaggregated goals to address disparities
- Passed legislation raising the threshold for discretionary awards to M/WBE firms to $1,000,000

INDUSTRY PARTNERSHIPS
- Hosted in-depth industry roundtables to strengthen industry dialogue and improve internal business practices
- Retooled industry engagement to promote new opportunities on our projects, including for firms who have never done business with DDC

Our Commissioner’s Promise

“The goals we have outlined here are ambitious, calling for nothing less than transformative change. Our agency’s success implementing the original Blueprint in a short period of time proves that DDC can take concrete actions that improve project delivery to better serve New Yorkers.

However, we do recognize that there is still more work to be done: DDC is committed to treating every project and every day, as if it is an emergency. I am responsible and accountable for making this happen and will update you on our progress as we work diligently toward our goals.”

— Thomas Foley, P.E., Commissioner
2022 DDC Capital Process Reform Agenda

DDC has made improvements at every stage of planning, design, and construction, but bigger changes will require challenging the status quo of capital project delivery in NYC. The following list describes concrete recommendations to streamline project delivery by removing outdated practices and eliminating redundant steps.

Enacting these changes will take partnership and shared vision among capital agencies, sponsors, oversight agencies, and industry leaders to transform the way the City does business. In the words of Mayor Adams, we will work with our partners to “Get Stuff Done.”

Expand our Project Delivery Toolbox

Alternative project delivery fosters collaboration and saves years from delivery schedules, but there is no one-size-fits-all solution. Different projects require different approaches. Expanding our toolbox will allow us to deliver for New Yorkers quickly, ensure transparency, and increase M/WBE participation.

 Transform and Accelerate the Capital Budget Process

Approving City projects for capital funding adds months to the schedule for every project. Reforming the capital budget process would yield months of time savings while reducing the time spent by staff at DDC and OMB.

Reform Procurement and Contract Administration

Procurement and contract administration are governed by layers of state and local laws and rules which have since been incorporated into agency contracting offices, standard contracts, and other practices.

Reform prescriptive Procurement Policy Board (PPB) rules rendered redundant by DDC professional staff.

Review and revise laws, rules and executive orders that add additional steps but do not enhance transparency, improve delivery, or ensure safe, equitable workplaces.

Reform the PPB emergency procurement process for faster access to alternative delivery tools for emergency work.

Expand the definition of capitally eligible work so that everything required to complete a certain type of work, like facade repair or equipment purchase, can be eligible.

Incorporate an Expanded Work Allowance on all capital projects.

Make funds available upfront to pay for construction mobilization and compensate subcontractors, easing the path for City vendors and M/WBEs to get paid.

Eliminate the requirement for paper bid documents and keep all bids digital.

Enable vendors to submit standard paperwork once rather than with every procurement.

Streamline or eliminate pre-solicitation review on procurements.
Streamline Interagency Permits and Approvals

DDC projects are subject to review, approval, inspection, and sign-off by other City agencies throughout the design and construction process, duplicating detailed internal reviews by our own licensed professionals.

- Conduct a comprehensive review of permitting and other regulatory requirements for public works to find opportunities to streamline or eliminate redundant requirements.
- Delegate approval, inspection, and sign-off authority to DDC’s licensed professionals where possible.
- Create dedicated liaisons or teams at regulatory agencies to expedite permits.
- Simplify PDC approvals through staff-level reviews, guidelines, and approval thresholds.
- Simplify sponsor approvals and eliminate scope changes after project initiation.

Expand Opportunities for M/WBEs

DDC is taking concrete steps to be a better business partner. We are finding new ways to share opportunities and build industry capacity, with a focus on expanding the pool of M/WBE businesses who can win and excel on City contracts. Additional reforms are needed to further support M/WBEs.

- Create a pool of projects dedicated to DDC’s pre-qualified list of M/WBEs.
- Institutionalize the M/WBE Mentorship Program.
- Set M/WBE participation goals for portfolios of contracts.
- Expand the use of M/WBE plans as evaluation criteria for design-build and other qualifications-based selection programs, not allowable in a low-bid procurement.
- Create a single M/WBE certification process for all City and State agencies.
- Streamline the M/WBE exclusion process for accurate snapshots of participation.
- Reform NYS insurance law to allow project-wide insurance to eliminate entry-cost barriers for M/WBEs.

Enable Long-Term Capital Planning

Many of our sponsor agencies lack the portfolio-wide building data to create multi-year capital plans. Meanwhile, DDC conducts detailed surveys for hundreds of City-owned buildings every year on behalf of OMB, adding to our trove of buildings data from planning, design, and construction.

- Create a database of public buildings information using AIMS Citywide asset data, collected by DDC staff, to review the City’s building stock and identify and prioritize investments.
- Expand and enhance the survey program to better support system-by-system prioritization, including energy performance, resiliency, and ADA-compliant accessibility.
- Work with sponsors to create long-term capital plans that reflect portfolio-wide needs and urgent City priorities.
- Build on Front-End Planning success to conduct detailed scoping on critical projects and programs before funding is secured, so the sponsor’s original funding request more closely matches the need.
- Authorize the use of drone technology for construction monitoring and inspections.
- Use all-digital platforms on as many business processes as possible.
- Launch a City-wide design and construction payment processing platform to speed payments and provide transparency.
- Use Robotic Process Automation (RPA) to eliminate manual data entry for several key business processes.
- Implement Building Information Modeling (BIM) on all City capital projects for enhanced design and construction coordination.
- Streamline City procurement rules for construction technology.

Use Technology to Drive Efficiency and Collaboration

Delivering our increasingly complex portfolio of capital work will require new tools to support communication, project management, and information-sharing.

- Many of the reforms outlined here could be accomplished in a single legislative effort to create an independent Authority.
- Creating a DDC Authority (DDC+) would eliminate many of the administrative challenges faced by Charter-authorized City agencies. This action would require a significant advocacy effort in Albany.
- Key benefits include reduced administrative burdens, fewer oversight steps during procurement, simpler budgeting, and wide use of alternative delivery.

DDC+