

Design-build: Delivering more for less

FASTER CONSTRUCTION, LOWER COSTS, HIGHER QUALITY AND LESS LITIGATION ARE ALL PROVEN BENEFITS OF DESIGN-BUILD

by MARK LESLIE

hile design-bid-build dominates golf course construction, builders like Landscapes Unlimited are increasingly turning to designbuild to provide course owners and developers with significant benefits.

"It was like going out and buying a car. Landscapes finished the project and handed the owner the keys," says John Colligan, architect for the Mansfield National Golf Club. Completed in 2001 in Mansfield, Texas, the course was the first design-build project done by Landscapes for a third party.

In June 2002, ArborLinks Golf Club in Nebraska City, Neb., was also constructed using design-build. "It is a great concept, and we hope to do a lot more of them," said Palmer Design Vice President Erik Larsen, who worked with Landscapes and the National Arbor Day Foundation on the course.

"Design-build makes every dollar count," adds Jeffrey D. Brauer, who served as architect with Landscapes to build the WestRidge Golf Club in McKinney, Texas, for Terrabrook, a mixed-use community developer. While private developers are most likely to see the value of design-build, Brauer says cities could also benefit from the process to reduce the typical heavy load of paperwork they face.

Back to the future

Design-build had been the standard in construction for millennia – all the great churches and cathedrals of Europe were constructed using the method – until bidding became the norm about 100 years ago.

At the heart of design-build are two principles: setting a firm price for the project, and hiring a design/construction team to complete the work for that price. Usually a golf course design-build team will consist of a builder, golf course architect and building architect, with one of the entities taking the lead to streamline management and serve as a single contact for the course developer or owner.

Dave Shelton, senior vice president of Design Sense in Olathe, Kan., which consults developers and municipalities on design-build, says the advantages of the method include:

- A marked reduction in change orders
- · Cutting claims and litigation in half (according to the Design-Build Institute of
- · Lower administrative burden for the developer by managing one contract instead of two
- · Selection of the contractor on qualifications, not lowest price

Because traditional design-bid-build is sequential, the design must be completed before going on to the next step. With design fees averaging 5 to 12 percent of the total cost, a \$1 million design-bid-build project with an 8 percent design fee would require an \$80,000 investment before a contractor could even make a bid. In contrast Shelton says, "Design-build can actually allow the builder to begin construction before the design is complete."

A study done by Pennsylvania State University showed that, on average across the United States, design-build speeds up construction by 30 percent while decreasing project costs by eight percent.

Bill Kubly, CEO of Landscapes Unlimited, says the Penn State study figures are borne out in the golf construction world.

You have virtually no change orders with design-build because the project scope is set before you start. And if that scope changes, you make adjustments through the remainder of the project to stay on schedule and on budget. You don't wait until the end of the project. And there is rarely litigation for the same reason - the ownership team makes all the decisions."

Kirk Kyster, president and COO of Landscapes, discovered the advantages of design-build several years ago when building courses for its ownership group. The company realized it could pass on those same benefits to clients. "We saw that owners, developers and municipalities were looking for a way to have their entire project executed with the minimum risk,"

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Kyster says. "Because you are sole-sourcing the project, the scope becomes all-encompassing. Elements don't fall through the cracks. Offering design-build also created opportunities to showcase our capabilities to architects and others used to doing design-bid-build."

Palmer Design's Larsen points out that the reducing construction time means generating revenue faster. "It's a big deal when you can be open one half a year earlier by avoiding the entire design-bid-build process," he says. "The time savings alone is a positive and accountable number that adds credence to this method.'

"Cities and developers that may be hesitant to push ahead on their projects could proceed with confidence using an experienced design-build firm," says Kurt Huseman, executive vice president for Landscape's project development division. "That has been a missing piece of the puzzle since the late 1990s and part of the reason some in the golf industry are struggling. We have now built more than 20 designbuild courses and know where to spend the money and where not to. Pulling in the design element, along with other consultants and contractors, produces a truly collaborative process."

Design-build is being able to put a number on the table and have the peace of mind that everything's going to get built, agrees Corson. The key on the developer's side is to be very specific in the scope of work and avoid change orders.

According to Colligan, design-build works "particularly on a golf course where you're very cost-conscious." When Mansfield National was built, for example, several high-end clubs with "limitless budgets" were under construction in the Dallas market. "I guarantee ours will be as profitable as theirs and our greens fees are just \$39," he says.

The key to design-build is pre-planning, says Corson.

"Before construction, we spent a lot of time with Kurt Huseman, being very specific on the project scope - everything from width of the cart paths to number of irrigation heads to the amount of topsoil base in the fairways. That specification removes a lot of the guesswork and conflict. When you have a piece of paper stating precisely

what you're getting, it becomes clear whether it's been done or not. When you have four inches of topsoil and you thought you were getting six, that's when you have problems.'

At WestRidge, Brauer says, "We sat down cooperatively with Landscapes and Terrabrook and set out a scope and budget. Terrabrook was comfortable that the prices were in line and they wouldn't gain anything from competitive bidding and would get help and efficiency from Landscapes' project management capabilities. It fit into their comfort zone. They understood how much you could spend on the golf course and clubhouse. Having worked with the team members before, it came together pretty quickly."

Miles Presteman, who was with Terrabrook at the time and is now senior vice president, operations, for the Texas division of Newland Communities, which later bought Terrabrook, agreed. "Linking an experienced golf course builder, like Landscapes Unlimited with an architect like Brauer, helped us build the course on time, even with a tight time schedule.'

Colligan calls Landscapes Unlimited's design-build efficiency "value engineering."

"They used their experience and expertise to save money without cutting one corner," he says.

"Comfort level" is another tribute paid to the design-build process.

"I've reached the level of comfort with the process," said Sutton Bay's Amundson. "There are always things afterward that you might consider changing, but I wouldn't change the overall design-build process. My advice is to choose your team well. You have controls, but you are going to be much more comfortable if you know who the team members are and the kind of work they are capable of doing." GCN



course construction or multi-faceted renovation project