

## Your Questions About Alternative Project Delivery Answered

Interview with: Tom Nettleton, PE, Vice President of Alternative Project Delivery, Gannett Fleming

Alternative project delivery (APD) methods continue to gain traction.

According to researchers at FMI, design-build is anticipated to account for as much as 47% of construction spending by 2025 (nonresidential, highway/street, transportation, and water/wastewater). Agencies across the country are looking for innovative methods to obtain better value for their infrastructure investment.

The challenge for government agencies and their partners is to recognize when and where APD methods make sense. But with more state governments getting on the APD bandwagon, firms are poised to help them maximize the value from the various types of alternative project delivery.

Tom Nettleton, PE, knows APD. As vice president and senior program manager for APD at Gannett Fleming, Tom develops strategic planning and growth strategies for clients across the country. He's responsible for delivering a portfolio of APD projects that include:

- » Design-build.
- » Progressive design-build (PDB).
- » Construction manager/general contractor (CM/GC).
- » Public-private partnerships (P3).
- » Other delivery methods.

We asked Tom about the state of APD methods in the industry and how agencies can capitalize on these growing and evolving approaches.



A variety of different APD methods are being used in the United States. What is the most common APD method right now, and where do you see it going in the future?

Delivery models tend to vary a bit across the broader industry. I see a good bit of two-phase/best value across transportation projects and a fair amount of CM/GC in the facilities market. As the APD market matures, I see more PDB being used. This model allows for better risk sharing and promotes a highly collaborative environment between the designer, builder, and owner.

P3s are long-term agreements between the government and private sector to deliver large infrastructure projects. What are some of the advantages of P3s?

The P3 model allows for the introduction of private capital into a public arena. This may allow a public sector agency to benefit from an earlier delivery of a project than would otherwise be realized through traditional funding mechanisms such as bonds, tax revenue, or other user fees.

While Europe, Canada, and other parts of the world have all embraced using private dollars to supplement their public transportation systems, many states have been slow to take advantage of this proven, innovative method. Is that changing?

The introduction of private money into public projects has always been a bit controversial. There is often a perception by the project users, typically the local taxpayers, that a private entity is getting “rich” at the expense of the user. There is a bit of a learning curve for the public, and it’s incumbent on the industry to present solid explanations of the benefits and tradeoffs that the P3 environment allows.

Historically in the U.S., there are many different P3 models which can vary by state or jurisdiction. This creates uncertainty in the investment industry. We also see political influences often impact P3 projects in the U.S. Since project development can take many years, there is often a concern that changes to elected officials can spell the end of a project, and development dollars are lost.

Private dollars have their place in the infrastructure market, and as we see successes over time, the use of private funds may increase. For now, it is a tool in the toolbox and used somewhat sparingly.

Firms are always looking for ways to further refine their approaches to designing and building infrastructure. How does APD help foster an innovative culture?

APD allows for a high level of collaboration between the owner, designer, and builder. We have seen tremendous advances in technology in recent years. Implementing virtual design and construction allows designers to optimize designs, recognize conflicts, and increase efficiency throughout the project life cycle.


It’s now possible to look at “what-ifs” in hours rather than days or weeks. Leveraging the different experiences of all parties in an APD model allows for integrating different and diverse perspectives into the design, including valuable insights regarding project constructability and maintainability.

APD requires extensive coordination and collaboration between stakeholders. In your experience, what best practices can agencies and their design-build partners use to get the most out of APD?

This is an interesting question. APD has been broadly used in the public sector over the last two decades. During that time, we have seen successful projects and those with “challenges.”

We see industry organizations such as the Associated General Contractors of America (AGC), American Council of Engineering Companies (ACEC), American Institute of Architects (AIA), and Design-Build Institute of America (DBIA) all producing guidance and educational opportunities to build upon lessons learned and present best practices. Indeed, the greatest success is gained through developing long-term partnerships between the parties and establishing trust among the team.

Risk must be appropriately identified and managed by the party best able to handle that risk. Anyone looking to engage with APD projects needs to look for a proven partner who can mentor through the process. An inexperienced owner should consider bringing on an advisor, designers, and contractors with experience to facilitate a learning process.

It’s good to remember that not every project can be delivered through design-build or another APD method. Similarly, not every individual or firm is cut out for APD. 



---

### About the Interview

---

Tom Nettleton, PE, is the Vice President of Alternative Project Delivery at Gannett Fleming. Tom can be reached at [tnettleton@gfnet.com](mailto:tnettleton@gfnet.com).

---

### About the Article

---

This article was written for the online [Gannett Fleming INSIGHTS Blog page](#). Founded in 1915, [Gannett Fleming](#) has been a driving force in shaping infrastructure and improving communities in more than 65 countries, specializing in natural resources, transportation, water, power, and facility-related projects. The company embraces sustainability and innovation in projects and internal activities and achieves results while being responsible stewards of the environment. A results-driven firm, Gannett Fleming is consistently ranked in the top one percent of engineering firms worldwide.

Any views and opinions expressed in this article may or may not reflect the views and opinions of the Construction Management Association of America (CMAA). By publishing this piece, CMAA is not expressing endorsement of the individual, the article, or their association, organization, or company.