

22ND ANNUAL



22ND LCI CONGRESS
OCTOBER 19-23

YES, we can do that, IF (W2D)

Pat Watson, CommonSpirit Health

Eric Ubersax, Devenney Group Ltd, Architects

Lee O'Connell, McCarthy Building Companies, Inc.

Jay Layton, TDIndustries

THE ABC'S OF LEAN: TRANSFORMATION THROUGH ACTIONS, BEST PRACTICES AND COACHING

October 21, 2020

Challenge Statement

- When awarded a project in an environment of a diminishing skilled labor pool, a volatile pricing market, and a challenge to reduce budget by 20% while maintaining scope and schedule, it was clear that a traditionally behaving and structured team would fail.

FAILURE IS NOT AN OPTION

☐ SUCCESS

FAILURE



 **Dignity Health**
Chandler Regional Medical Center

MAIN ENTRANCE



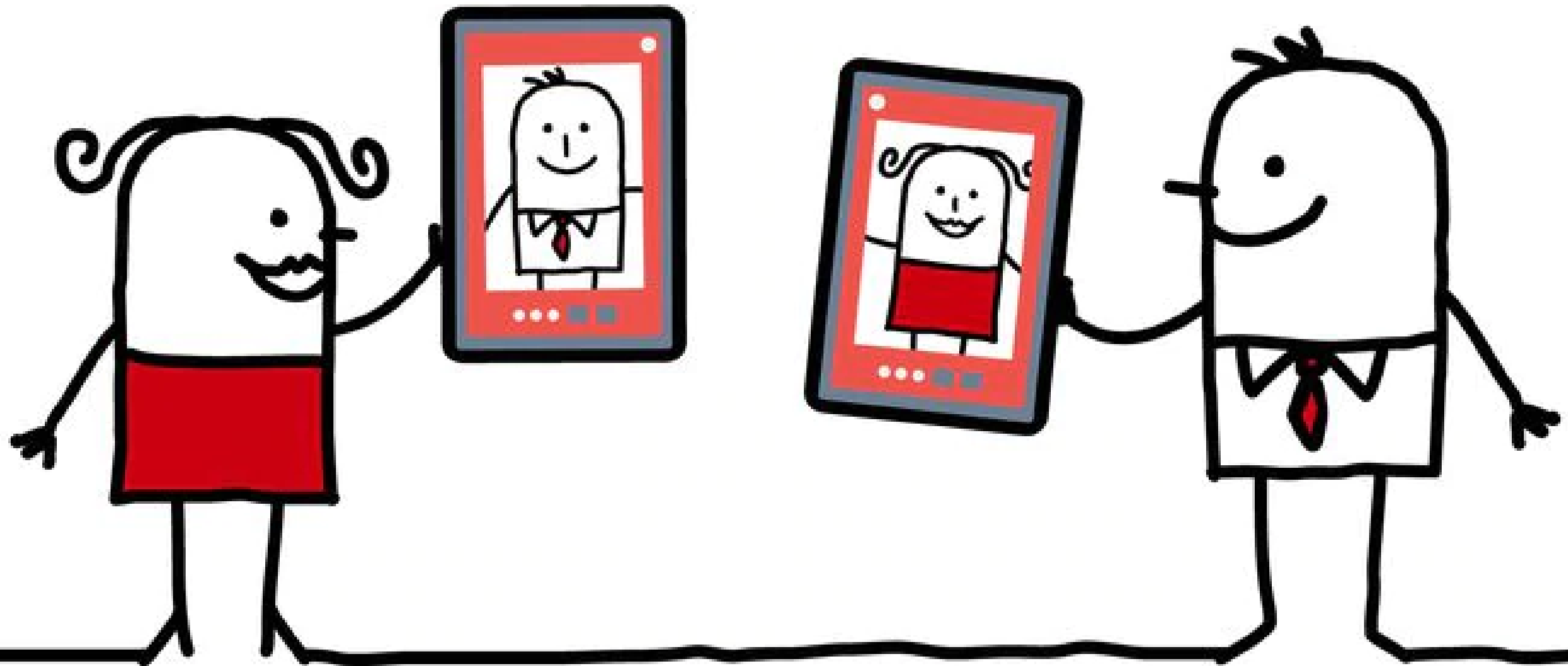
Dignity Health
Chandler Regional Medical Center

Contract Methodology

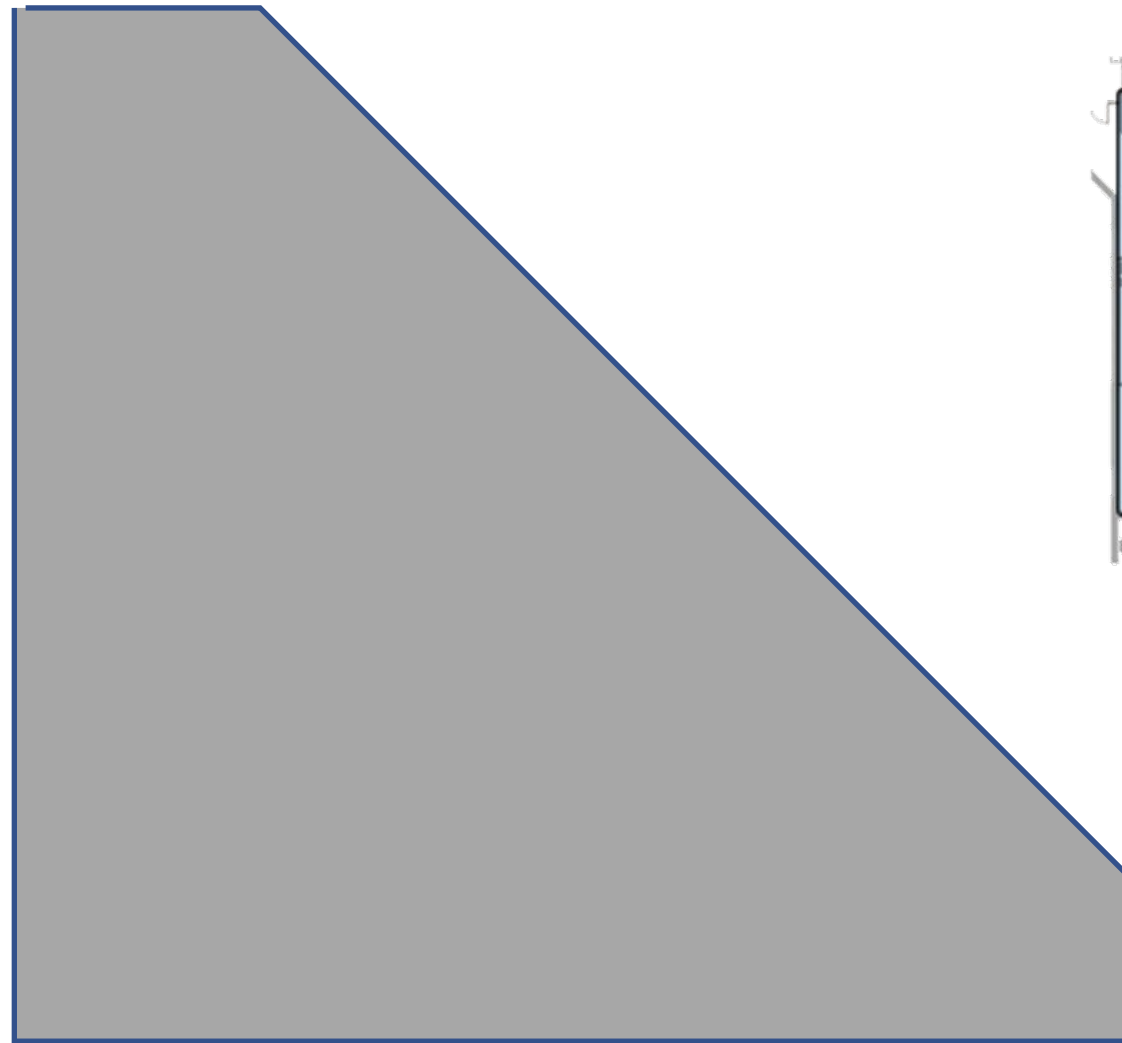
- Integrated Design-Build
 - Put companies in a position to be successful
 - Rely on the Experts
 - Risk Accountability



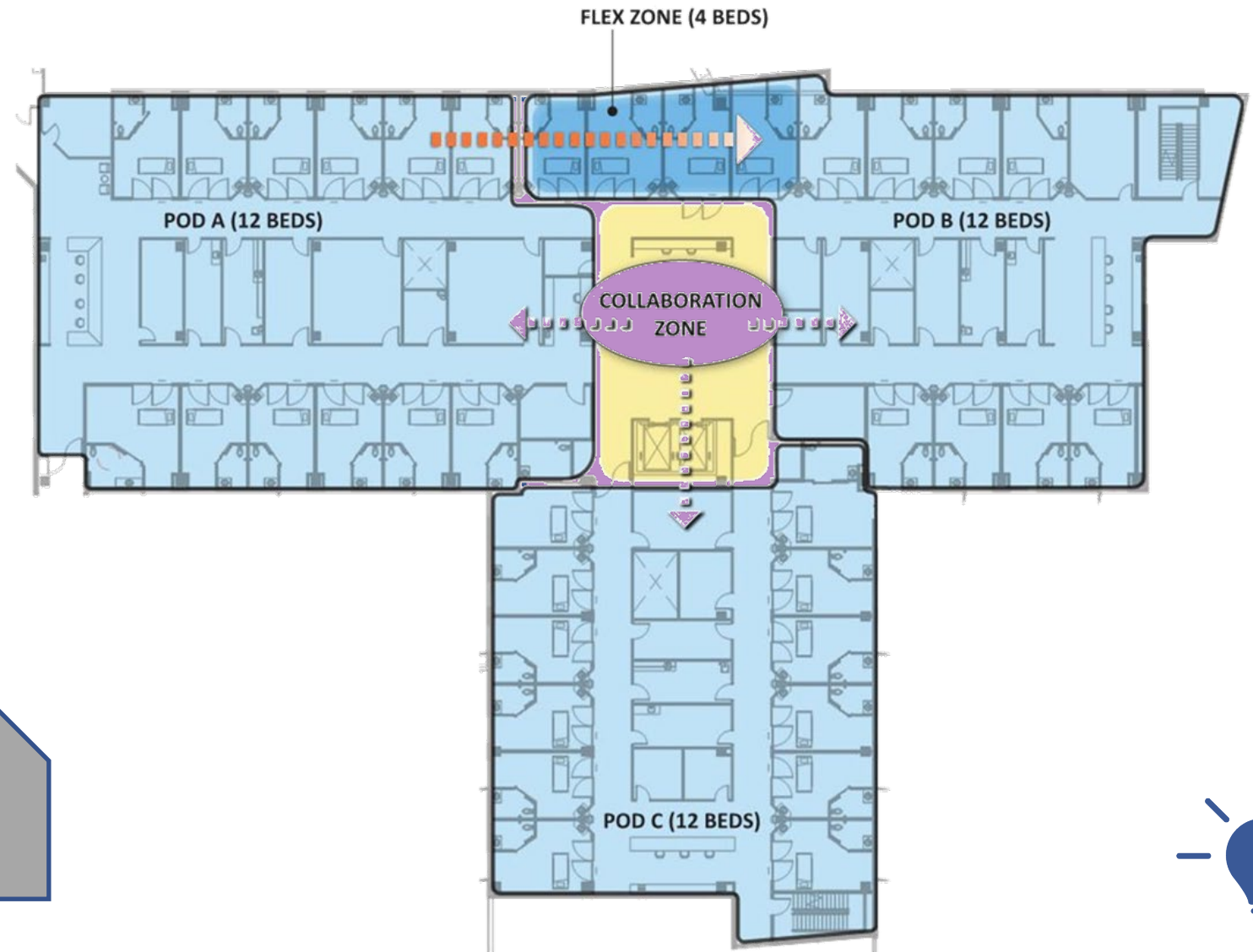
Proposing Team History



Value Based Design



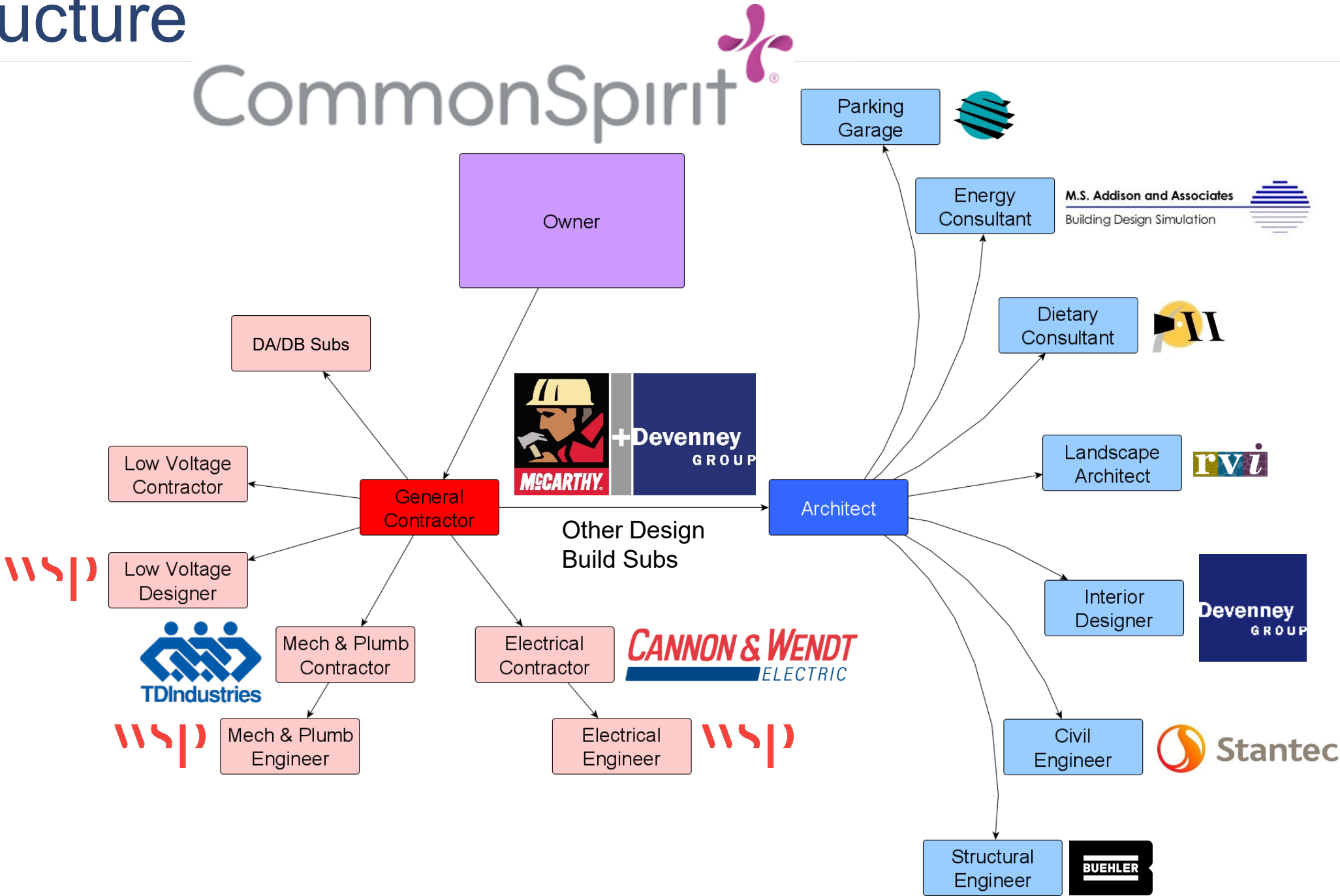
RFP Solution: **33,000 sf/36beds**



Proposed Solution: **28,600 sf/36beds**



Team Structure



“Yes, if...” Mentality



~~No, Because~~

Yes, IF

Culture

Vulnerability Motivating Rewarding Proactive
Inclusive No Egos
Nimble Casual Culture
Embrace Tension Fun Relaxed Fast Paced Conflict
Engaging Trust Flexible Curious
Welcoming Accountability
Openness Challenging Nurturing
No Passive Aggressiveness

The Challenge



Options & Innovation

Item #	Description	Architectural	Equipment	Total	Accepted No Pending	Savings/Avoidance/Add/Option	Comments	Date Resolved
1120	Shell Out 2 ORs + Equipment. <i>Cannot be taken with #1122</i>	-\$667,000	-\$984,960	-\$1,651,960	SD	CS	Included in SD Estimate	2017.10.19
1122	Shell Out							
1121	Shell out 3 OR's sh							
1106	Replace 1 4,500sf + 2							
1175	Expand C Chapel ar in this add #1106 an							
1105	Delete/De This can							
1125	Shell Out This opti as 1106 i							
1125.a1	Shell Out Cannot b							
1125.a2	Shell Out Cannot b							
1125.b	Shell Out Cannot b							
1125.c	Shell Out Cannot b							
1125.d	Shell Out Cannot b							
1125.e	Shell Out Apply this							
1125.f	Shell Out Apply this							
1145	Delete So taken unit							
1146	Delete South Connector Bridge L4 from Tower D to existing Tower A.	-\$300,000	\$0	-\$300,000	SD	CS	Included in SD Estimate	2017.10.19
1150	Relocate Only appl							
1151	Relocate Only appl							
1185	Convert Tower D L2 24 beds MedSurg Beds to 24 bed MOSU Unit.		\$220,000	\$86,400	\$306,400	No	OP	
1190	Delete Le This appt							
1195	Delete 2, This is lik							
1200	Delete Bl Per Valid Brook: lo							
1205	Delete ne							
1205.1	Delete ne \$100,000							
1210	Add Esca Option C							
1215	Overhead							
1220	Renovate Board Ro							
1220.1	Doctor Lo							
1225	Shell Futu							
1230	Upgrade i							
1240	Add Leve							
1245	S1 Lot to							
1250	Utilize ex							
1255	Move Bas							
1305	Plenum Rated Cable for Fire Alarm in lieu of running fire alarm cable in conduit	-\$300,000	\$0	-\$300,000	BOD	CA		
1330	Extend Basement to Perimeter/ Footprint of Tower Bldg. (Eliminate Seismic Req.) - <i>Schedule Impact between 2-4 weeks</i>	\$844,000		\$844,000	Pending	CA		
1331	Eliminate the Seismic Bracing Allowance Requirement	-\$750,000		-\$750,000	Pending	CA		
1335	Conducted Geotechnical Investigation to reduce the size of cussions for the parking Garage	-\$75,000		-\$75,000	BOD	CA		
1310	Non Plen							
1315	Extend Bi							
1320	Revise Al for E/Criti							
Total - Yes Items to Include in DD Estimate				-\$26,900	\$0	-\$369,900	Yes	\$ 3,159,000
Total - Inc. SD Estimate				-\$14,114,000	-\$5,166,088	-\$19,280,088	SD	\$ (71,391,420)
Total - Pending Items				\$0	\$0	\$94,000	Pending	\$ (5,016,420)
Total - No Items				-\$10,687,000	-\$10,861,620	-\$20,822,620	No	\$ (18,328,568)
Open Items Currently on Trend Log >>				\$0			Open	

\$28,069,642

Value Add – Dignity & DB have selected options to provide additional value and include scope of work into the project

(\$71,391,420)

Option – Presented as an option to be either included or removed from project

(\$4,547,420)

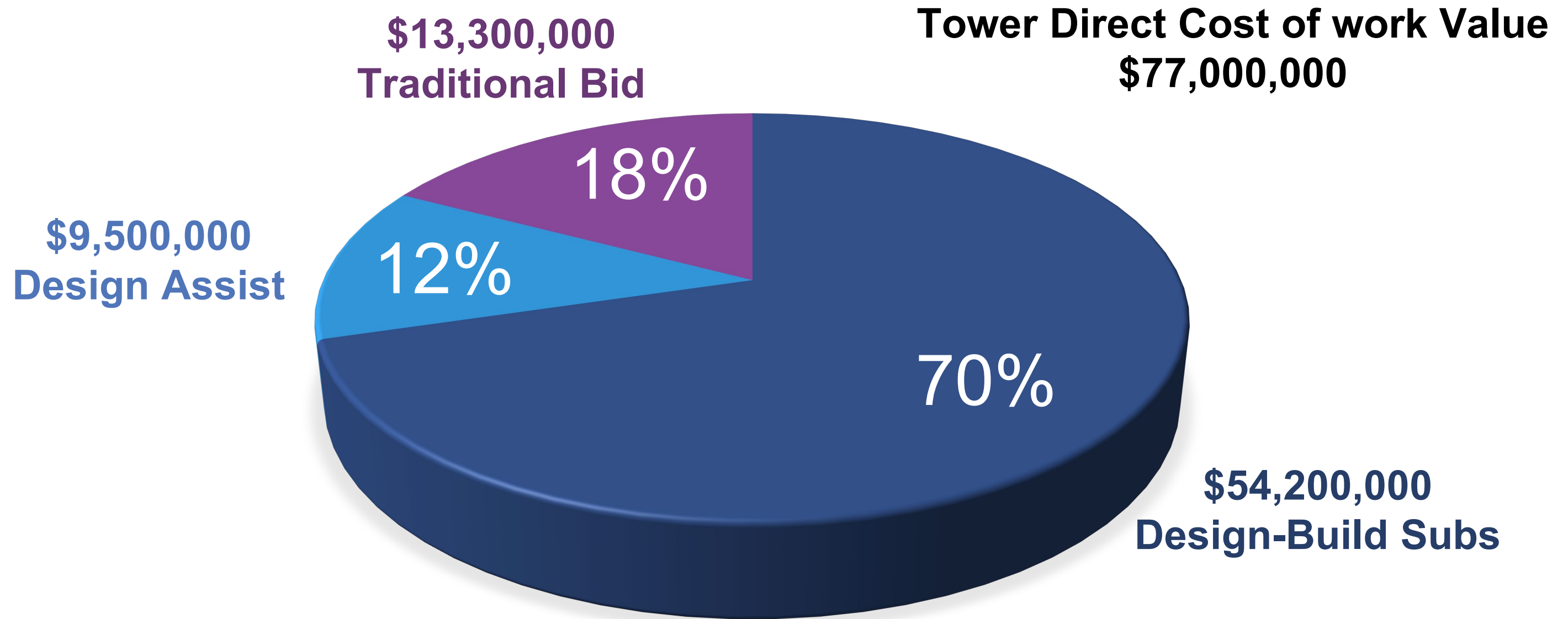
Cost Avoidance – Cost was avoided and the scope of work or value has been maintained

(\$18,328,568)

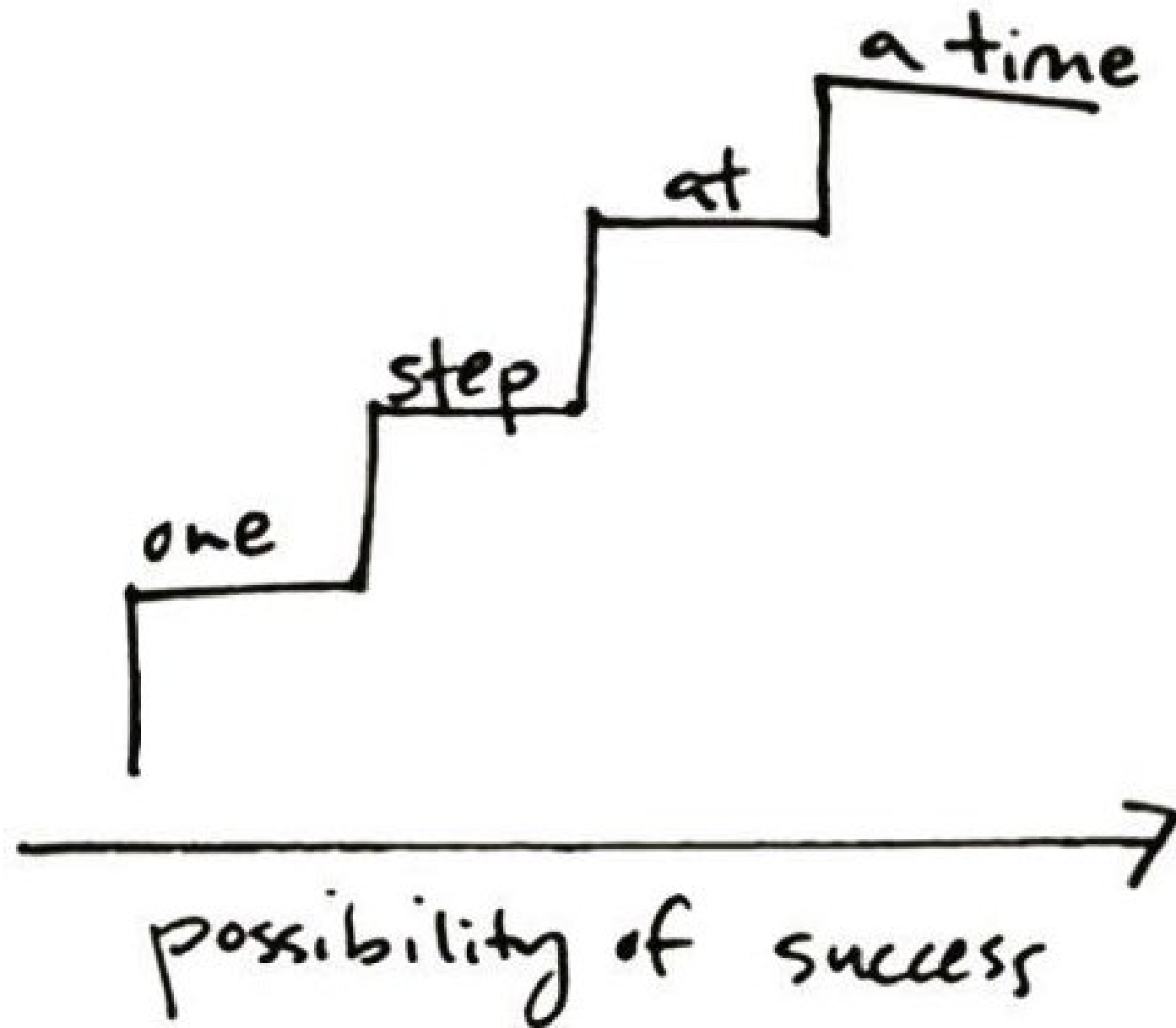
Cost Savings – Option was selected to remove scope of work from project resulting in a cost savings to the bottom line



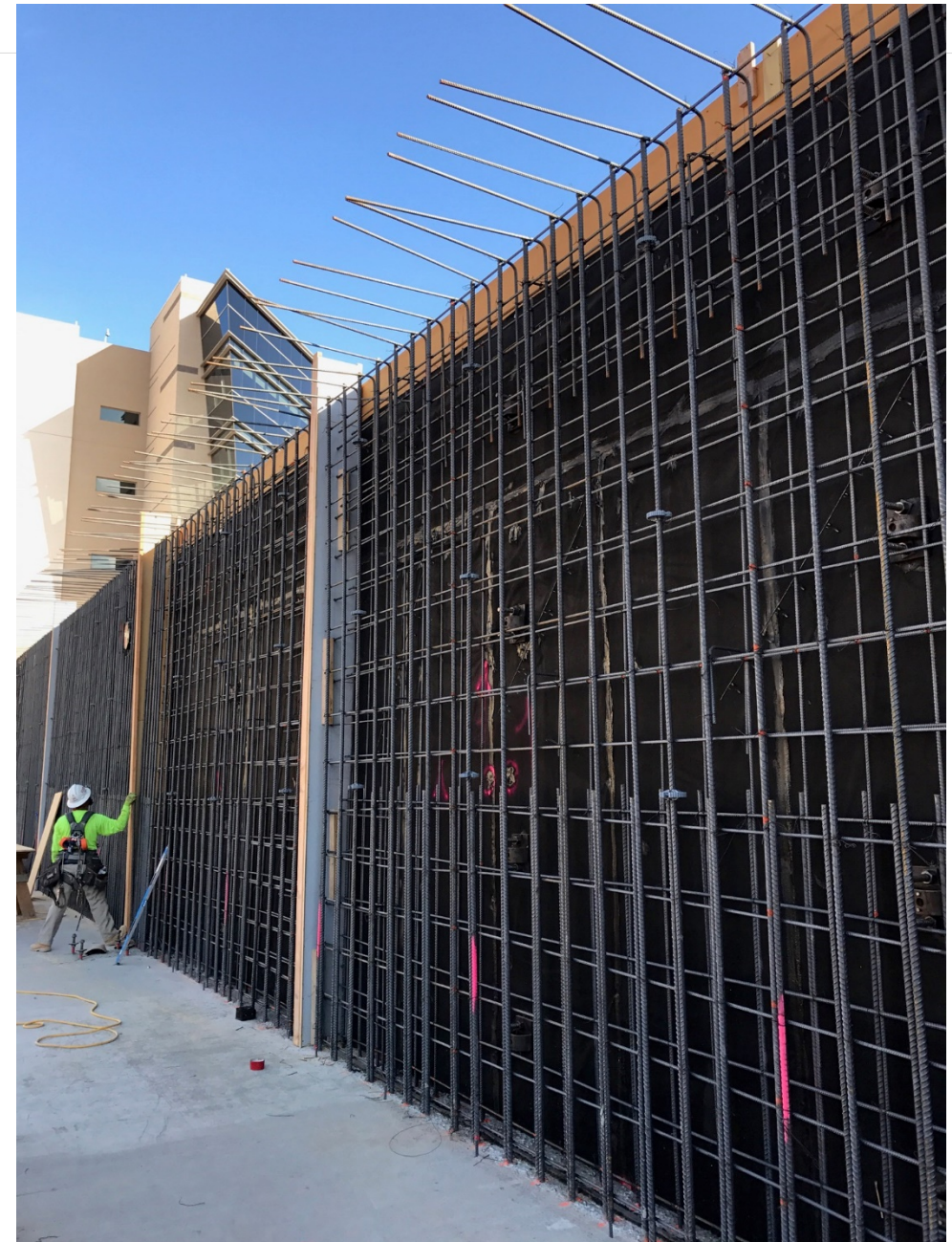
Pulling it Forward



The mini-wins



Designing to Build



Designing to Build



Designing to Build

- NO Drilling or shot pins mindset



Kit of parts



Designing to Build



Designing to Build



Paying it forward



How can you apply this tomorrow?

- Prescriptive contracts should not hinder unique project structures.
- Allow the experts to work together from the start.
- The hard part now is pre-construction. If done right, building is fun.
- Right decision makers in the room at the right time.



Contact Us

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Building at the Speed of Trust Podcast: <https://www.youtube.com/watch?v=RBvME6GJtXE>





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In the spirit of continuous improvement, we would like to remind you to complete this session's survey! We look forward to receiving your feedback. Highest rated presenters will be recognized.



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Thank you for attending this presentation. Enjoy the rest of the 22nd Annual LCI Congress!