

Progress, Process & Lessons Learned with IDBB (ECI)

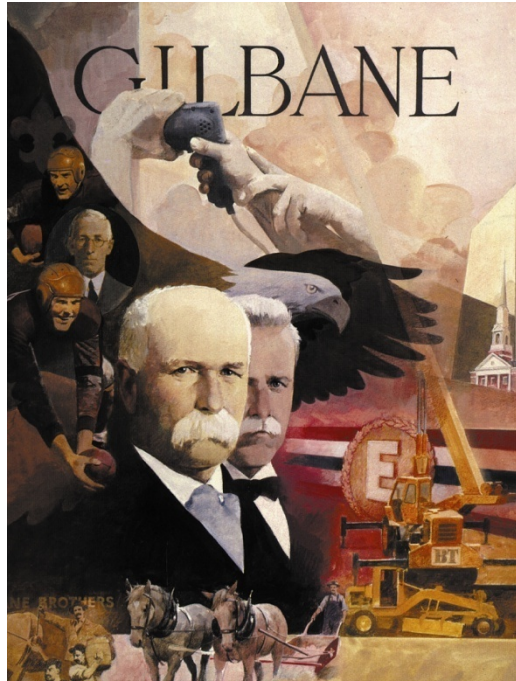
Jeff Schramm – Gilbane Building Company



AGENDA

- Introduction
- IDBB Delivery Method Overview
- Ft. Belvoir Hospital Project Overview & Progress to Date
- Lessons Learned with the IDBB Process
- Recommendations
- Questions

Gilbane at a Glance



- Founded 1873... 138 Years of continuous operation
- Family Owned... 5th Generation
- 2000+ multi disciplined employees
- Ranked one of the top US CM firms
- 73% of work for repeat clients
- Annual Revenues > \$4.1 Billion
- Almost 100 Years Working with Federal Clients



US Army Corps
of Engineers®



IDBB Delivery Method Overview

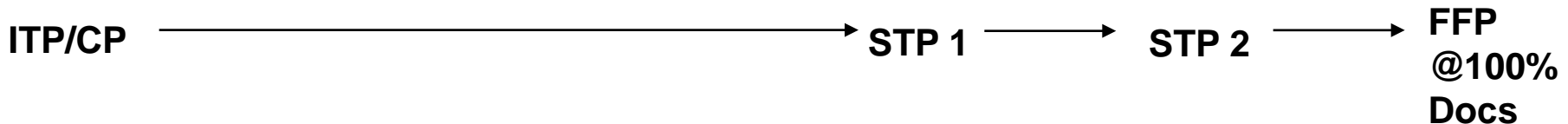
- Developed to Speed Project Delivery to meet BRAC
 - Battlefield Health & Trauma Center Operational in March, 2010
 - Ft. Belvoir Hospital Operational in September 2011
- Reference FAR 52-216.17 Fixed Price Incentive (Successive Targets) Framework
 - Award Enabling Project and Preconstruction as Lump Sum
 - Target Cost in Original Proposal
 - Target Profit in Original Proposal
 - Target Cost + Target Profit = Target Price
 - Ceiling Price on Total Cost with Fee Incentive / Decrement
- Developed for BRAC under Leadership of General Semonite
- Precursor to Early Contractor Involvement (ECI) Delivery Method

Successive Targets: Practical Application

Concept



Practical Application



- Utilized Budget Control Report & bi-weekly update in lieu of milestone estimates
- Updates used for scope add and deduct definition
- Defining Timing of FFP was difficult

Fort Belvoir Community Hospital



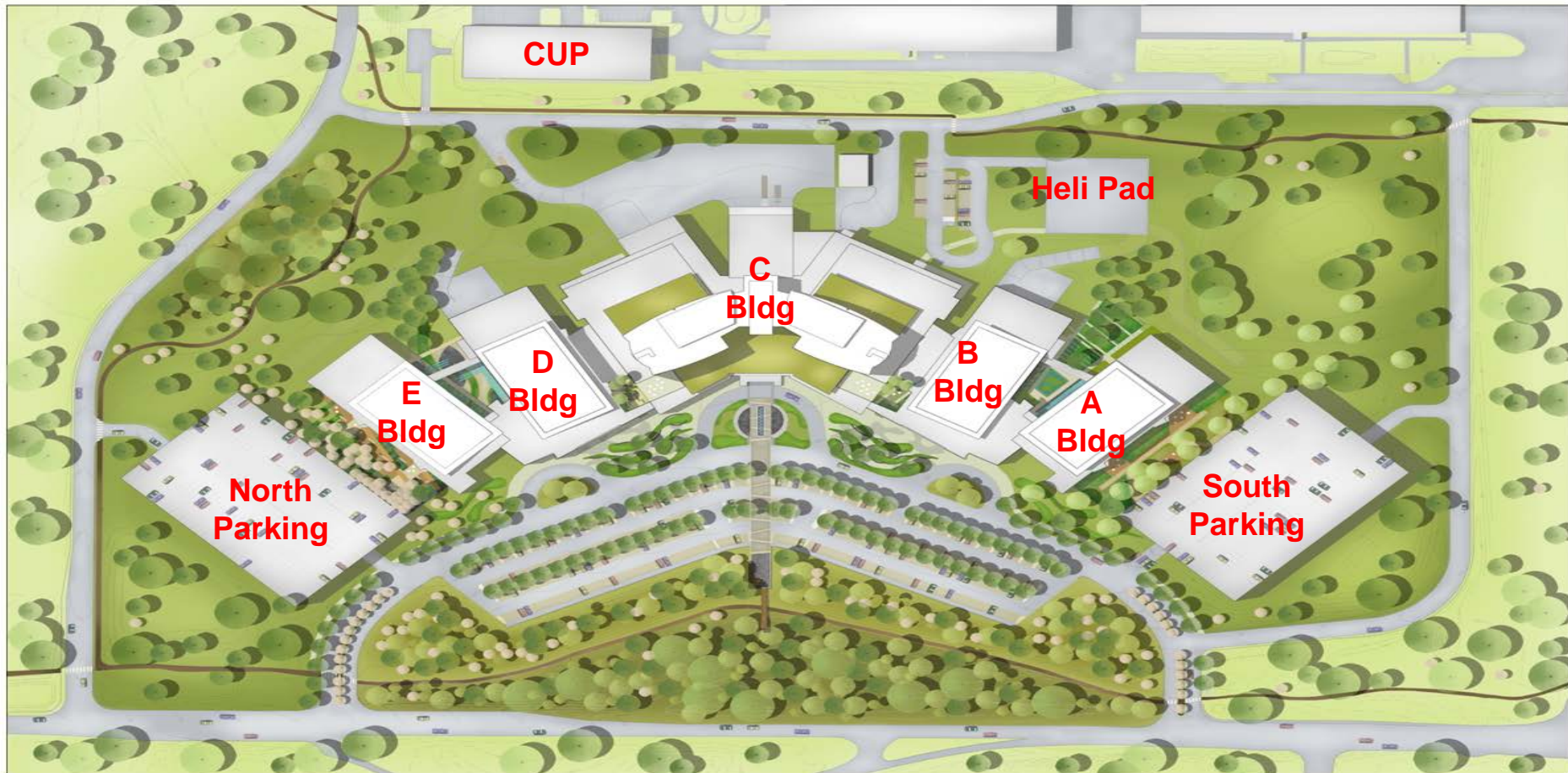
- 8 New Buildings
 - 4 Outpatient Clinics
 - New Hospital
 - 2 Parking Garages
 - Central Utilities Plant
- \$960 Million Present Contract Value
- 1.2 Million GSF
- Beneficial Occupancy August 15, 2011

Fort Belvoir Community Hospital

Team Structure

- USACE – Owner (HFPA / TCM / Base also involved)
- HDR / Dewberry JV - Designer
- Turner|Gilbane 50/50 JV – Builder
- IDBB Delivery Method (Brought on at 10% Design)
- Major Subcontractor Partners in Proposal
 - Sitework
 - Structural Steel
 - Roofing/Waterproofing
 - Fire Protection
 - Mechanical / Plumbing
 - Electrical

Fort Belvoir Community Hospital



Illustrative Site Plan

Fort Belvoir Community Hospital

Model Photo



Fort Belvoir Community Hospital

Aerial Site View February 2008



Fort Belvoir Community Hospital

Aerial Site View May 2008



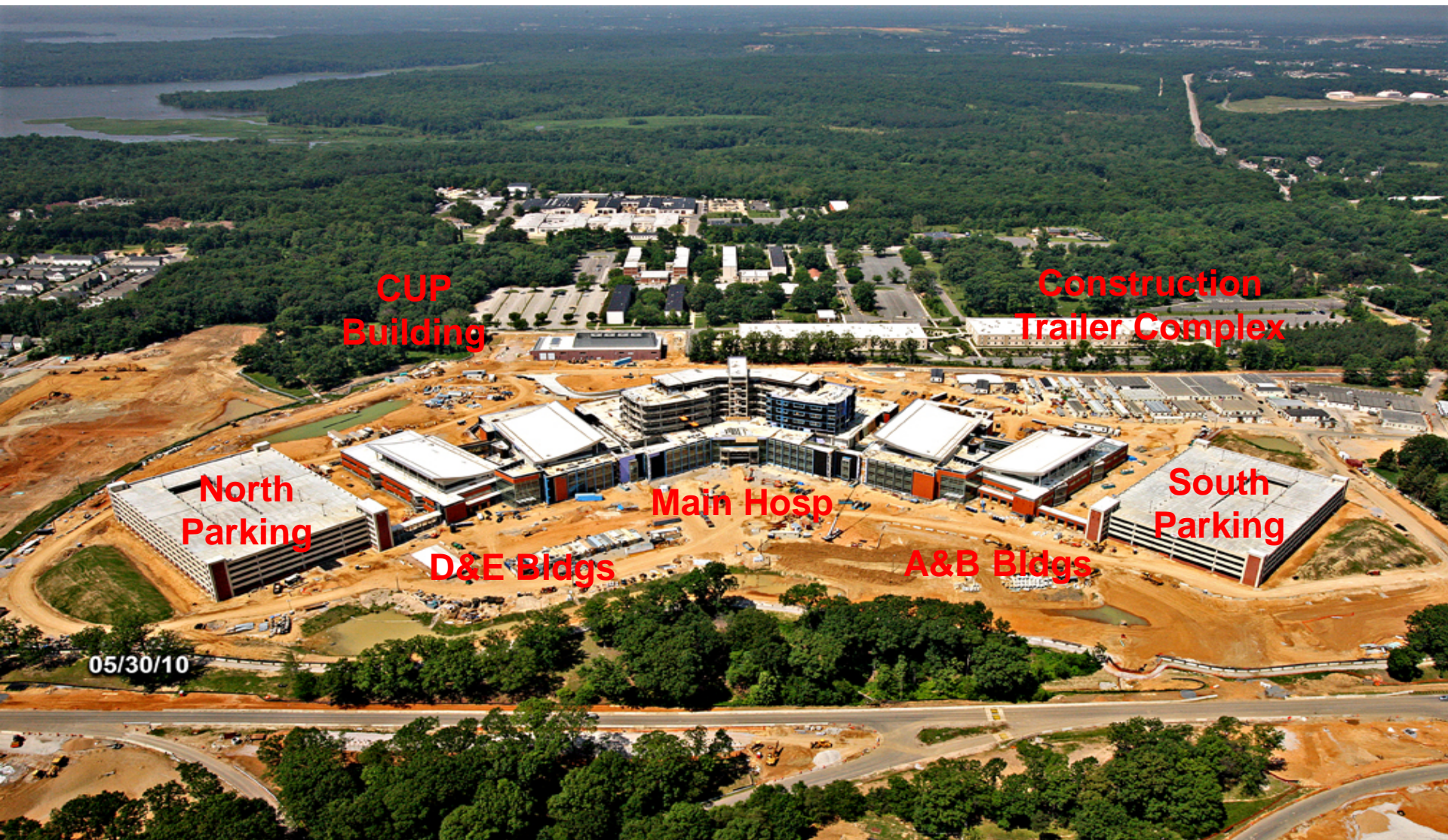
Fort Belvoir Community Hospital

Aerial Site View May 2009



Fort Belvoir Community Hospital

Aerial Site View May 2010



Fort Belvoir Community Hospital

Aerial Site View May 2011



Fort Belvoir Community Hospital

Aerial Site View at Turn Over - August 2011





Lessons Learned from IDBB

- RFP & Proposal Response
 - Successive Target Contract Language
 - Clarifications / Qualifications Impact on Design
 - Clarifications / Qualifications Impact on Schedule
 - Description of Lump Sum Contract Definitization Process
 - Active Partnering is a Key Element



Lessons Learned from IDBB

- Alignment of A/E and Construction Contractor
 - Professional Responsibility for Documents
 - Design Assist Scope and Responsibility
 - Requirements for Final Documentation
 - Location & Process for Preconstruction
 - Contract Alignment between Designer & Builder

Lessons Learned from IDBB

- Preconstruction Phase Services
 - USACE Oversight & Involvement
 - Cost & Scope Tracking
 - Formal Budget Reconciliation Sessions
 - Collaborative Value Management Process
 - Design Assist from Subcontractors
 - Better Scope Definition
 - Need a “Rule Book”

Lessons Learned from IDBB

- Construction Phase - It's not a traditional Lump Sum Contract
 - Cost-Type Contract Environment
 - FFP Conversion - Go to contract when risk / reward benefit is the greatest
 - Schedule Development
 - Requisition Process & Payments
 - Changes
 - Quality Control
 - Design Assist & BIM
 - Need a "Rule Book"



Pros and Cons of IDBB

- Design Phase
 - Pro – Design Assist speeds overall design.
 - Con – Possibility of Mis-Coordinated Design requiring rework.
- Preconstruction Phase
 - Pro – Real Time Feedback on Cost and Schedule as Design Progresses.
 - Con – USACE not familiar with / comfortable with collaboration between designer and contractor. Difficulty managing the process.
- Construction Phase
 - Pro - Earlier Construction in the Field.
 - Con - Less definition of total project scope than traditional Lump Sum. Expect rework in the field.
- Overall Process
 - Pro – Private Sector approach to Speed Project Delivery. Faster Delivery than standard Design / Bid / Build
 - Con – Typical USACE Project Processes can slow Project Delivery.



Recommendations for the Future

- Create an IDBB (ECI) “Rulebook”
- Define the ultimate “Decision Maker”
- Maintain an active Partnering approach – Include all key stakeholders
- Provide better Scope Definition for Preconstruction Phase
- Ensure Alignment between A/E and Constructor Contract
- Embrace Collaboration
- Keep doing it, It only gets better with practice

The top of the slide features a close-up, slightly blurred image of the American flag, showing the stars and stripes in a draped manner.

Fort Belvoir Community Hospital

Questions?