

IPD For Small Projects

07/08/2021

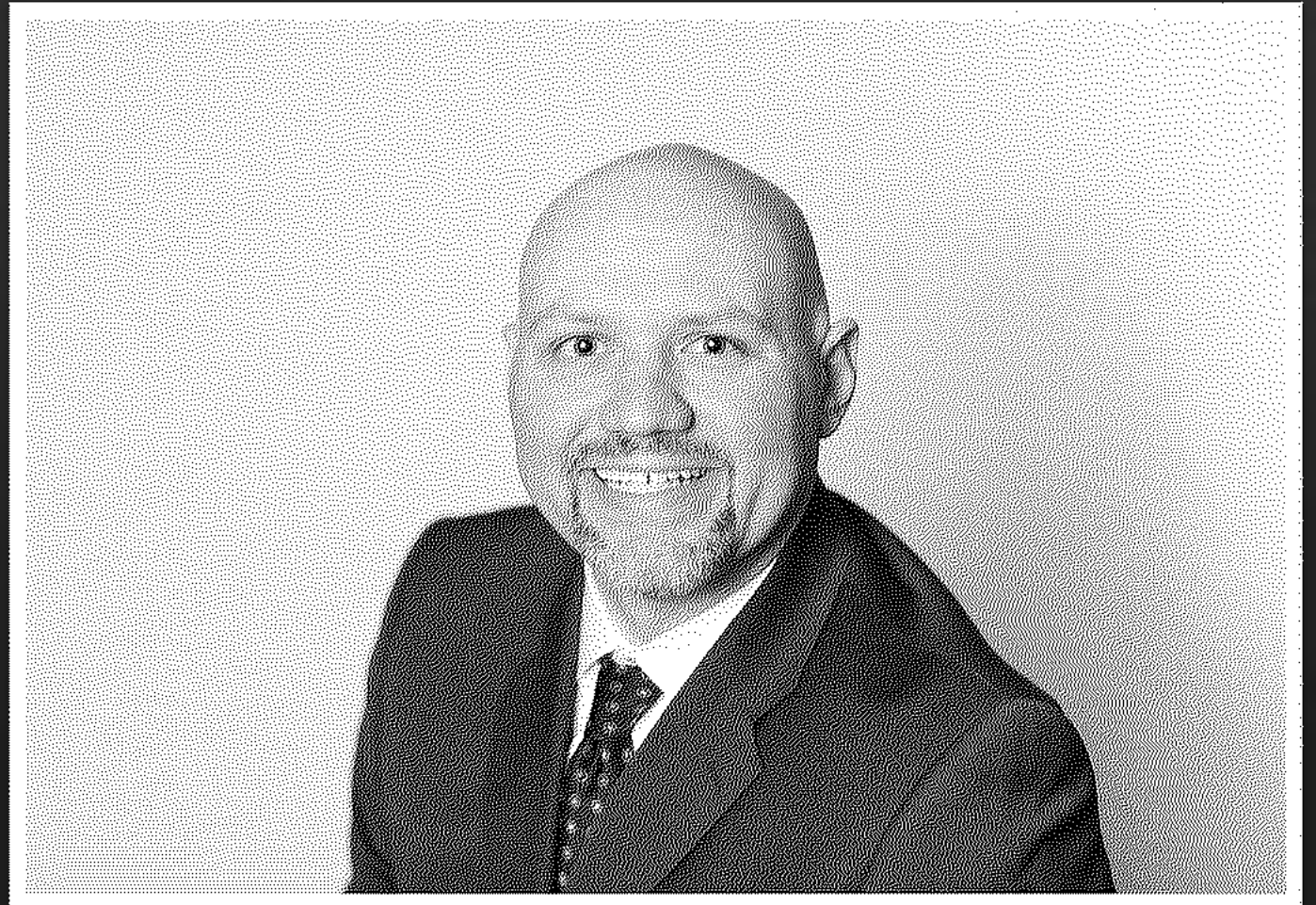
Presenter

John Zachara

Integrated Facilities Solutions, Inc.
Vice President

jzachara@ifspm.com

847-714-7481



Presenter



- Illinois-based Owner's Representative
- 20-person firm
- 23 years in business
- Successfully completed over \$3.5B in work for more than 3,000 projects



The Big Ideas for Today

- CULTURE DRIVEN BY THE OWNER
- INTEGRATED PROJECT DELIVERY
- THINK BIG... BUILD SMALL

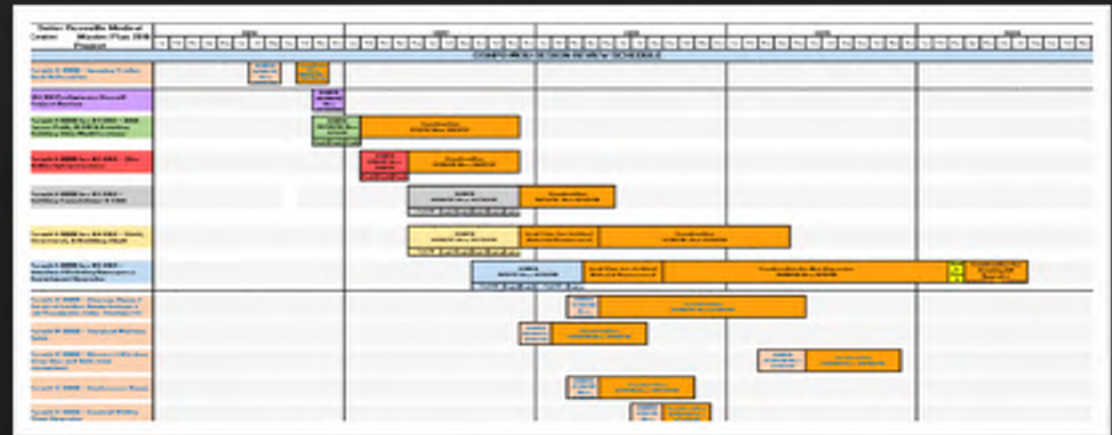
Culture Driven by the Owner

Validation

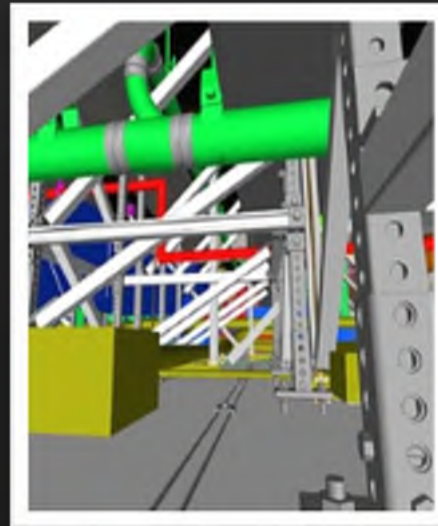
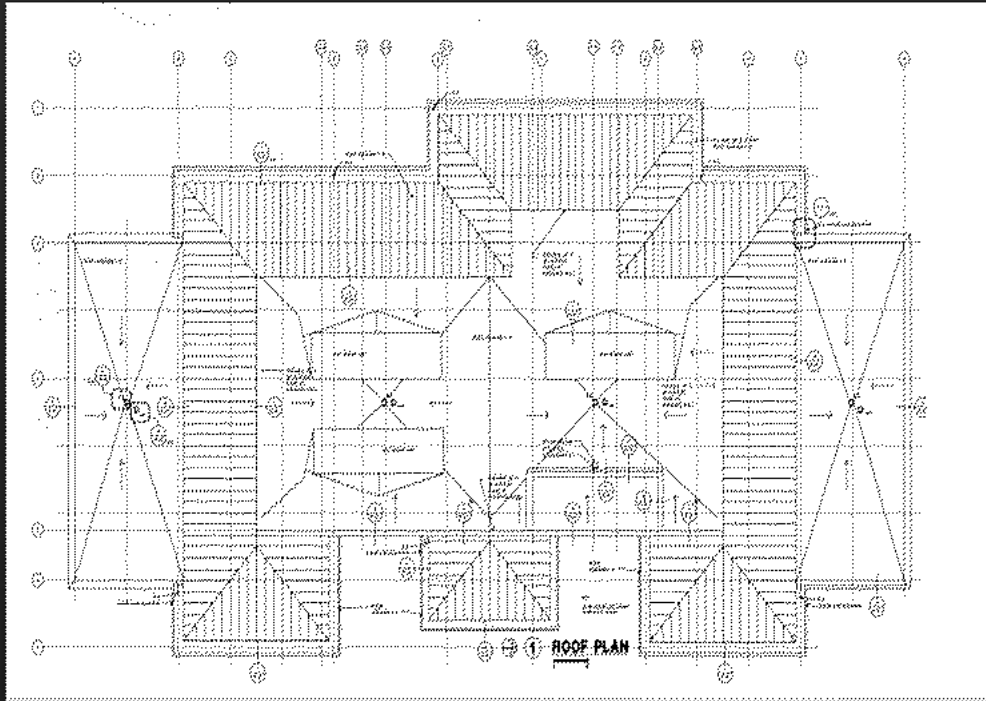
Can We Deliver the
Proposed Program and
Quality within the
Schedule and **Budget**
Supported by the
Project's Business
Case?



Project Master Phase Planning



Design for Fabrication not for Intent



Risk Assessment and Tracking



NorthShore University HealthSystem		NorthShore Hiles MOB - RISK/ OPPORTUNITY TRACKER						
Item #	Risk/Opportunity Description	Approved Risk	Accepted	Rejected	BIC	Actions Required for Approval	Pros	
1.00	Delay start of project until spring to avoid winter conditions.			(\$20,000)	REJECTED	Rejected - Provides little savings and unacceptable push in schedule		
1.00	Eliminate Roof Deck Concrete			(\$10,000)	REJECTED	Rejected - Would cause too much future cost should the 2nd floor go forward. The savings would also likely be less due to additional structural		
1.00	Concrete additive in lieu of surface applied moisture mitigation for flooring			0	REJECTED	Researched latex concrete additive. Works out to \$1.50/sf in additional cost. Not competitive with moisture mitigation. Recommend rejecting.		
4.00	B - Provide alternative brick - Glens Gory	(\$1,000)			APPROVED	John review with Northshore. John to get pictures of sample projects.		
4.00	B - Provide alternative brick - General Shale	(\$1,300)			REJECTED			
4.00	C - Provide utility versus modular bricks - H Brick	(\$4,000)			REJECTED	John review with Northshore Mike S, to send John pictures of sample projects. Brick samples to arrive Tuesday at 85 main office.		
4.00	Provide roof stone or pavers in lieu of limestone brick and remove limestone between windows.				REJECTED	Mike and Jeff to work together to define scope and price of reduction in the amount of limestone in the project.		
5.00	Substitute composite roof deck with standard roof deck 3" A20 ga.			(\$4,000)	REJECTED	Rejected - 2nd Story is required. Check hangers requirements, envelope Cost savings.	N/A if keeping 2nd	
5.00	Substitute composite roof deck with standard form deck.			(\$4,000)	REJECTED	Rejected - 2nd Story is required. Check hangers requirements, envelope Cost savings.	N/A if keeping 2nd	
1.00	Eliminate 5" 18 gauge metal studs and in-wall 8" R5 batt insulation with kraft facing/vapor barrier, replace with 3 1/2" 18 gauge metal studs at perimeter wall conditions of building.		(\$2,800)		APPROVED	1.5" polyiso rigid insulation in lieu battens insulation with 3 - 1/2" studs.	Keeping the insulation and vapor barrier on the exterior of the perimeter walls and not within the stud-cavities will give a more efficient envelope and allow for future renovation to occur within the stud walls, such as moving walls and-outlets, to occur without	No issues.



Risk Assessment and Tracking



NorthShore Niles MOB - RISK/ OPPORTUNITY TRACKER

Item No.	Risk/Opportunity Description	Assessed Risk / Opportunity	Accepted	Rejected	BIC	Actions Required for Approval	Pros	C
1.01	Delay start of project until spring to avoid winter conditions			(20,000)	REJECTED	Rejected - Provides little savings and unacceptable push in schedule		
3.01	Eliminate Roof Deck Concrete			(78,000)	REJECTED	Rejected - Would cause too much future cost should the 2nd floor go forward. The savings would also likely be less due to additional structural		
3.01	Concrete additive in lieu of surface applied moisture mitigation for flooring			0	REJECTED	Researched Ardus concrete additive. Works out to \$5.50/sf in additional cost. Not competitive with moisture mitigation. Recommend rejecting.		
4.01	A - Provide alternative brick - Glenn Gary	(3,050)			APPROVED	John review with Northshore. John to get pictures of sample projects.		
4.01	B - Provide alternative brick - General Shale	(6,510)			REJECTED	projects.		
4.01	C - Provide utility versus modular bricks - IL Brick	(34,000)			REJECTED	John review with Northshore. Mike S. to send John pictures of sample projects. Brick samples to arrive Tuesday at IFS main office.		
4.02	Provide cast stone or precast in lieu of limestone brick and remove limestone between windows.				REJECTED	Mike and Jeff to work together to define scope and price of reduction in the amount of limestone in the project		
5.01	Substitute composite roof deck with standard roof deck 3" N20 ga.			(\$4,000)	REJECTED	Rejected - 2nd Story is required. Check hangers requirements, envelope	Cost savings.	N/A if keeping 2nd
5.02	Substitute composite roof deck with standard form deck.			(\$4,000)	REJECTED	Rejected - 2nd Story is required. Check hangers requirements, envelope	Cost savings.	N/A if keeping 2nd
5.03	Eliminate 6" 18-gauge metal studs and in-wall R-19 batt insulation with kraft facing/vapor barrier, replace with 3-5/8" 18-gauge metal studs at perimeter wall conditions of building.		(2,000)		APPROVED	3.5" polyiso rigid insulation in lieu batten insulation with 3 - 5/8" studs.	Keeping the insulation and vapor barrier on the exterior of the perimeter walls and not within the stud cavities will give a more efficient envelope and allow for future renovation to occur within the stud walls, such as moving walls and outlets, to occur without	No issues.

Culture

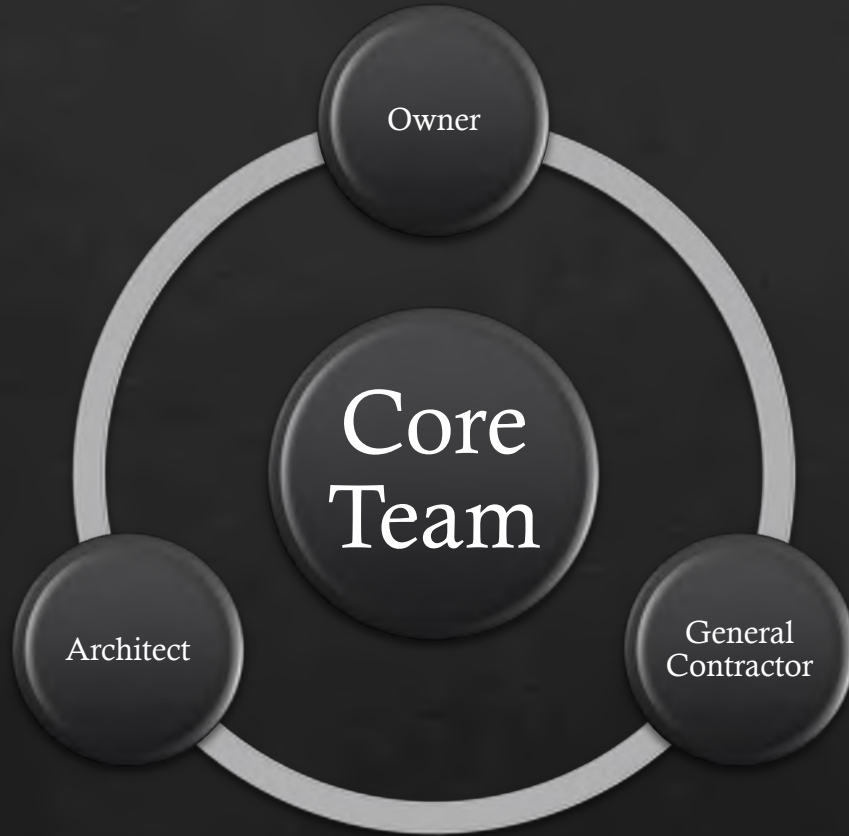


Questions – Part 1 Culture

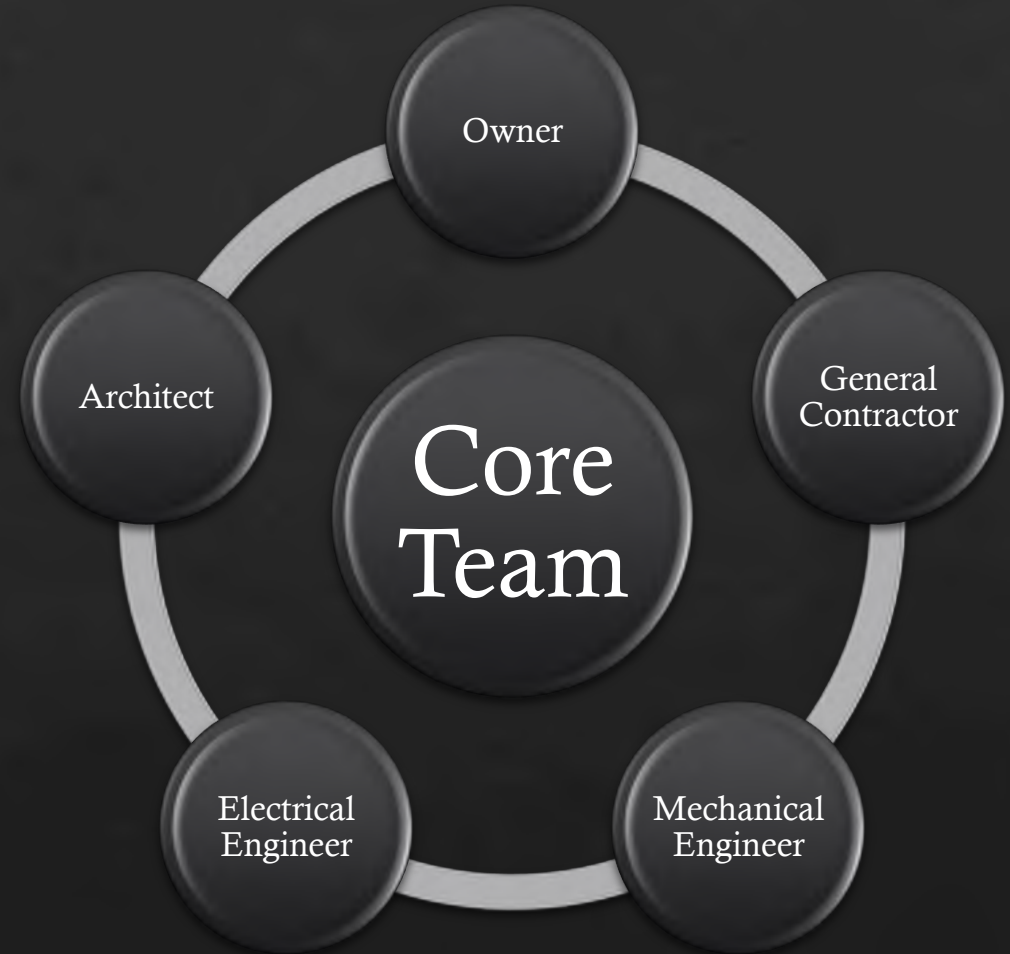
- How do we drive Culture on our projects?
- How can a shift away from silos help improve project outcomes?
- How do we know we are making the right decisions?
- What role does the Owner play on this team?

Integrated Project Delivery

Integrated Form of Agreement

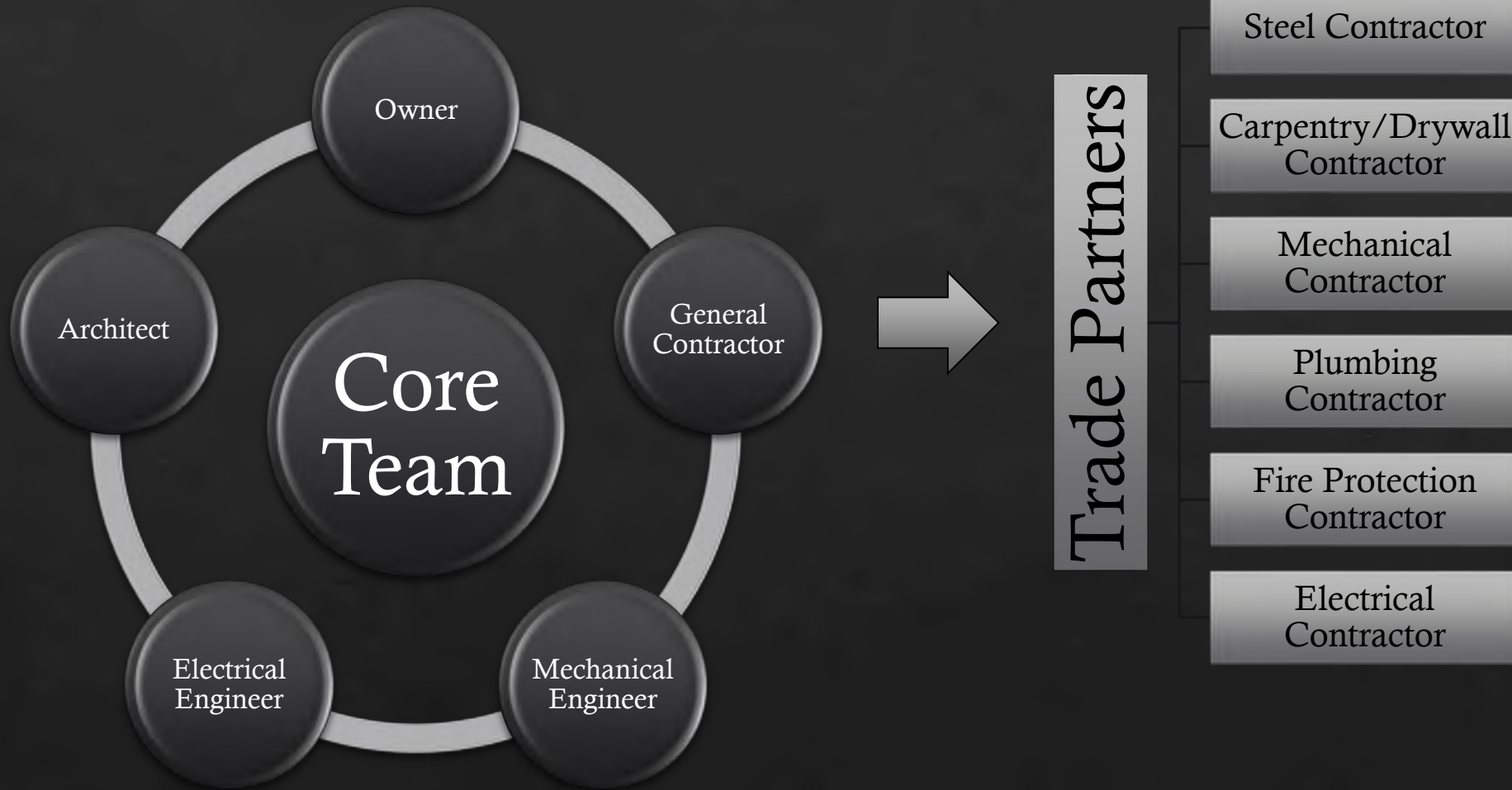


TRI-PARTY AGREEMENT



POLY-PARTY AGREEMENT

Integrated Form of Agreement



Rapid Trade Partner Integration

- Qualifications
- Proposed Budget
- Overhead & Profit
- 30 Minute Interview

- Best Value Based on Above

- Two week submission & selection process



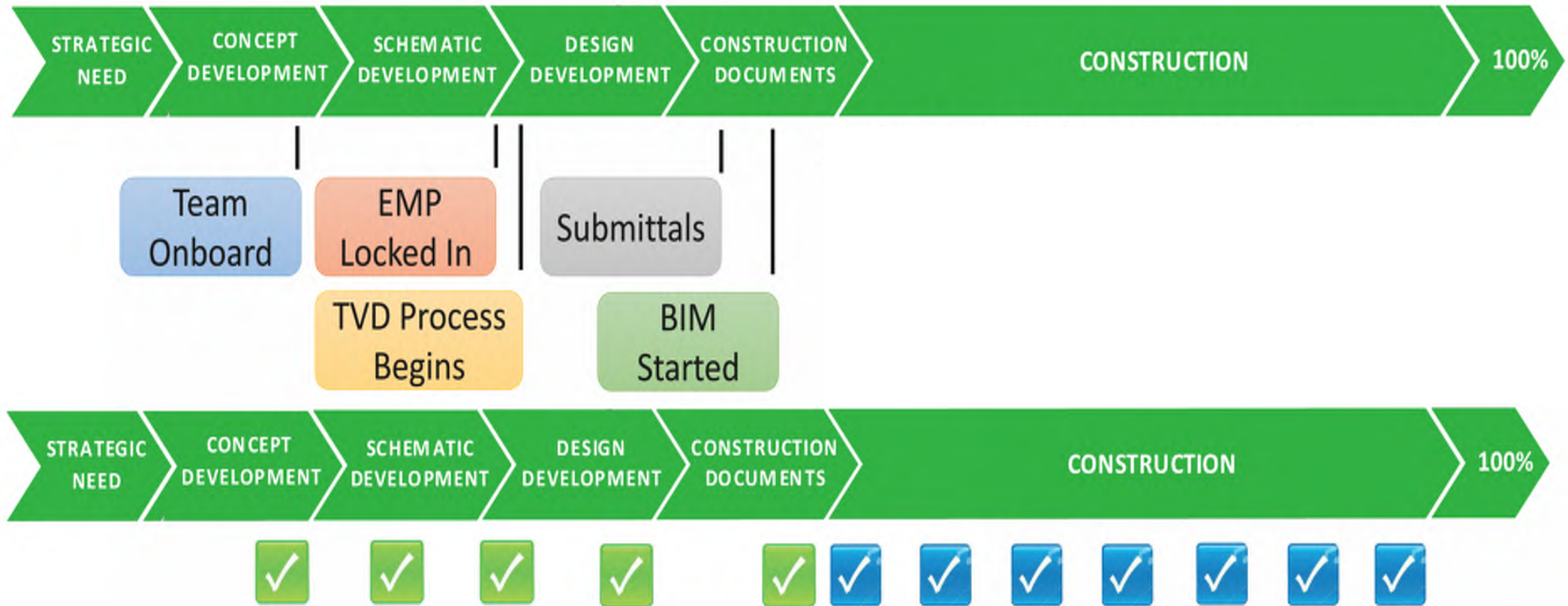
- No Proposal
- No Interview

- Voted on by A/E/GC/Owner at 1st Team Meeting

- Joined team at 2nd Team Meeting



Project Delivery & Cost Checks



Dashboards



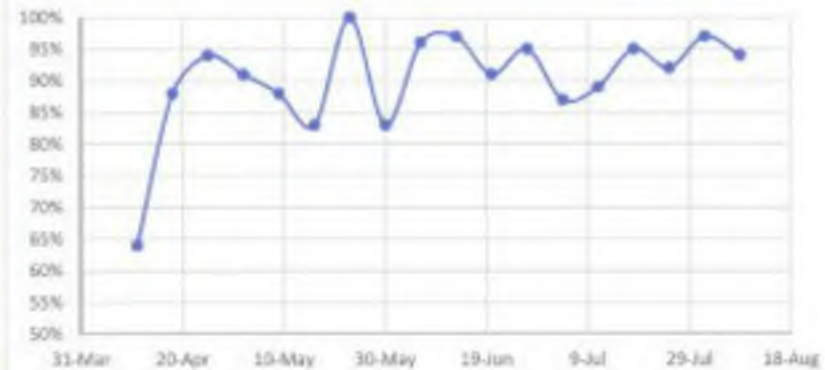
Dashboards

NorthShore Niles MOB - Project Dashboard

Project Performance Indicators

	<u>Current</u>	<u>Goal</u>
Average PPC -	92%	85%
Confirming RFIs -	42%	50%
Average RFI Response Time -	4 days	3 days
Average Submittal Response Time -	5 days	5 days

PPC Trend



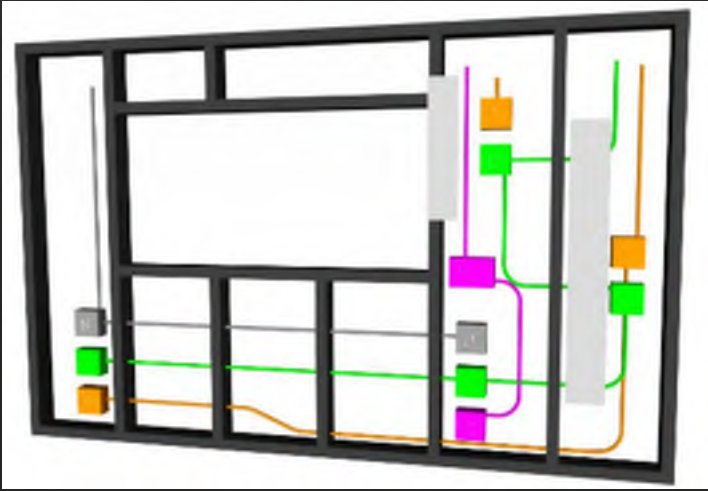
Total Project Cost Trend



Risk/Reward Profit Pool Projections



Early Trade Partner Engagement



Last Planner



Transparency



Project Goals and Performance Indicators

- 1. Achieve 85% Planned Percent Complete**
- 2. 50% of all RFI's shall be submitted with proposed solutions**
- 3. Average RFI response time shall be (3) working days**
- 4. Average submittal response time shall be (5) working days**
- 5. Achieve (0) lost time accidents**

Key Performance Indicators

	<u>Goal</u>	<u>Actual</u>
Average PPC:	85%	91%
Confirming RFIs:	50%	57%
Avg. RFI Response Time:	3 days	5 days
Avg. Submittal Response Time:	5 days	6 days
Lost Time Incidents:	0	0

Lost Time Incidents:


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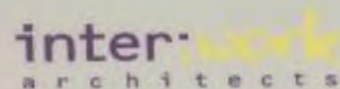
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Transparency

Project Conditions of Satisfaction (Conditions ranked by Priority)

1. **Complete project on/before December 20, 2016**
2. **Complete the EMP with shared savings**
3. **Owner conditions of operational efficiency, and sustainability are met**
4. **Each team member considers this a successful project and finishes with a profit**

 Integrated Facilities Solutions, Inc.

 inter:work
architects

 Primera



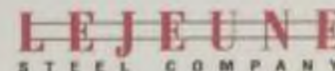
 POWER
CONSTRUCTION

 F.E. MORAN
FIRE PROTECTION

femorran.com

 Jamerson & Bauwens
Electrical Contractors, Inc.

 THE HILL GROUP

 LEJEUNE
STEEL COMPANY

 advance
MECHANICAL SYSTEMS, INC
established 1912

Conditions of Satisfaction

- 2 months ahead  Schedule
- 9%  EMP with Shared Savings
- 85% Increase  Team Member Success & Profit
-  Owner Operational Efficiencies

Questions – Part 2 IPD

- Is the IFOA scalable and how small can we go?
- How do we onboard our teams, so we don't create silos?
- What kind of Culture do we need to make the IFOA successful?
- What role does the Owner play on this team?

Think Big... Build Small

The Future of Healthcare

The (Family) Doctor Isn't In: Millennials Are Rejecting Primary Care Physicians

Many young Americans are opting to get their healthcare from urgent care centers and retail health clinics.



A recent survey discovered 43 percent of adults ages 18 to 28 don't have a primary care physician. Getty Images

The Future of Healthcare Looks a Lot Like Retail

wd



It's not just about location, location, location. There's an urgent need—and growing opportunity—to reinvent the healthcare experience by adapting key retail principles to design outpatient "stores."

By Dan Stanek, EVP, WD Partners

January 17, 2020 03:11 PM

This hospital growth engine is sputtering

Slowing patient traffic raises questions about whether hospitals' big brick-and-mortar bets will pay off. That's worrisome for hospitals hoping outpatient care would cushion the financial blow from declining inpatient business.

STEPHANIE GOLDBERG  

April 01, 2018 12:20 AM

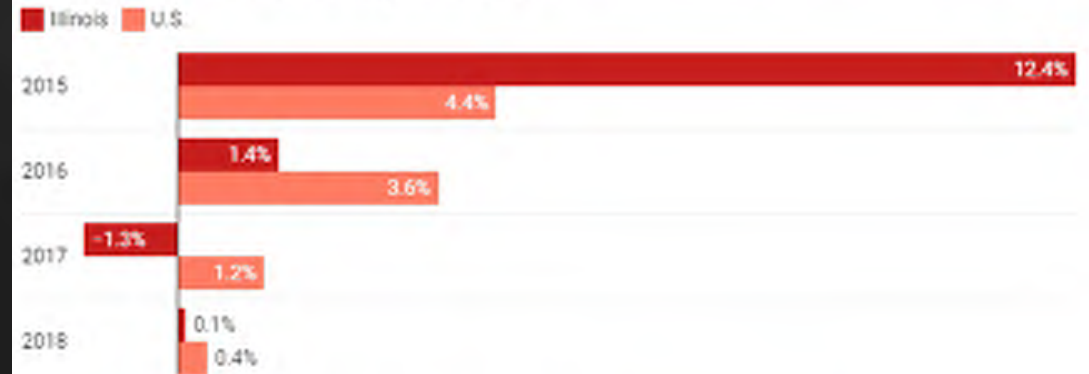
Health insurers push patients away from hospitals

JAY GREENE   

- Blue Cross, Priority Health moves aim to move services away from higher-cost hospitals
- Hospitals expected to make changes in operations
- Employers, patients driving change to lower costs and increase convenience

Change in outpatient visits for community hospitals

Hospital-owned outpatient centers appear to be losing ground to nontraditional competitors and new technologies. Outpatient visits at Illinois hospital networks were up less than 1 percent in 2018, down sharply from more than 12 percent growth in 2015.



Note: Data includes all nonfederal, short-term hospitals in Illinois

Source: American Hospital Association's 2020 Hospital Statistics report • Created with Datawrapper

Evolution of Immediate Care Strategy

Leading the Way in Immediate Care

- **Experience** – Leverage success coordinating ambulatory care
- **Growth** – Strategic site identification and tool for attracting new patients
- **Expansion** – Enter new markets, focus new markets
- **New Model** – Retail model staffed by Advanced Practice Providers
- **Training** – Investment in talent development program
- **Capacity Management** – Analytics-driven approach to align growth and resourcing



Traditional ED vs. Retail Health/Immediate Care



Retail Health

- + Easier to Access
- + Less Waiting Time
- + More Comfortable
- + Modern Conveniences (WIFI, coffee bar, etc.)
- + Low Cost to Patient
- + Clean and Modern

- Hard to Navigate
- Long Waiting Time
- Uncomfortable
- Little Conveniences to Patients/Visitors
- High Cost to Patient
- Outdated and Have a Feeling of Being Rundown



Traditional ED

Core Values/Culture



Empathy
Communication
Attitude
Teamwork
Positive Outlook
Professionalism
Initiative
Flexibility



**BULLEY &
ANDREWS**

Innovative
Dedicated
Passionate
Team-focused
Client Service
Camaraderie
Cohesion



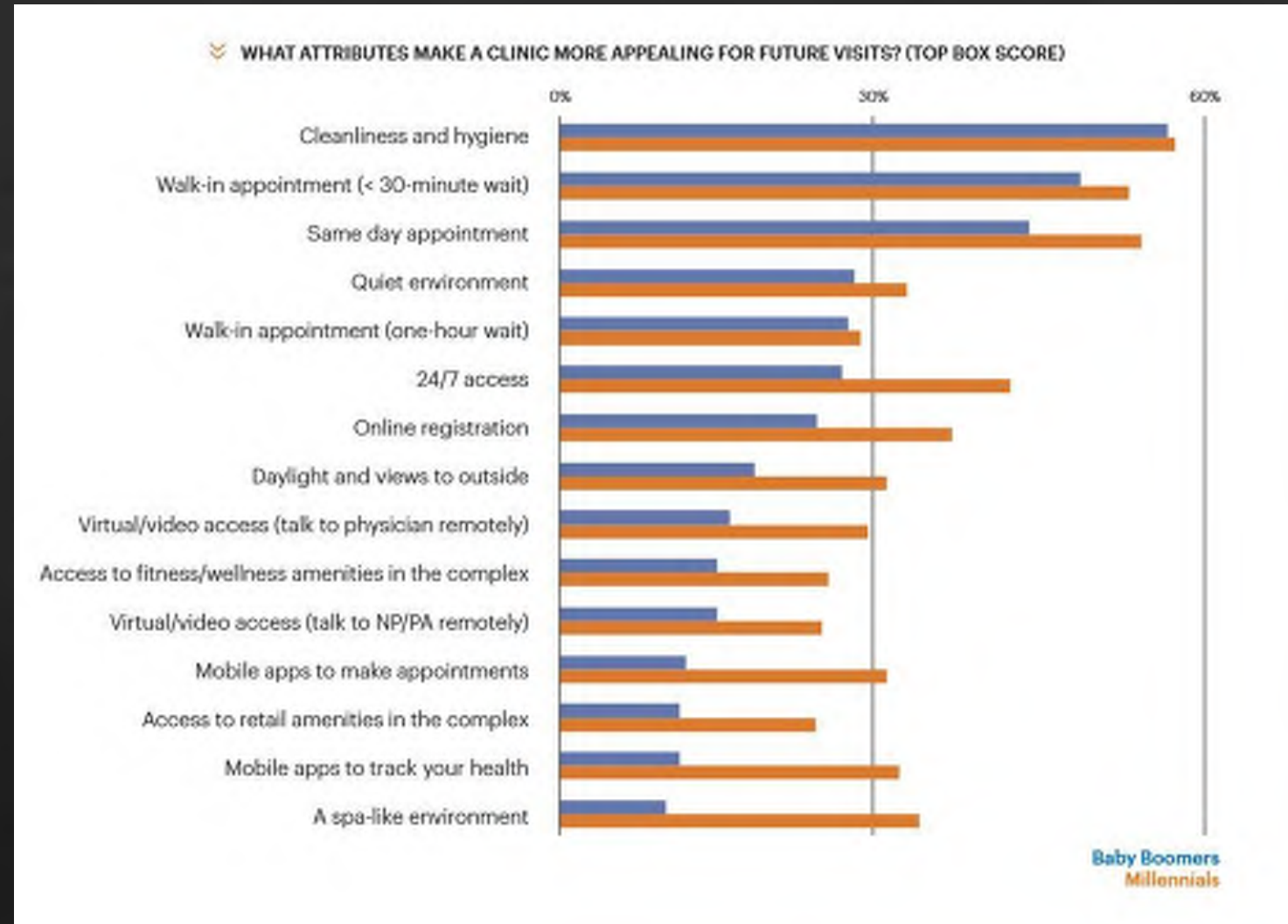
Trust
Accountability
Understanding
Alignment
Mutual Respect



**INTEGRATED FACILITIES
SOLUTIONS, INC.**
Owner's Representative/Program Management

Integrity
Commitment
Competence
Teamwork
Results

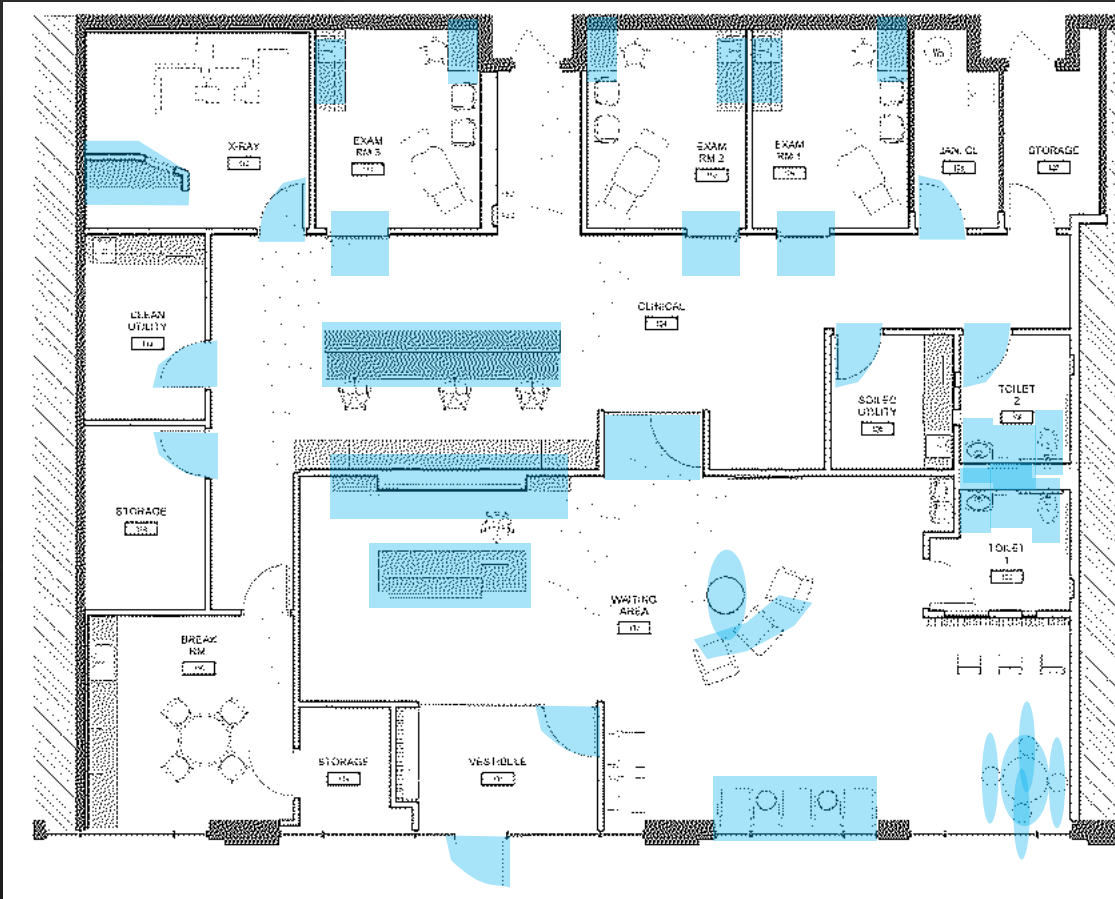
Evidence-Based Design: Using Data to Drive Design Decisions



Evidence-Based Design: Stakeholder Engagement



Efficiency in a Set Program



Design as a “Kit of Parts”

- Glass Logo Wall
- Sliding Doors
- Millwork

Flexible Design

- ◇ Multiple Pre-Approved Lighting Packages
- ◇ Multiple Pre-Approved Vendors for Sliding Doors, Etc.

REDUCED:

Defects

O

Waiting

N

T

I

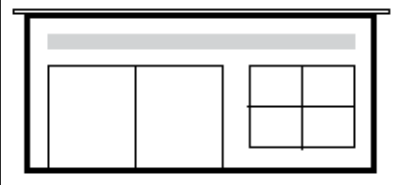
M

Extra Processing

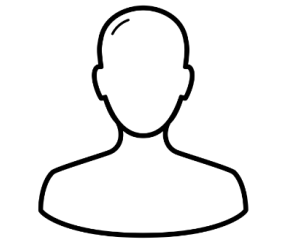
Challenges in Existing Buildings



Building Systems
Designed for Retail not
Healthcare



Landlords



SCHEDULE &
COST RISKS



REDUCED:
D
Over-Production
W
Non-Utilized Talent
T
I
M
E

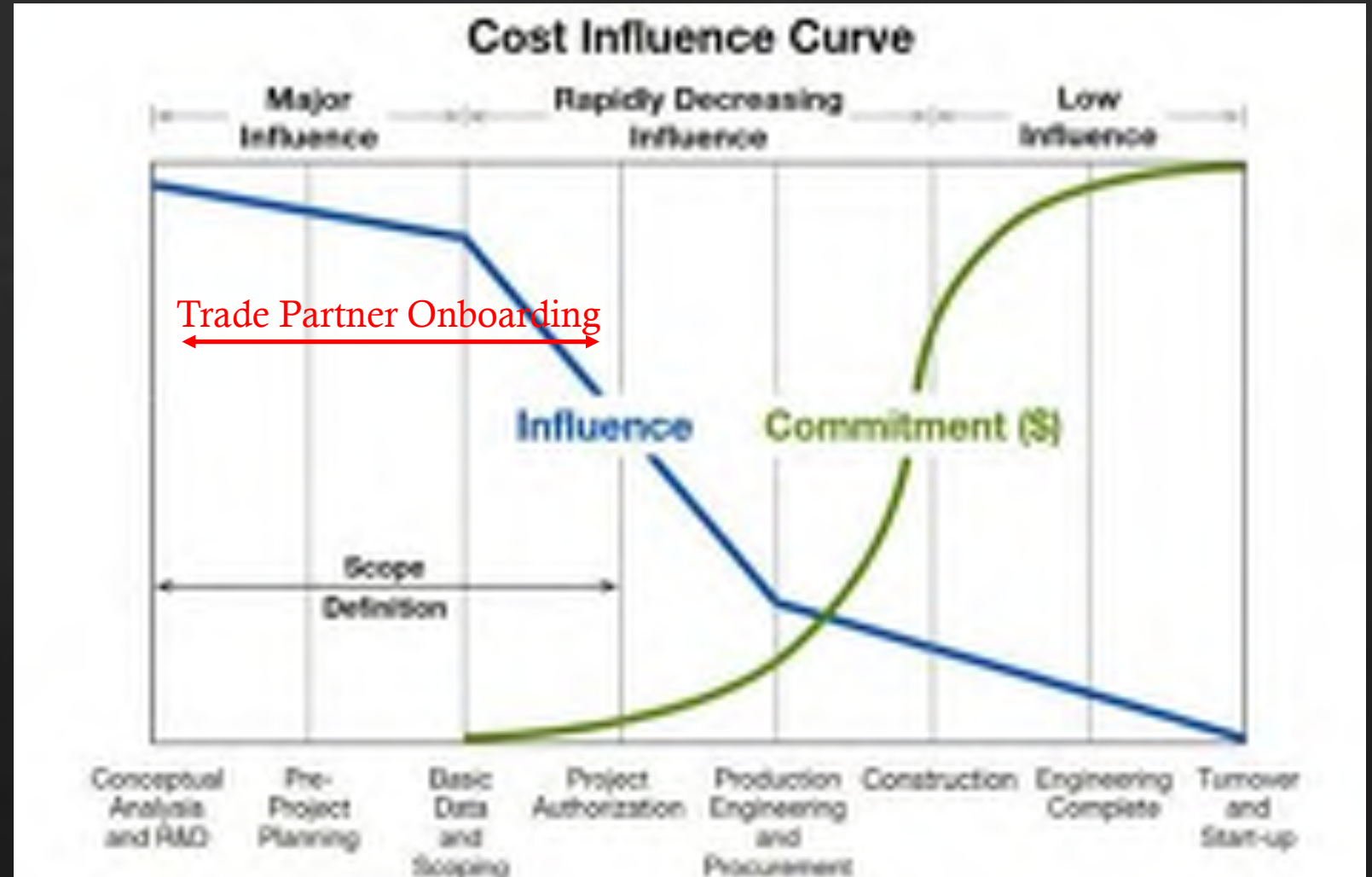
The End Result(s)



Ensuring Success

Cost Certainty

- + Cost Benchmarking and Baselineing
- + Consistent Management and Oversight Staff
- + Trade Partner Continuation from one Project to the Next



Ensuring Success

Pre-Construction Checklist

- + Trade Partners and Engineers On Site During Lease Negotiations
- + Review of Electrical Systems for X-Ray Equipment
- + Trace Out Existing Plumbing Line
- + Samples of Storefront Framing for Color Match



Ensuring Success

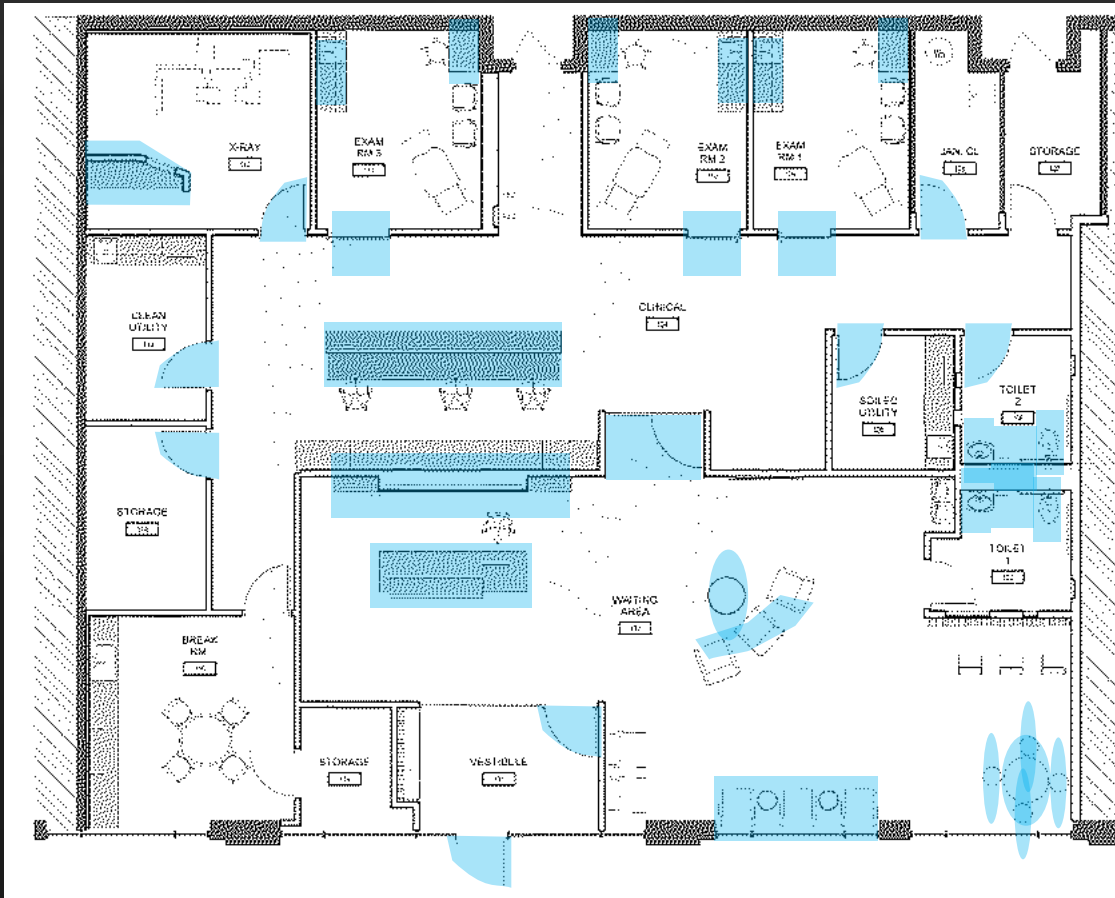
Choosing by Advantages

- + Signage Behind Desk
- + Furniture Systems Vs. Traditional Millwork
- + Light Fixture Selections
- + Main Entrance Storefront Location



Ensuring Success

Eliminate Waste



Consistent Trade Partner Team

- Eliminate RFIs
- Reduce Change Orders

Standardized Program

- ◇ Order Bulk Materials for Multiple Projects
- ◇ Reduce the Submittal Process
- ◇ Increase Quality Due to Repetition

REDUCED:

Defects

Over-Production

Waiting

Non-Utilized Talent

T

Inventory

M

Extra Processing

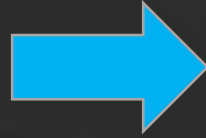
Lean Tools and Concepts

- GMP contracts



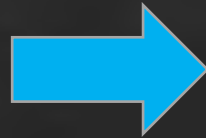
- Mutually Agreed Upon Project Partners

- Incentive



- Repetitive Projects, No Rebidding

- Target Value Delivery



- Each Project Had A Similar Target Value

- Choosing By Advantages



- Material Selections with a Purpose

- Waste Elimination (DOWNTIME)



- Clear and Decisive Direction Given

- Open book collaboration



- Savings Returned to Bottom Line

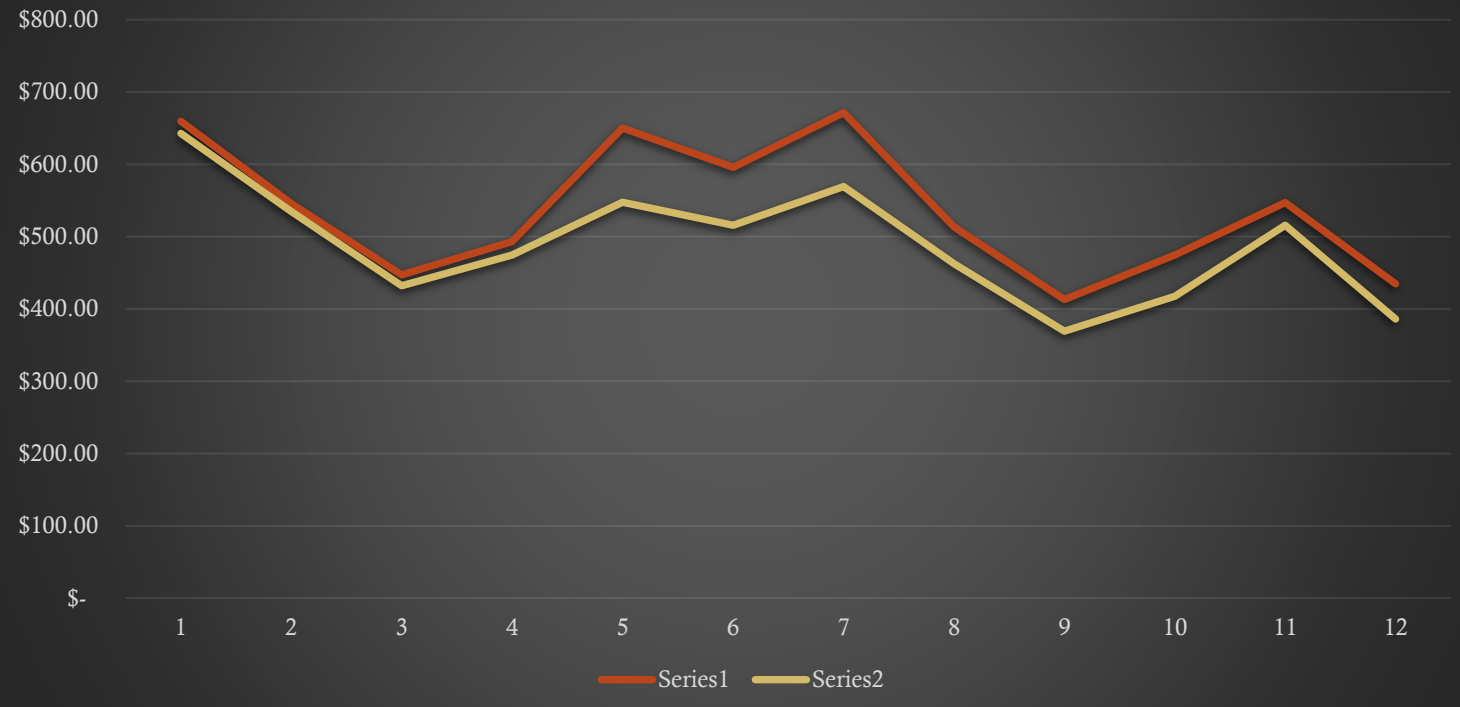
Collaborative Approach



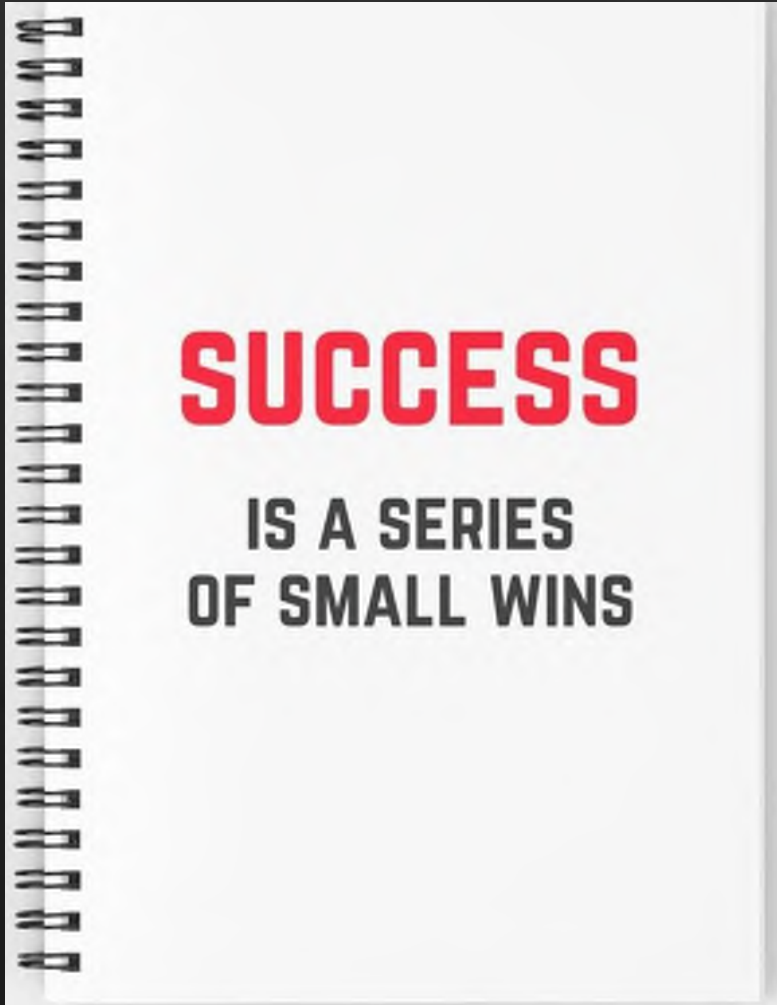
NorthShore University HealthSystem plans to open an additional 50 immediate care centers and regional focus on certain specialties over the next two years. NorthShore's DuSable Hospital will focus on complete Southie / Chicago Tribune / Chicago Tribune

NorthShore University HealthSystem plans to open 50 new immediate care centers in Chicago and the north suburbs over the next two years, part of a multibillion-dollar plan to attract new patients.

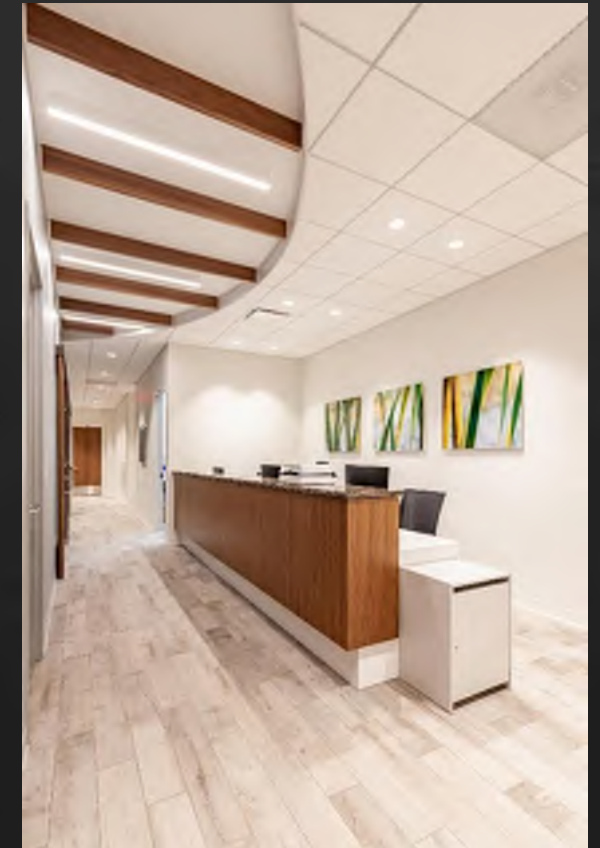
Stand Alone IC Cost/SF Trend



Innovations for Future Projects



- + \$1.95M Dropped to Bottom Line – 12 Projects
- + Over 30 Innovations Carried Forward
- + All Sites Went Live On Time



Results



Cost Certainty



Innovation



Schedule Certainty



Enjoyable Process



Standardization



Profit for All

Questions – Part 3 Think Big...Build Small

- Can a GMP with the right Team Culture be as effective as an IFOA?
- Does project size matter?
- How can we get away from “doing” Lean to a state of “being” Lean?
- What role does the Owner play on this team?

American Family Insurance - Validation

Traditional Process:

- 13-14 months
- \$5M-\$6M design fees
- Value Engineering Waste (redesign)

Design (9 months)

Value Engineering (2-3 months)

Bid/Budget (2 months)

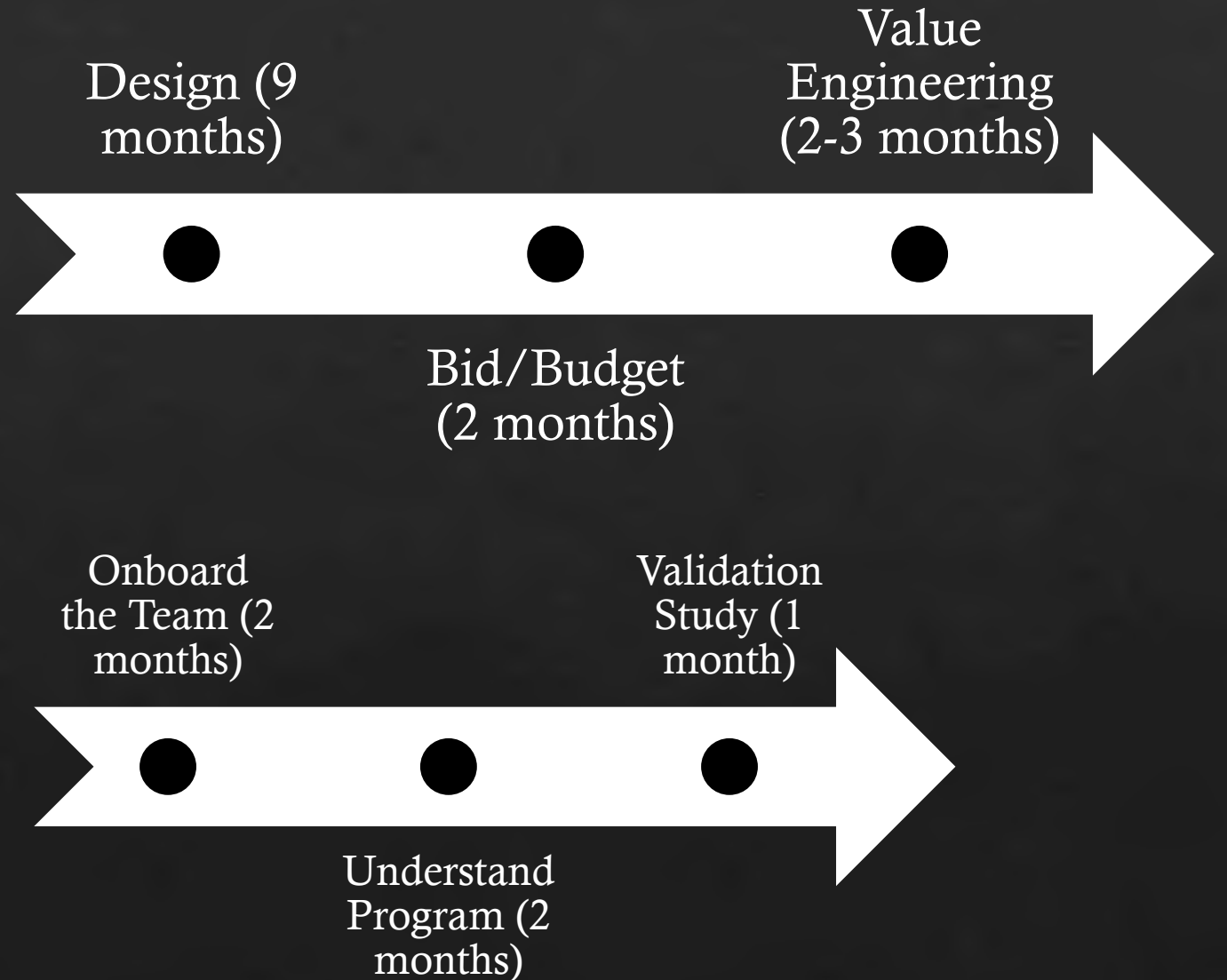
Lean Process:

- 5 months
- \$500K design fees
- True understanding of budget

Onboard the Team (2 months)

Validation Study (1 month)

Understand Program (2 months)



SAVE THE DATE

2023RD
LCI CONGRESS

OCTOBER 19-22, 2021 | PHOENIX, ARIZONA



Lean Construction Institute
Transforming Design and Construction

www.lcicongress.org/2021

Contact Info

John Zachara

Integrated Facilities Solutions, Inc.
Vice President

jzachara@ifspm.com

847-714-7481

