

INTEGRATED TEAM IN DESIGN-BUILD TEMECULA VALLEY HOSPITAL

DESIGN-BUILD INSTITUTE OF AMERICA
Western Pacific Region

Tuesday, August 20, 2013

11:30 am – 1:30 pm

Dave and Buster's Restaurant, Irvine CA

Featured Speakers

Tara Laski, Universal Health Services

Ed Straub, DPR Construction

Steve Wilson, HMC Architects

Tom McCready, DPR Construction

Ken Lindsey, Southland Industries

Brent Nikolin, Turner Construction Company

AGENDA

- **11:30 am** **Networking**
- **12:00 pm** **Lunch**
- **12:30–1:30pm** **Program and Q & A**

SPONSORED BY:

GOLD SPONSOR

DPR Construction



DBIA MISSION

- **DBIA promotes the value of design-build project delivery and teaches the effective integration of design and construction services to ensure success for owners and design and construction practitioners.**

DBIA VISION

- **DBIA will be the industry's preeminent resource for leadership, education, objective expertise and best practices for the successful integrated delivery of capital projects.**

DBIA Information & Training

- **The Design-Build Manual of Practice** – a 3 volume comprehensive reference manual for owners and practitioners and it is free to DBIA members
- **Designated Design-Build Professional Certification** – intended to recognize acceptable standard of experience and knowledge in DB
- **Online Learning** - provides 24/7 access to best practices and emerging trends in DB
- **Educational Courses** – Fundamentals of project delivery; Principles of DB; Contracts and risk management; Post-award processes; Design management fundamentals

Information on membership available - see check-in table for brochure.

DBIA LEGISLATIVE HOT TOPICS

- **SB 785** (Wolk)-This is the design-build consolidation bill we have introduced, and is co-sponsored with AGC. Bill has become a two-year bill. It needs to go through additional vetting and negotiation to be approved. Sponsor Wolk wants a number of things to be resolved with it regarding AB401 (bill for design-build – use by OCTA 2018). AB401 contains unconstitutional language – needs to be vetted. We now need to await outcome of AB401. We should have a path forward by January 2014.

DBIA LEGISLATIVE HOT TOPICS

- **AB 401** (Daly)-This bill authorizes Orange County (OCTA) to use design-build on the 405 freeway. This bill is held up in committee waiting for resolution of concerns related to potentially unconstitutional amendment language.
- **AB 195** (Hall)-This is the design-build sunset extension bill for counties sponsored by CSAC. This bill was amended with the sunset date changed from July, 2020 to July 2016. Has passed the senate 33 to 0, so it has now passed both houses of the legislature and is awaiting signature by the governor.

DBIA LEGISLATIVE HOT TOPICS

- **AB 603** (Cooley)-Capital Southeast Connector project. Because local transportation entities can enter into design-build, AB 603 will expand the definition of a local transportation entity to include city, county, and joint powers authority. Pending in Assembly Committee on Transportation.
- **AB 749** (Gorell)-This bill would establish a new 12-member Public Infrastructure Advisory Commission which would have the power to determine the suitability of utilizing the public-private partnership procurement method for all projects in Calif. Pending in the Assembly Committee on Transportation.

DBIA LEGISLATIVE HOT TOPICS

- **AB 164** (Wieckowski)-This is a bill which would require performance bonds in the full amount of all public-private partnerships in California. WPR requests that DBIA oppose this particular bill. Has passed Assembly and referred to Senate Committee on Governance and Finance.
- **AB 383** (Wagner)-This bill makes non-substantive changes for “maintenance” of the Education code which pertains in small part to design-build (the statute is 553 pages total). Has passed Assembly and Senate, and has been sent to the governor for signature.

Potential DBIA Continuing Education Credit

ATTENTION ALL ATTENDEES:

Did you sign in at the check in table?

- Be sure to sign in **NOW** if you didn't when you arrived.
- No sign in = No DBIA Continuing Education Credit

This luncheon has **NOT** yet been approved for credits but is scheduled to be submitted. Should DBIA National approve our request for continued education credit then you will be notified and National will receive a list of attendees proving your attendance. If approved those that registered, attended **and checked in (required)** will receive the DBIA Continuing Education Credit.

These are hard to come by so don't miss out!

SAVE THE DATES

DBIA-WPR Upcoming Events:

- Federal Project Delivery Symposium
August 20-22, 2013 ~ National Harbor, MD
- DBIA-WPR Board Meeting (open to all members)
September 6, 2013 ~ Sundt Office, San Diego
- LA Breakfast Program
September 17, 2013 ~ Millennium Biltmore Hotel, LA
- Cal Poly Boot Camp
Sept. 30-Oct. 4, 2013 ~ Cal Poly San Luis Obispo
- So Cal Golf Tournament
October 7, 2013 ~ Oak Creek Golf Club, Irvine



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Visit us at
www.DBIAwpr.org

TEMECULA VALLEY HOSPITAL



August 20, 2013

DBIA
Process &
Results

PROJECT OVERVIEW

- Original Project Start in 2009
- Formed the IPD Team in 2010
- 5 floors totaling 178,000 SF building on 37 Acres
- 150 Million Dollars
- Zero Value Engineering
- One Change Order to add Cardio Operating Rooms

IFOA
Process &
Results

Temecula Valley Hospital | 2013



- 40% below market cost
- 30% operational cost improvement
- 200%+ increase in labor productivity
- 7 IFOA partners
- Rapid improvement
- Exceptional team work
- Lots of FUN

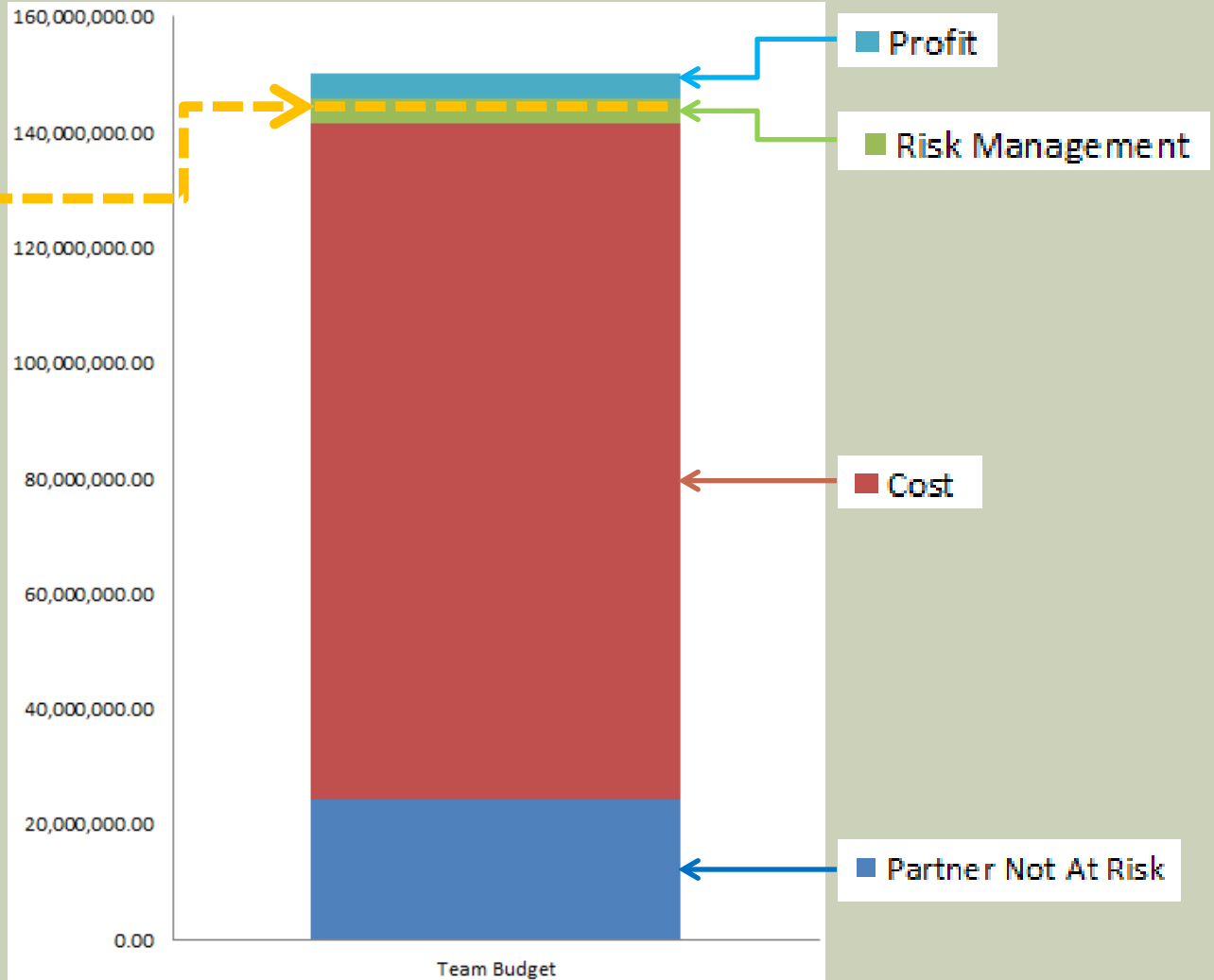
STRUCTURE OF CONTRACT

IFOA
Process &
Results

INCENTIVES AND RISK SHARING

Profit can increase as Risk Management decreases

- Innovation
- Productivity
- Reducing Waste



THE DEAL

Contract signing was as symbolic as it was legally binding.

All parties present. No "mailing it in".

This Agreement is entered into as of the date entered in Article 1.

OWNER: *Universal Health Services of Rancho Springs, Inc.*

BY: *[Signature]*

PRINT NAME: *William Seed*

PRINT TITLE: *Staff Vice President, Design and Construction*

WITNESS: *Antonette Zuber*

CONSTRUCTOR: DPR - TURNER, A JOINT VENTURE

BY: *[Signature]*

PRINT NAME: *DAVID M. SEASTROM*

PRINT TITLE: *MANAGEMENT COMMITTEE*

WITNESS: *[Signature]*

BY: *[Signature]*

PRINT NAME: *KEVIN F. DOW*

PRINT TITLE: *MANAGEMENT COMMITTEE*

WITNESS: *[Signature]*

CONSTRUCTOR: DPR - TURNER, A JOINT VENTURE

BY: *[Signature]*

PRINT NAME: *PERVA A. SALVATI*

PRINT TITLE: *EXT. MANAGEMENT COMMITTEE*

WITNESS: *[Signature]*

CONSTRUCTOR: BERGELECTRIC CORPORATION

BY: *[Signature]*

PRINT NAME: *WILLIAM WING EDWARDS*

PRINT TITLE: *[Signature]*

WITNESS: *[Signature]*

CONSTRUCTOR: SOUTHWEST FIRE PROTECTION

BY: *[Signature]*

PRINT NAME: *DAVIDA KEIZ*

PRINT TITLE: *PRESIDENT*

WITNESS: *[Signature]*

CONSTRUCTOR: DPR CONSTRUCTION,

A GENERAL PARTNERSHIP, DRYWALL DIVISION

BY: *[Signature]*

PRINT NAME: *DAVID SLEET*

PRINT TITLE: *REGIONAL LEADER*

WITNESS: *[Signature]*

DESIGNER: HMC ARCHITECT

BY: *[Signature]*

PRINT NAME: *Jerry Eich*

PRINT TITLE: *Practiced leader/owner*

WITNESS: *[Signature]*

CONSTRUCTOR: SOUTHLAND INDUSTRIES

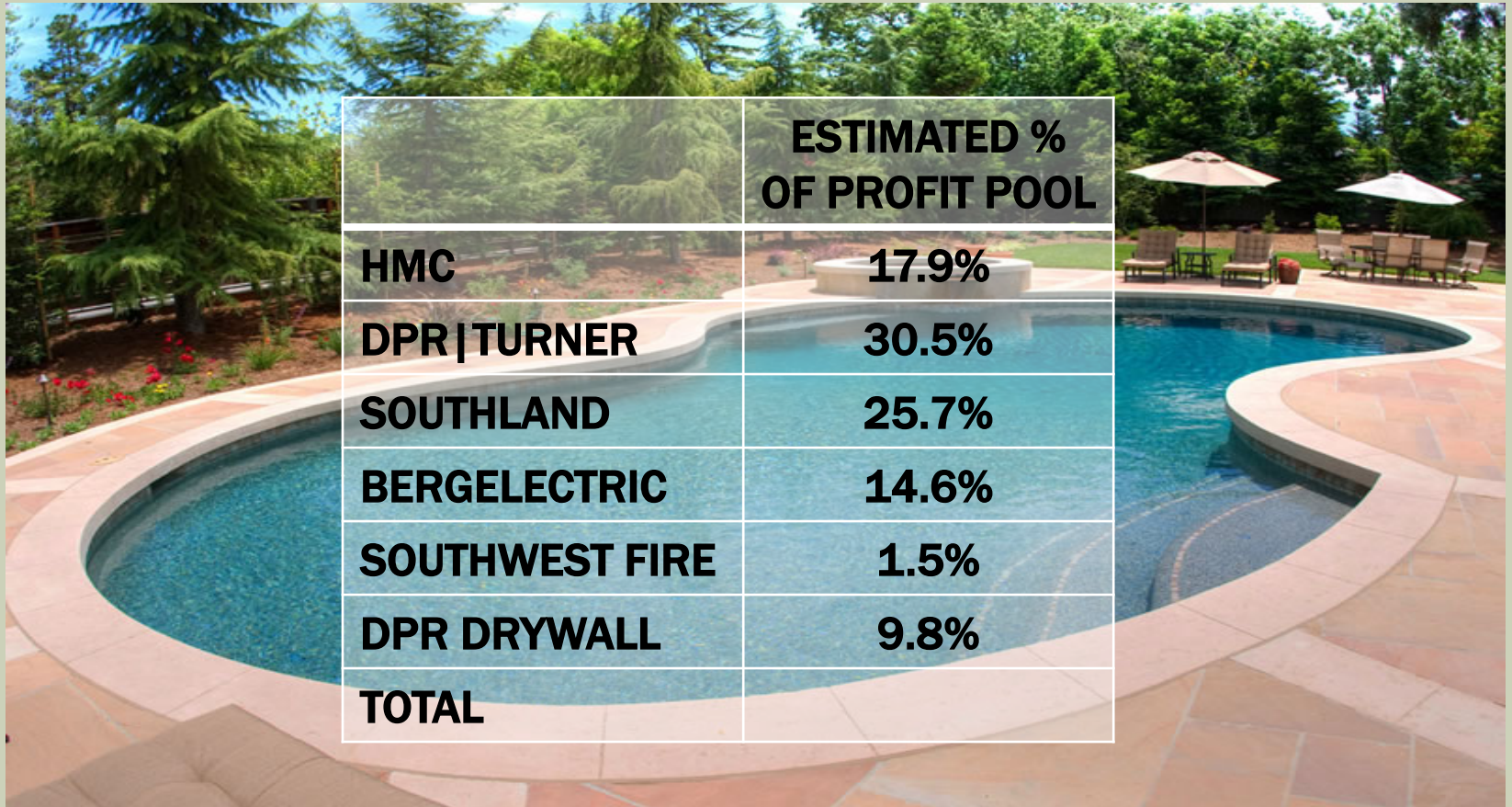
BY: *[Signature]*

PRINT NAME: *J. COPPENCE*

PRINT TITLE: *VICE PRESIDENT*

WITNESS: *[Signature]*

INCENTIVES & RISK SHARING



	ESTIMATED % OF PROFIT POOL
HMC	17.9%
DPR TURNER	30.5%
SOUTHLAND	25.7%
BERGELECTRIC	14.6%
SOUTHWEST FIRE	1.5%
DPR DRYWALL	9.8%
TOTAL	

SELECTING PARTNERS

IFOA
Process &
Results

CHOOSING BY ADVANTAGES

CBA Decision - , Parking Structure Design

FACTORS	CRITERIA		Trade Team #1		Trade Team #2	
				IMPORTANCE		IMPORTANCE
Knowledge and experience with the City of Corona Planning & Building requirements.	List of projects in Corona	ATTRIBUTE		IMPORTANCE		IMPORTANCE
		ADVANTAGE				
Conceptual level design documents	Understands the project requirements and shows evidence to completing the project without changes	ATTRIBUTE		IMPORTANCE		IMPORTANCE
		ADVANTAGE				
Design/Implementation Innovation and Operational Efficiency		ATTRIBUTE		IMPORTANCE		IMPORTANCE
		ADVANTAGE				
Local Experience	Company & Team Members have experience in Corona	ATTRIBUTE		IMPORTANCE		IMPORTANCE
		ADVANTAGE				

TARGET VALUE DESIGN

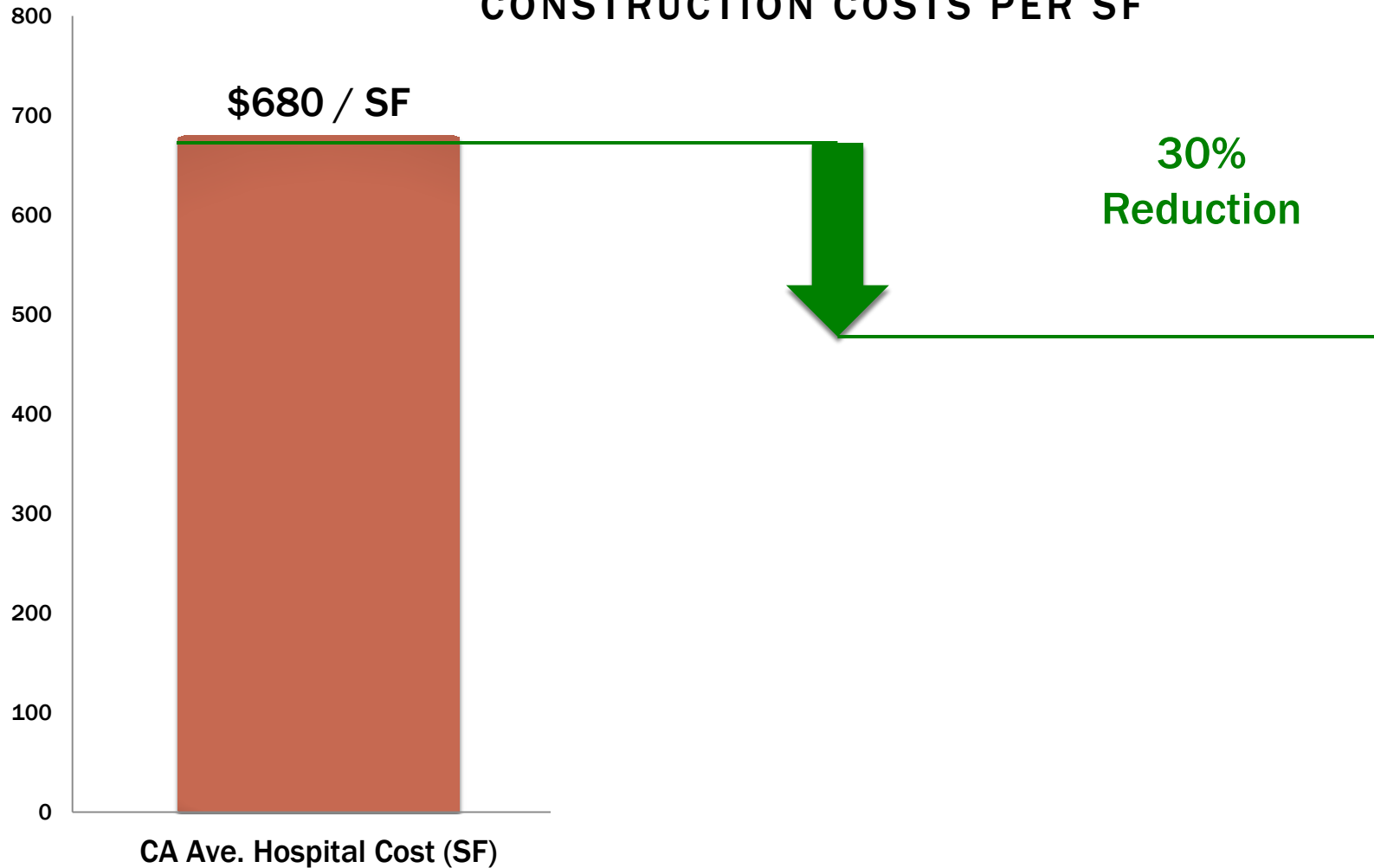
IFOA
Process &
Results

VALIDATE THE TARGET



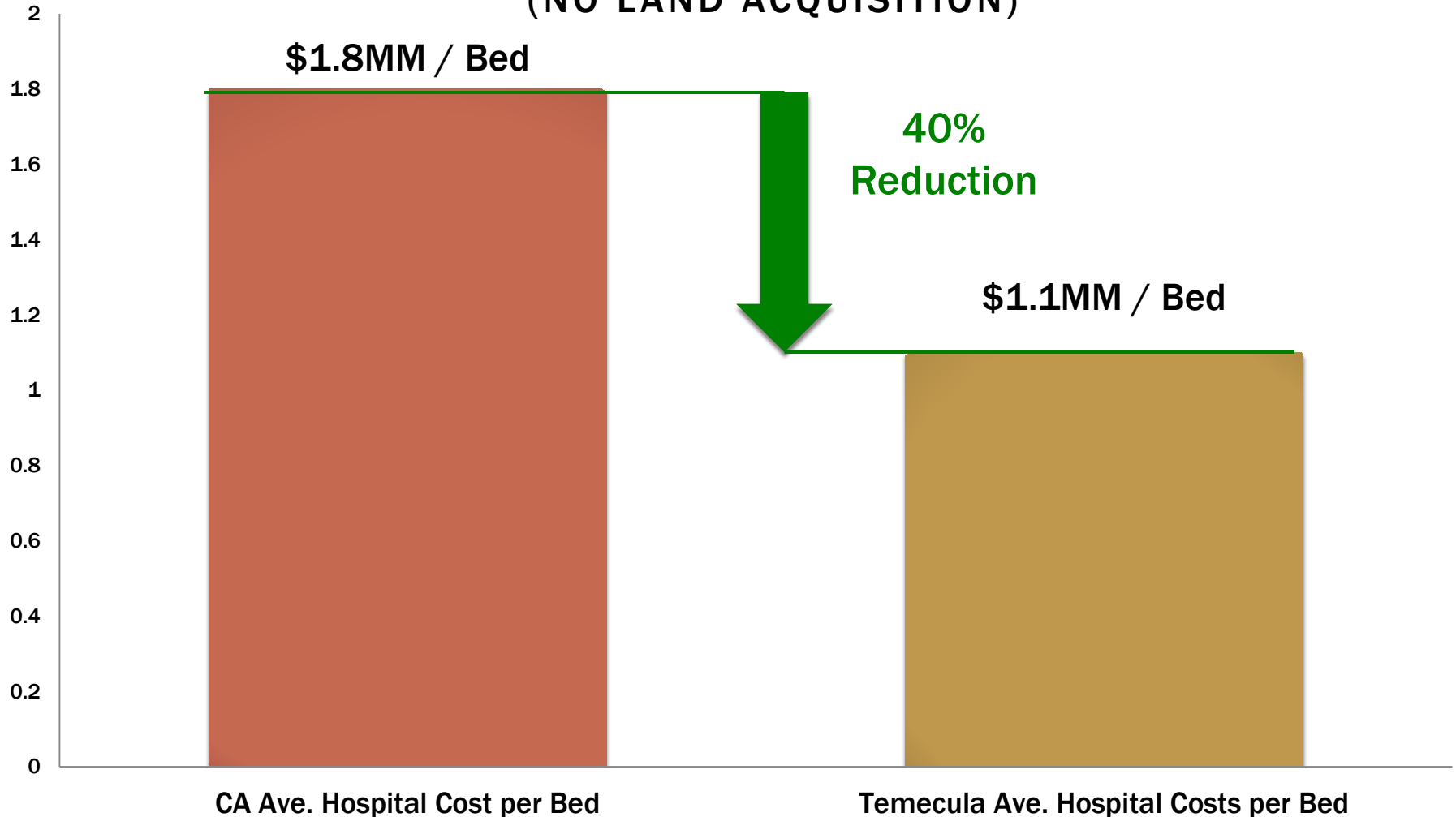
VALIDATE THE TARGET

CONSTRUCTION COSTS PER SF



VALIDATE THE TARGET

ALL IN COSTS PER BED
(NO LAND ACQUISITION)



TAKING LEAN TO THE FIELD

IFOA
Process &
Results

TAKING LEAN TO THE FIELD



TAKING LEAN TO THE FIELD



PRODUCTIVITY AND INNOVATION

IFOA
Process &
Results

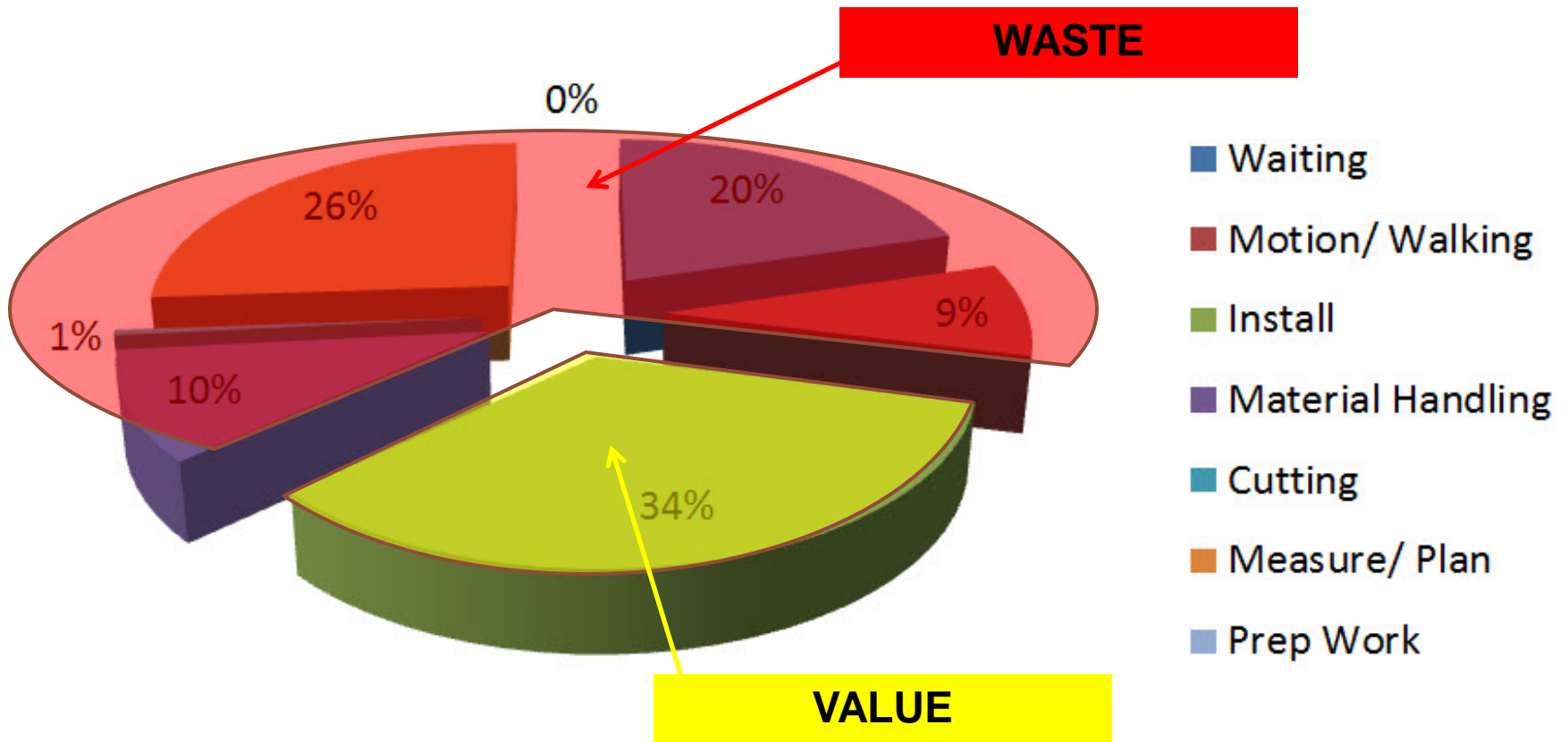
VIDEO STUDIES

2nd Floor Ext. Framing



VIDEO STUDIES

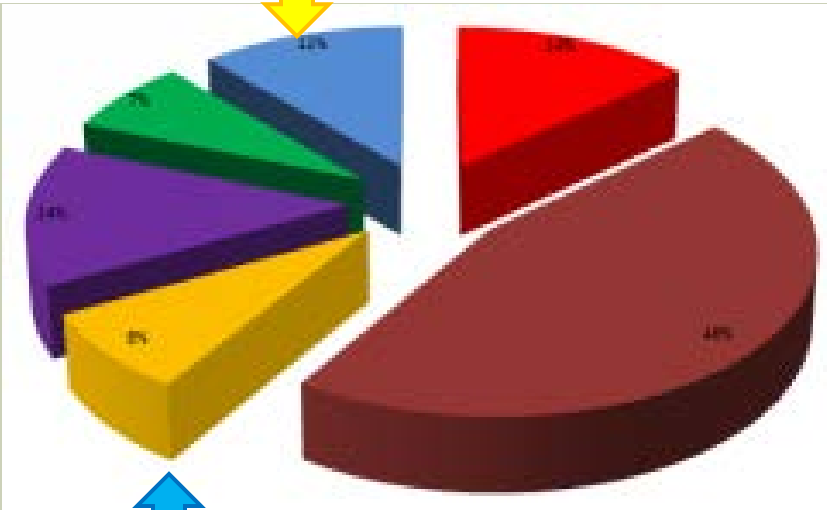
Productivity Chart



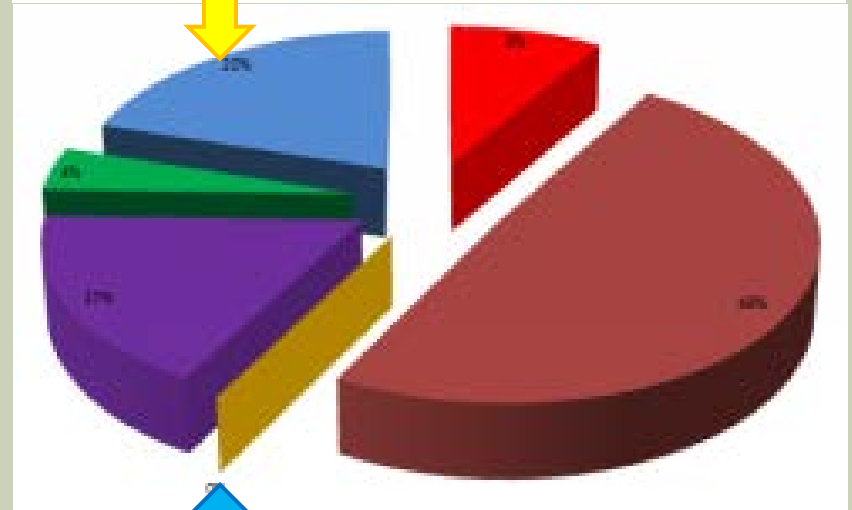
VIDEO STUDIES

Video Studies **67% Install Increase**

2nd Floor Ext. Framing — LF/MD



3rd Floor Ext. Framing — LF/MD



100% Rework Decrease

VALUE STREAM MAP

VSM – Door Delivery & Install



Delivery to Dock—5 min



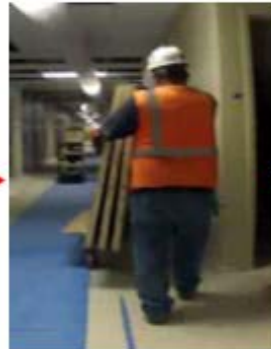
Unload and Stage—7.5 min



Move & Unload — 7.5 min



Load— 4 min



Move— 3 min



Template Frames— 1 min



Hang Doors— 2 min

CLOSING REMARKS

Q & A