Design-Build at the University of Southern California

The Shift in Contracting Methodologies

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University Statistics

Two Campuses

- 249 Acres - University Park Campus (UPC)
- 79 Acres - Health Sciences Campus (HSC)

Campus Populations

- 17,500 Undergraduate Students
- 19,500 Graduate Students
- 14,800 Faculty and Staff
- 320,000+ Living Alumni
10-Year Campus Construction Plan

Large Building Projects:

- John McKay Center
- Engemann Student Health Center
- Cinematic Arts Phase III
- Annenberg Academic Building
- Verna and Peter Dauterive Hall
- Marshall Instructional Building
- Norris Healthcare Consultation Center
- Health Sciences Education Building
- Physical Education Building
- Dornsife/Viterbi Research Building
Historic Contracting

- Design-Bid-Build
- Negotiated GMP

Concerns:
- Budget
- Schedule
- Efficiencies
- Best in Marketplace
The Challenge

- Role of Real Estate Development
- Need for Speed, while improving...
  - User satisfaction
  - Building flexibility
- While...
  - Lowering costs
  - Preserving architectural & building quality
The Belief

“All of us are smarter than any of us”

We can:

○ Minimize disputes
○ Incentivize collaboration
○ Enjoy the process as much as the result
The Experiment
2001 Soto

- Land adjacent to our Health Sciences Campus with under-utilized warehouse facility
- High demand for space (academic, research, administrative, clinical)
- Large leases coming up for renewal
- Competition with internal group
- Minimal information on users
The Result

- Extremely efficient building
- Award winning architecture
- High post-occupancy satisfaction
- Early and very under budget

How it was achieved:

- Great team
- Shared incentives – time and budget
- Constant collaboration
Engemann Student Health Center

- Core campus project
- Imminent need but multiple delays due to over-budget proposals and uninspired designs
- Domino effect delaying Village at USC
The Next Step

Engemann Student Health Center

- Design-build team formed in one week
- Concept development in two weeks
- Cost estimate in two weeks
- Presentation to senior leadership in one week
- 4 months from concept approval to DB contract award
Engemann Student Health Center

Results:

- Early delivery (opening January 2013)
- Under budget (by millions)
- Handful of change orders – all of which were owner-driven aesthetic issues
Design-build is currently being considered for multiple capital projects

- HCC III/IV
- The Village at USC
- Glorya Kaufman School of Dance

- Value of speed to market
- Limitation of design risk to the university
- Controlling costs & limiting disputes
The Challenges of Design Build at USC

- Higher perceived initial cost
- Concern regarding limited design control
- Partner selection
Design-Build Future

USC’s Tools for Success

- Partner selection
  - Both trusted and new
  - DB experience and commitment
- The Basis of Design
- Developed and unchanging programs
Questions?