DHHS Campus Phase I
GMP / DD / SCIF Project Case Study
DHHS Campus History

• 2015 the General Assembly conveyed the 307-acre Dorothea Dix Park property to the City of Raleigh with 10-Year and 25-Year Leases

• General Assembly required DHHS to study development of a new DHHS campus to relocate all DHHS Greater Triangle area staff

• 2017 DHHS study identified 1.7 million Gross Square Feet at a cost of over $900 million

• 2018 Department of Administration proposed a 2-Phase solution plan
DHHS Dorothea Dix Park Campus

2022 State Construction Conference

NC DOA
Blue Ridge Road District Study
The largest single State capital project in the history of North Carolina

This total SCIF project budget exceeds $250 Million and will relocate 2,400 DHHS staff currently located on the Dorothea Dix Park Campus in Raleigh.

Construction will begin Spring 2022—Occupancy scheduled before July 2025.

Phase II of the DHHS Campus project development will relocate over 2,700 DHHS staff in the Greater Triangle Area and will be delivered as a Public Private Partnership.
Team Building 101

• DESIGNER selection stressed 4 DOA priorities:

1. Total Project Funding is FIXED.


3. Phase I occupancy by DHHS will be before July 2025 in compliance with the City of Raleigh 10-Year Lease on Dorothea Dix Park property.

4. No reinventing the wheel.
Team Building 102

• CONSTRUCTION MANAGER AT RISK selection stressed 4 DOA priorities:

1. Total Project Funding is **FIXED**.


3. Phase I occupancy by DHHS will be before July 2025 in compliance with the City of Raleigh 10-Year Lease on Dorothea Dix Park property.

4. No reinventing the wheel.
Our Team
1. Align Budget and Scope early
2. GMP at DD is best for projects that need to expedite their schedule... it is NOT for the faint of heart
3. Simplify separate bid packages as much as possible
4. Communicate, Communicate, Communicate... early and often
#1 Key to Success: Early Investigations

1. **Issue:** Early site survey, CMAR site investigation, revealed the Mail Center Building (to be demolished) fed all major utilities services to Motor Fleet Building (to remain)

2. **Effect:** 6-month project delay to project in order to separate building systems

3. **Solution:**
   - Unique funding approval
   - Unique SCO project ID Designer CD Package
   - Unique CMAR contract and bidding process

4. **Result:**
   - Design and Constructability reviews concurrent to design new package in 30 days
   - SCO and NCDEQ approval in 30 days
   - CM contracting, bidding, and construction supports original DHHS project schedule
#2 Key to Success: Cost Estimate

- Three targeted cost checks between SD and DD
- Specific areas of the design that needed more development
- Looked at escalation pressures on major systems
#2 Key to Success: *Cost Estimate*

*CMAR-Designer 1 hour design discipline meetings: Q & A design scope*

*Alignment with project specification materials and ASTM testing requirements to what CMAR was pricing in the subcontractor market*

*CMAR-Designer proactive with estimating process using a VE tracker*

*Deep Dive Leadership meeting to make key construction cost decisions*
  • Unit pricing validation – design to current dollars vs. market escalation
  • Real-time VE ideas yielded design modifications for cost savings
  • Real-time Owner decisions and approval

*=Key differentiators*
#3 Key to Success: GMP

Construction Manager at Risk

SECTION II – GENERAL PROVISIONS

Paragraph C.1.1:

“Upon agreement of the Owner, Construction Manager-at-Risk and the State Construction Office, the Guaranteed Maximum Price may be submitted by the Construction Manager-at-Risk at any time after completion and approval of the Design Development Phase...”
#3 Key to Success: GMP

• GMP is based on Design Development Drawings

• Design Development “on steroids”

• Imperative to right-size the project scope at Schematic Design

• SCO Discipline Reviewers meetings held prior to DD submittal
1. **Issue:** DD Phase Cost Items change during production of Construction Documents/Bid Documents and SCO review.

2. **Effect:** Updated cost data to reflect design scope changes.

3. **Solution:** *Cost Change Tracking Matrix* by discipline identifies scope cost increase or decrease – Works as a 2nd VE exercise to remain in budget

4. **Result:** GMP modified by Change Order is tied to each individual Bid Package

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**#4 Key to Success:**

*Post GMP Cost Change Tracking Matrix*
Bid Packages

• A - Demolition & Abatement of Mail Service Center

• B - Early Site, Foundations & Structural Steel

• C - Central Utility Plant & Parking Deck

• D - Office Core & Shell

• E - Interior Upfit
#5 Key to Success: Project Schedule

**Designer and CMAR Joint Preconstruction Schedule**

1. **Key Activities to Track**
   - Design Packages
   - SCO Approval Process
   - City of Raleigh Permitting
   - NCDOT/NCDEQ Permitting
   - Utility Company Design Coordination
   - Owner Decisions

2. **Monthly Updating**
   - Designer keeps CMAR Scheduler updated from agencies throughout the process
   - Scheduler holds monthly teams call to update schedule with Designer, and CMAR

3. **Results** – after 15 months since schedule was developed, _project remains on original plan_
Traditional Project Delivery Process

- Funding for Planning
- Schematic & Design Development (13 Months)
- Construction Documents (6 Months)
- Funding for Construction
- Permits & Approvals (4 Months)
- Bidding & Award (3 Months)
- Guaranteed Maximum Price (GMP) (3 Months)
- Construction (36 Months)
- DHHS Move In (3 Months)

DHHS Project Delivery Process

- Funding for Planning
- Schematic & Design Development (13 Months)
- Guaranteed Maximum Price (GMP)
- Package E (Mail Service Center Demo) (4 Months)
- Package B (Early Site & Structure) (3 Months)
- Package C (CUP & Parking Deck) (5 Months)
- Package D (Office Core & Shell) (5 Months)
- Package A (Interior Upfit) (6 Months)
- Permits & Approvals
- Bidding - Package E (2 Months)
- Bidding - Package B (2 Months)
- Bidding - Package C (2 Months)
- Bidding - Package D (2 Months)
- Bidding - Package A (2 Months)
- Construction (36 Months)
- DHHS Move In (3 Months)

★ We Are Here

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Traditional Project Delivery Process

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- Permits & Approvals
- Bidding - Package E [2 Months]
- Bidding - Package B [2 Months]
- Bidding - Package C [2 Months]
- Bidding - Package D [2 Months]
- Bidding - Package A [2 Months]
- Construction [36 Months]
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We Are Here

GMP Received
15 Months Schedule Improvement
What Does the Future Hold?
Lessons Learned

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Questions?
Thank You!