

Construction Industry Integrated Delivery System Interest Indicator Questionnaire

Construction Entity Background Information

1. General Contractor/ Construction Entity Name
2. Geographic Location of Corporate Headquarters
3. What region of the country are most of your construction projects?
(Please Check all that apply)
4. Your company is known for specific projects that it provides to the construction industry. What do you consider your primary market focus to be? (Please Indicate all that apply to your organization)



[Ryan Companies US, Inc \(Mid-west Division\)](#)
[Minneapolis, MN](#)

- International
- Northeast [MA (New England), CT, NY, NJ, PA, MD, DC, etc]
- Midwest [IL, IN, MN, MI, OH, WV, IA, WI, KY, etc]
- South [VA, NC, SC, GA, FL, TX, LA, MS, AL, TN, etc]
- West [WA, CA, AZ, OR, CO, UT, ID, etc.]

- New Construction- Retail/ Commercial
- New Construction- Federal-Public, Institutional, Gov't work
- New Construction- Educational (K-12, Higher Learning)
- New Construction- Convention/ Civic/ Cultural
- New Construction- Healthcare
- New Construction- Recreational/ Sports Facility
- New Construction- Heavy Industrial (Shipping Depot(s)/ Power Plants/ Factories)
- New Construction- Civil/ Infrastructure (FHA/ FAA/ FRA Work)

Project Delivery Management

Project Delivery System(s) Summary

- (TD) - *Traditional Delivery Method consist of an Owner, A/E Professional and General Contractor. Arrangement follows a DBB – Design-Bid-Build Scenario. Owner entity holds separate contract with A/E Professional and General Contractor. Vertical information flow occurs between owner to separate entities without cross conversation between A/E and GC. Design Firm has the responsibility of selecting capable consultants, design oversee & production, cost estimate production, construction and specification documentation. When all items are completed general contractors are issued a complete set of project documents to bid, which typically results in the contract being awarded to the lowest bidder. Owner level of experience moderate to high.*
- (DB) - *Design Build consists of an Owner w/ master designer and Design-Build Firm. Master Designer will produce a set of preliminary prints which will serve as the core design and basic project requirements. A contract is held with the owner and a single firm entity with design and construction capacities. The Design Build firm utilizes in-house architecture department or hires design consultant to produce complete set of drawings and design*

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documents. *Guaranteed Maximum Price (GMP)* is established based on finished documents, which is agreed to by owner. Design and Construction are housed in the same entity and provides for construction overlap. Owner level of experience minimal, level of project aggression is substantial.

(MP) - *Multiple Prime Arrangement or Construction Management Agency Owner holds contracts with all prime contractors. Typically used for phase and fast-tracking construction. The role of the Construction Management firm is that of a consultant of risk reduction and sequencing. CM is not essential to this PDS. For arrangements which employ the use of a construction manager, the construction manager acts as the owners representative in coordination issues although no contract is held between the CM/ CMA the prime contractors and all design professions.*

(CMR)- *The Construction Manager @ Risk Delivery system is closely related to the Design Build Method with the three follow aspects:*

1. *Construction Manager is hired with the goal and responsibility of managing the construction project and subcontractor selection*
2. *Cross coordination between the construction manager and the design professional for provision of overlapping in design and construction phases, constructability review occurs during the design phase*
3. *Construction Manager assumes the responsibility for project estimates, cost controls “risk-management” and GMP.*

Integrated Delivery Systems-Design Build Operate Maintain (DBOM) = Design Build Operate (DBO)/ Build Operate Transfer (BOT) + Facilities Management and Maintenance Services

1. What Project Delivery Method PDM(s) has your company used in the past to complete construction projects? Please use the table below to indicate “split of delivery method” via percentage?

Percentage Split		Project Delivery Method	Level of Success with Project Delivery Method (All owner and company goals sustained through project)
20%	100%	Traditional (TD)/ Design Bid Build (DBB)	<input type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input type="checkbox"/> 60%-80% <input checked="" type="checkbox"/> 80%-100%
80%	100%	Design Build (DB)	<input type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input type="checkbox"/> 60%-80% <input checked="" type="checkbox"/> 80%-100%
0%	100%	Design Build Operate (DBO)/ Build Operate Transfer (BOT) <i>Integrated Delivery Method</i>	<input type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input type="checkbox"/> 60%-80% <input type="checkbox"/> 80%-100%
0%	100%	Multiple Prime (MP)/ CM Agency (CM)	<input type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input type="checkbox"/> 60%-80% <input type="checkbox"/> 80%-100%
0%	100%	Construction Manager @ Risk (CM@ Risk)	<input type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input type="checkbox"/> 60%-80% <input type="checkbox"/> 80%-100%
20%	80%	Integrated Delivery Method (DBOM)	<input checked="" type="checkbox"/> 0%-20% <input type="checkbox"/> 20%-40% <input type="checkbox"/> 40%-60% <input checked="" type="checkbox"/> 60%-80% <input type="checkbox"/> 80%-100%

2. What is your primary market focus and repetitive customer base?

Market Focus:

Ryan Companies market focus is directed toward the commercial retail industry. Target Corporation, Ryan’s largest client has conducted nearly \$ 2,000,000,000 of business with this design-build firm. As stated previous 80% of the company’s revenue is generated by Design-Build projects with additional revenue sources in property management.

Repetitive Customer Project Base: (i.e. Hospitals, Schools, Sports Facilities, etc.):

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Ryan's repetitive customer base stems from a 70% "Repeat Client" facet. Aside from Target Corporation, repeat customer markets on the retail side include Homegoods, Best Buy and other retail giants. Industrial office parks and distribution centers have been constructed for, but not limited to, John Deere, Target Corp Distribution warehouse and Blue Bunny Dairy. Special projects have stemmed from long term client base relationships which have resulted in Condominium reconstruction and Historical building preservation/ conversion of high-tech logistical shipping firm office.

3. Has your company ever completed Sports Recreational Facilities or Convention Centers? If so please indicate below.
The Sears Centre will be the first project that Ryan will undertake. Ryan will serve as the Design Build firm (Ryan HQ-Minneapolis/ Ryan Midwest-Chicago), the owner/client and facility operator (COO Entertainment).

4. What are (3) of your companies highest profile projects that you have recently concluded? Please indicate (1) Project Type, (2) Project Size, (3) Project Cost, (4) Project Delivery Method and (5) Cost Analysis and Reporting Method.

Project Type/ Project Name	Project Size (SF)	\$ Project Cost	Project Delivery Method (PDM) /Contract Type	Cost Analysis and Reporting Method
<i>Sears & Roebuck Warehouse</i>	<i>1,000,000</i>	<i>\$ 100,000,000</i>	<i>Design-Build/ GMAX</i>	<i>"Closed Job/ Complete Method"</i>
<i>Phelps-Dodge Tower</i>	<i>600,000</i>	<i>\$ 80,000,000</i>	<i>Design-Build/ GMAX</i>	<i>"Closed Job/ Complete Method"</i>
<i>Mercy Medical Project</i>	<i>175,000</i>	<i>\$ 35,000,000</i>	<i>Design-Bid-Build-Traditional/ GMAX</i>	<i>"Closed Job/ Complete Method"</i>

5. What are (3) lessons learned from one of your high profile projects listed in the table above? (*Lessons pertaining to either owner/ contractor coordination/ payment application submittals or contract structures*)

Lesson/ Recommendation #1 (PM-Project Specific Information)-Phelps Dodge Tower

Delivery method for tenant improvement portion of the project is just as important as the PDS used for the shell. It is preferred that the PDS(s) used on the project for different phases be consistent.

<u><i>Phase Scope</i></u>	<u><i>Contract Amount</i></u>
<i>Phase (1) Building Shell</i>	<i>\$ 50,000,000</i>
<i>Phase (2) Tenant Improvement</i>	<i>\$ 25,000,000</i>
<i>Complete Phase (1, 2)</i>	<i>\$ 75,000,000</i>

Insuring proper enclosure for new building areas is essential for adequate pressurization of building areas. These items have a direct impact on life-cycle analysis for the building, since building expectancy is ~ 50 yrs or more.

Life Cycle Analysis Items: (1) HVAC-Air Distribution Systems (2) Electrical/ Lighting Systems (3) Exterior glass/ Emissive-Heat Transmission

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Lesson/ Recommendation #2 (PM-Project Specific Information)-Phelps Dodge Tower

Pay applications for this job were submitted on the “Company Standard” (Ryan-AG700 Pay-Application form) subcontractor-contractor payment request form. Today’s projects are geared toward electronic payment submittals.

Lesson/ Recommendation #3 (PM-Project Specific)-Phelps Dodge Tower

As stated previously the main point for the cost recapturing strategy for the client is reduction on life-cycle cost. Over the span of 50-years this can generate an additional revenue stream for our client which in turn generates potential assets gain for Ryan Companies.

6. Based on “project autopsies” for the projects that you have completed what changes or complaints (if any) would you indicate in the selected Project Delivery Method (PDM)? *Please give an example of one of your projects.*

PDM used on one of your completed projects:

PDM widely used for Ryan Companies landmark projects is the Design Build Method-“Phelps Dodge Tower”

Complaints regarding selected PDM:

Currently Ryan Companies is experiencing the minimum complaints among owners/ clients regarding the Design-Build Methods.

Recommended PDM that should have been used:

(PDM)-Project Delivery Method utilized on “Phelps-Dodge Tower” is the recommended and preferred PDM Ryan would chose if project had to be completed again.

7. What additional services have any of your clients required or requested your organization assistance on beyond the scope of schedule, construction and coordination?

The first aspect to answering these questions is defining what Ryan Companies considers to be part of the project scope for a Design-Build entity.

Ryan Companies Design-Build Responsibilities are as follows:

Land Acquisitioning	Cost Control
Legal and Code Request	Quality Assurance
Gov’t Approvals	Schedule
Project financing w/ alternative and options	leasing / Assets & Property Management

The majority of additional “client requested services” are exemplified as pre-construction concerns which are substantiated by Ryan “Raving Fan Plans” post construction completion

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Integrated Delivery Systems

1. How familiar is your organization with the concepts of integrated delivery systems such as 'Design Build Operate (DBO)' and 'Build Operate Transfer (BOT)'?

- No Interest
 Not Familiar (Interested in obtaining information)
 Limited Knowledge of Concepts (Interested in obtaining additional information)
 Actively seeking or requesting information (Interested in exploring the possibility of using Integrated Delivery Systems)
 Very Familiar (Have worked with integrated delivery systems before, first hand experience)

2. Has a client/ potential client ever requested your organization to utilize integrated delivery systems for a project? If so please describe the situation and arrangement.

Yes, This is how Ryan Companies was founded. General Foods requested an additional delivery method beyond the scope of providing a building. Building operations and maintenance services were requested by the owner. Since then, Ryan Companies has offered similar facilities management services for select projects for but not limited to, industrial office complexes.

3. What questions/ concerns and issues would have to be resolved prior to your organization using integrated delivery systems? If your organization has utilized integrated delivery systems please list the issues and concerns you've had prior to pursuing projects which required this arrangement.

- (1) Owner-company relationship-“Reputation”
(2) Project Use/ Size/ Overall Cost = Construction Cost + Maintenance Cost
(3) Specific Revenue Streams-Desire to have multiple revenue streams for higher profile projects to develop a “niche” in the construction market
(4) Fluctuating Market Trends*

4. For organizations which have used integrated delivery systems, what are some of the benefits to your organization for pursuing projects which require/ request or use this project delivery method?

Follow up:

- ✦ “Spear-heading” of Niche Markets***
- ✦ Increased project quality across the board***
- ✦ Increase notoriety among competitors and construction industry***

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Any information obtained during this interview will be used strictly and solely for the purpose of research. Any feedback is greatly appreciated. Thank you for taking time to participate in this interview.

*Sincerely,
Arnon L. Bazemore
PSU Architectural Engineering-Construction Management Student*