

CASE STUDY



Rendering courtesy of RRMM/EYP

EASTERN VIRGINIA MEDICAL SCHOOL

Assisting EVMS through the
State's pre-construction
funding process

CHALLENGE

Eastern Virginia Medical School (EVMS) planned to build a new Education and Academic Administration Building on their campus in Norfolk, Virginia. The project consists of a new, 138,000-gross-square-foot facility for M1, M2, and master's students, as well as administrative offices. The facility will also include a structured parking garage with 310 parking spaces. This project is a major undertaking, and early on in the process EVMS recognized the need for external support and sought the services of a professional Owner's Representative firm to provide coordination, management, and oversight during the design, pre-construction, construction, post-construction, and beneficial occupancy phases of the project.

Utilizing the Construction Manager At-Risk (CM@Risk) delivery method, MBP was brought on board as the Owner's Representative to assist them through the State's procurement procedures for A/E and CM@Risk selection. An important challenge for EVMS was getting through the pre-construction phase funding process. As an Institution of Higher Education in the Commonwealth of Virginia, project funding reviews during the Schematic Design cost estimate and Preliminary Design cost estimate were sent to the State's Bureau of Capitol Outlay Management (BCOM). These submittals are required during the design phase for Capital projects that are funded under the State's Pool Funding requirements. BCOM's role is to confirm that the estimates are in line with the legislative intent and the funding parameters that are established for the project.

SOLUTION

MBP and EVMS met with the State's budget reviewer to discuss the legislative intent which defines scope, extent, and description of the project. Following the State's Project Cost-Overrun process, MBP was able to assist EVMS and the design team with finding cost reducing measures while adhering to the legislative intent set by the State. As part of the cost reduction, MBP facilitated a formal, 40-hour value engineering (VE) workshop utilizing an independent team of architects and engineers to

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“In the early programming stage of the project, MBP was instrumental in helping us meet the State’s criteria for funding. During the design phase, they not only assisted with procuring an A-E firm but also with preparing the criteria for using the CM@Risk delivery method, which fast tracked the construction by several months. During the pre-construction phase, MBP conducted a value engineering workshop that identified over \$2.9 million in potential savings and enhancements.”

Mark Babashanian
Vice President of
Administration and Finance
Eastern Virginia Medical School

identify value-enhancement ideas on the preliminary design documents. The VE study was conducted in accordance with the practices recommended by SAVE International. Further value-enhancement ideas and costing led by MBP assisted in developing a representative budget for this type of project. As the design was finalized, it was again apparent that cost escalation and limited subcontractor availability had driven up the cost of the work. MBP was tasked by EVMS to act as the mediator during Guaranteed Maximum Price (GMP) negotiations.

RESULT

During the pre-construction funding process, MBP’s knowledge of the State’s procedures and processes for agencies in Virginia was key in helping EVMS get the project started on the right path towards breaking ground for construction. In the early programming stage for the project, MBP was instrumental in assisting EVMS in meeting all of the State’s criteria, not only assisting them in selection of the A-E firm for the design phase, but assisting them with meeting the criteria for using the CM@Risk delivery method intended to fast track the construction while meeting EVMS’s programming requirements.

MBP developed a construction timeline based on EVMS’s requirements, reviewed their budget and made recommendations on cost during the project’s budget development, and assisted with developing the qualifications and proposals for procurement of the A-E and CM@Risk firms. MBP also assisted EVMS in developing the qualifications for both the A-E and CM@Risk firms, helped establish the criteria, assisted with the evaluation of submitted firms, assisted with the interview and selection of the A-E Firm and CM@Risk and assisted with the contract negotiations with each of the selected firms. MBP, acting as a mediator during GMP negotiations, provided a professional and realistic approach for EVMS, the CM@Risk, and A-E in getting to a final GMP that was acceptable to all project stakeholders, while keeping the schedule on track.

MBP’s five-day VE workshop identified many value improvement ideas and assisted the Owner with meeting the State’s requirements. Our VE workshop identified over \$2.9 million in potential savings and enhancements.

Through its depth and experience with the State’s pre-construction process and its internal reach back capability, MBP was able to provide a steady and systematic approach that was key to the success of the pre-construction effort and ultimately assisted EVMS through the funding process (schematic and preliminary) in which EVMS received the requested funding for the project, meeting the legislative intent requirements, obtaining a final design, and executing a final GMP.