

Design Perspectives on USDA Community Facilities Infrastructure Toolkit

April 5, 2016

Michael Ryan
Healthcare Principal
Greenbough Design

- From the perspective of the designer (and as heard from owners):
- Processes and issues related to design and construction and how they dovetail into the Toolkit and USDA application and approval process
- Coming from a healthcare perspective

- There is a lot of interest in the program in the rural community.
- Historically there are significant differences of opinion regarding the process.
- The toolkit helps to give a common frame of reference

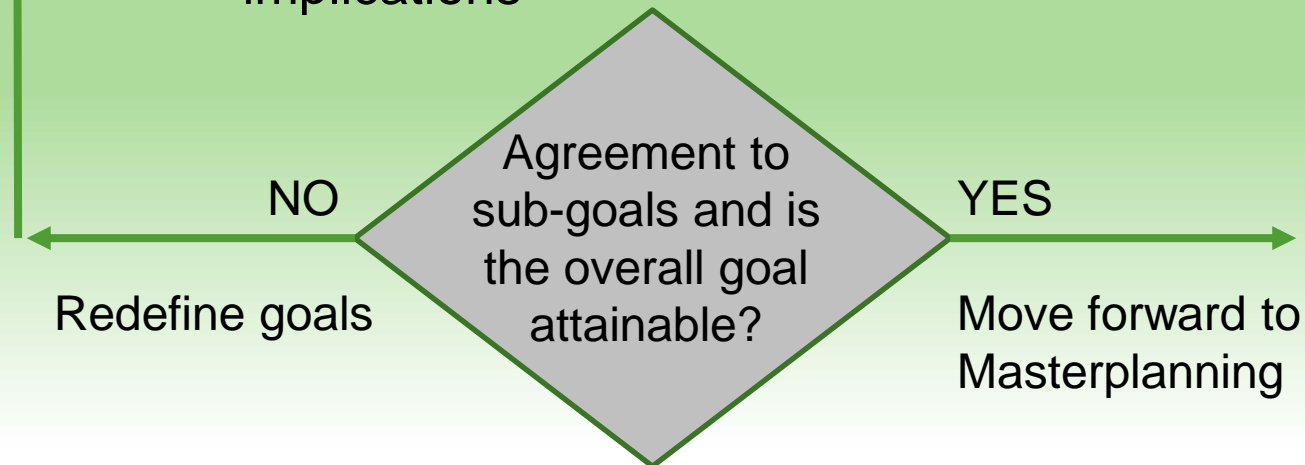
Project Goal Definition

→ Define goal

- What does success look like, in a way that can be measured?

What sub-goals are required to reach the primary goal?

- Operational changes
- Staffing changes
- Service changes implications
- Cultural changes
- Cost and funding limitations
- Schedule drivers



Masterplanning

- ✓ Develop long-term objectives, and short-term goals
- ✓ Perform site and building evaluation
- ✓ Develop the operational program to identify how the facility should function
- ✓ Develop a space program to identify the type, size, and quantity of spaces required to meet
 - ✓ the operational program, and
 - ✓ state or federal mandates
- ✓ Identify the approval matrix - who needs to approve the project; in particular, those who are outside of the control of the entity building the project. Define a process to gain incremental assurance of final approval
- ✓ Develop a comprehensive project budget – including hard asset costs, staffing, and other operational costs

Comprehensive Project Budget Development

- Hard Costs
 - Building Demolition and Construction Costs
- Soft Costs
 - Site Development Costs
 - Agency Fees
 - Utilities
 - Consultants
 - Bid Costs
 - Construction Support
 - Furniture & Equipment
- Allowances
 - Plan for the “Almost Known”
- Contingencies
 - Prepare for the unforeseen
- Escalation
 - Inflation and work delays bring cost impacts

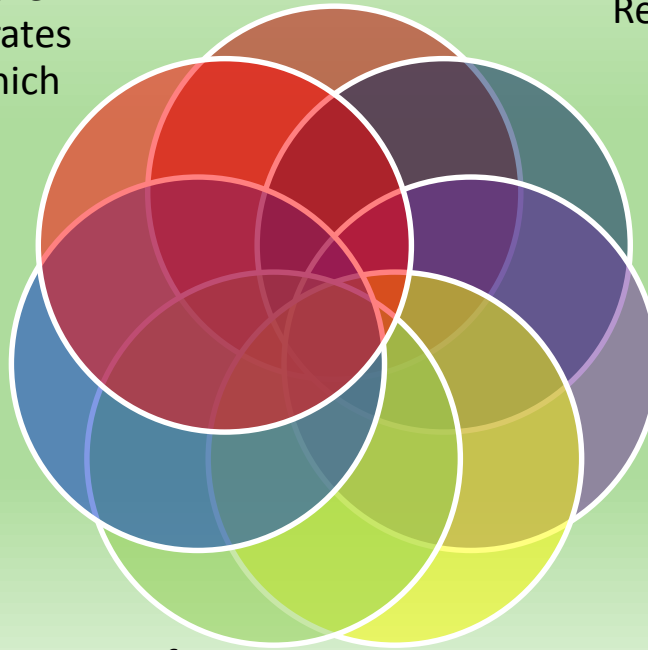
Preliminary Architectural Report (PAR)

The PAR process provides a good sanity check for project viability

Summarizes the current state of things. Clearly defines the future needs and demonstrates this is the “best option” which meets the need.

Demonstrates the project is financially viable both to construct and operate (including paying the loan).

Requires vetting the process of gaining approval both internally, within the broader community, and with outside agencies



Requires the development of a reliable estimate of “total” project costs.

There is a delicate balance which needs to be struck between enough information to provide a realistic picture of the project/budget and going to far before approval.

What is necessary to offer a reasonable chance that the approved project can be completed as envisioned?

Construction Procurement

Owners want:



Construction Procurement

Construction procurement options:

- Traditional design/bid/build process
- Alternative delivery options:
 - Design build
 - Design assist
 - Construction management
 - At risk
 - Not at risk
 - Integrated Project Delivery (IPD)
 - Partnering and other similar forms of agreements which join the owner, design team, and contractor, typically with incentives aimed at project success

Construction Procurement

Selection of delivery methods should be influenced by:

- Skills and experience of the owner's internal project team
- Skills and experience of external design and project management team
- Willingness and capacity of the owner to accept and manage risk
- Legal or regulatory requirements or restrictions (including USDA) regarding competitive selection of services.

Observations from a Designer's Perspective

1. The toolkit provides more than project financing information.
2. Financing is an integral part of any project, therefore USDA, or any funding agency, should be an integral part of the process of developing the project.
3. Meetings between an entity considering a development project as well as their project team and USDA as early in the process as possible will help inform the goal setting process.
4. It is important to outline the steps for project approval including “critical path items” as clearly as possible.

Observations from a Designer's Perspective

5. It is important to define the type of information needed at each step of the process as well as the final application.
6. Meetings with USDA staff as the project progresses provides a “sanity check” of developments both in terms of project direction and any changes in the financial position of the organization seeking funding.
7. Gathering information which will be required in the final application incrementally as it becomes available to minimize the scramble at the end to document information that is sometimes years old.

Summary

- There is great interest in the program.
- There is a lack of understanding of the program and process by those entities seeking funding. The development and application of the Toolkit in addition to meaningful involvement of USDA early and incrementally in the process can dramatically improve this understanding.
- For many organizations, the USDA Rural Development program is often the best chance of realizing a very necessary project which enables continued and new services to their community.