

PROVIDING IN-HOUSE CONSTRUCTION SERVICES

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 UNIVERSITY OF VIRGINIA

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TODAY WE WILL COVER

Forming and maintaining an in-house construction unit

① Organizational layouts	④ Staffing levels
② Benefits	⑤ Operating expenses
③ Challenges	⑥ Billing rates

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Have a question or comment?

Feel free to ask or share during the presentation

Open discussion format

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ORGANIZATIONAL LAYOUTS

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Each institution is unique

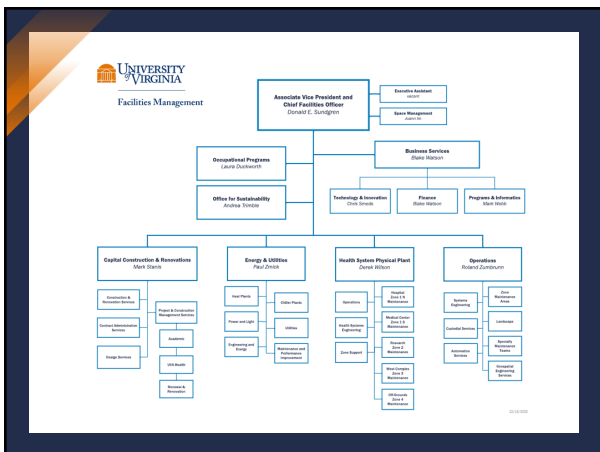
Size, geographical location and state/procurement laws

What works at one institution may not at another

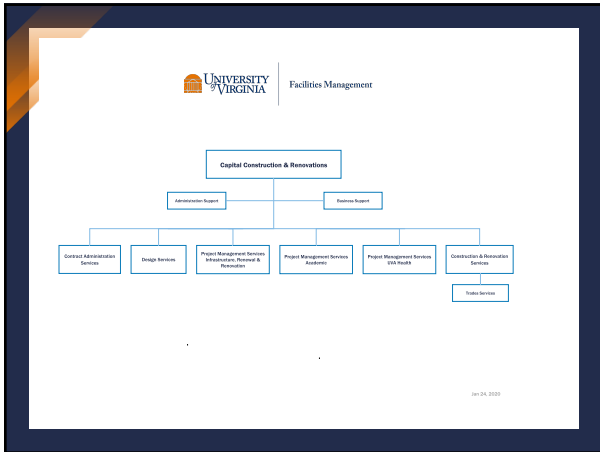
Reporting structure

Contract types:
Fixed price (FP)
Guaranteed Maximum Price (GMP)
Time and Materials (T&M)

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Our staff

Field	Office
<ul style="list-style-type: none"> • Carpenters • Cabinet builders • Masons • Electricians • Sheet metal workers • Plumbers • Plasterers • Sign shop • Environmental remediation • General services 	<ul style="list-style-type: none"> • Construction manager • Trades manager • Project managers • Design Services • Supervisors • Estimators • Scheduler • Contract administrators • Office assistants • Shared administration support

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HISTORY OF PROJECT SERVICES/RENOVATIONS

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How can smaller institutions adapt concepts of larger institutions?

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Questions and/or comments?

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GROUP ACTIVITY

At your tables,
list 1-2 benefits and challenges
of an in-house construction group.

5-7 minutes

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BENEFITS

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Sample benefits

- Share a common mission with the institution
- Ownership and partner with maintenance staff
- Higher quality work
- Lower construction costs
- Lower project costs
- Institutional knowledge
- Increased responsiveness
- Emergency response
- 2020 – COVID-19 response

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DARDEN MEDIA CENTER
UVA Darden School of Business

- Convert existing tiered classroom to accommodate two new media rooms to allow for virtual instruction.
- Total project - \$192K
- Fixed price - \$138K
- Construction start - June 2020
- Construction complete - August 2020

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ABBOTT CENTER DINING
UVA Darden School of Business

- Renovate existing dining facilities. This portion is the first phase only.
- Total project - \$750K
- Fixed price - \$580K
- Construction start - June 2020
- Construction complete - August 2020

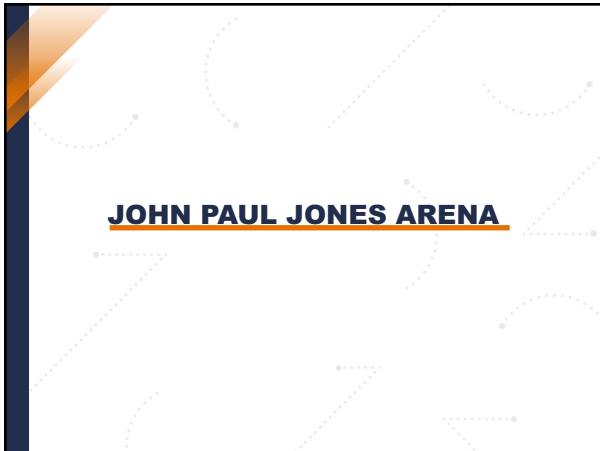
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DARDEN I LAB AND CLASSROOM
UVA Darden School of Business

- Renovate to allow for relocation of I lab and conversion of two tiered classrooms to an large open floor plan classroom. In addition the renovation included the addition of windows to allow for light.
- Total project - \$1.4M
- Fixed price - \$1.2M
- Construction start - May 2020
- Construction complete - August 2020

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JOHN PAUL JONES ARENA

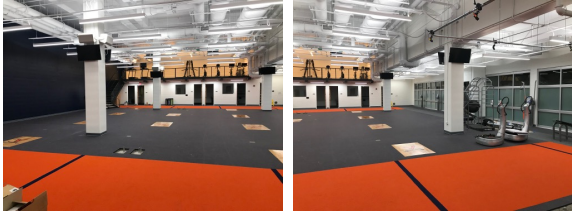
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VISITOR TEAM LOCKER ROOMS
John Paul Jones Arena

- Relocation of visiting team locker rooms to allow for expansion of the Men's Basketball Performance Center.
- Total project - \$1.5M
- Fixed price - \$1.3M
- Construction start - October 2019
- Construction complete - March 2020

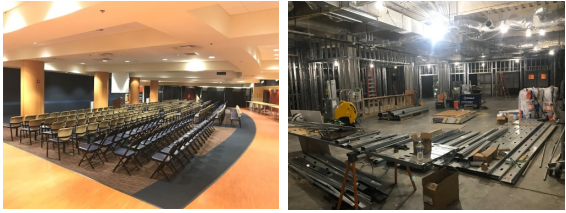
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PERFORMANCE CENTER
John Paul Jones Arena

- Expansion of previous strength and conditioning space to accommodate programmatic needs.
- Total project - \$4.1M
- Fixed price - \$3.1M
- Construction start - March 2020
- Construction complete - November 2020

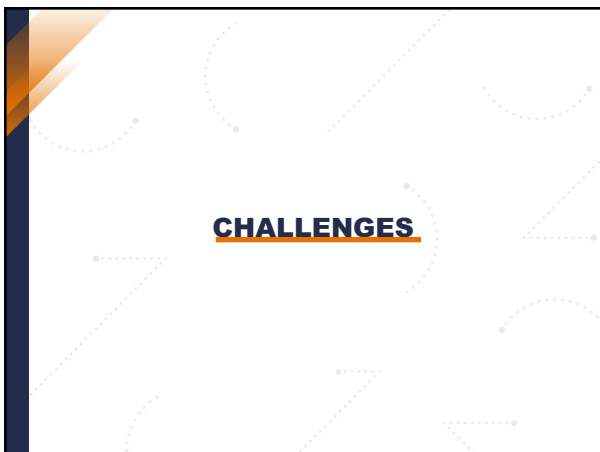
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DINING HALL AND COURTSIDE CLUB
John Paul Jones Arena

- Renovation of existing Athletic Dining facility at JPJ. This renovation includes accommodations for the courtside club space lost during the relocation of the Visitor Team Locker Rooms.
- Total Project - \$2.4M
- Fixed Price - \$1.4M
- Construction start - July 2020
- Construction complete - Feb 2021

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CHALLENGES

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Challenges with in-house construction

- Fixed workforce with a varying workload
- Different procurement laws
- Ability to hire temp/contract labor
- Union workforce and non-union labor in some areas
- Billing rates (regular vs. OT)
- Workload level
- Fleet management
- Client perception
- Local contractors perception
- Accounting process not designed for construction services billing

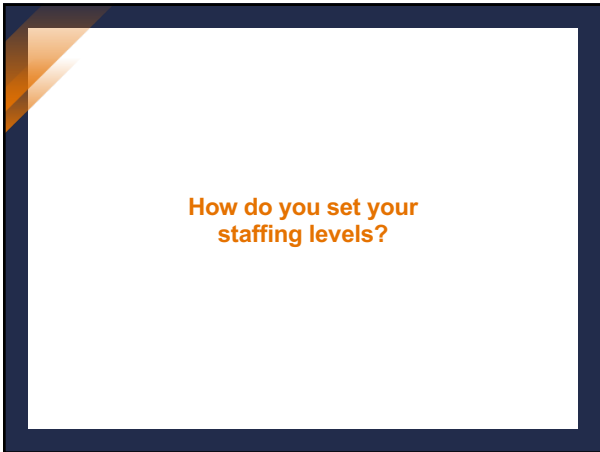
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Questions and/or comments?

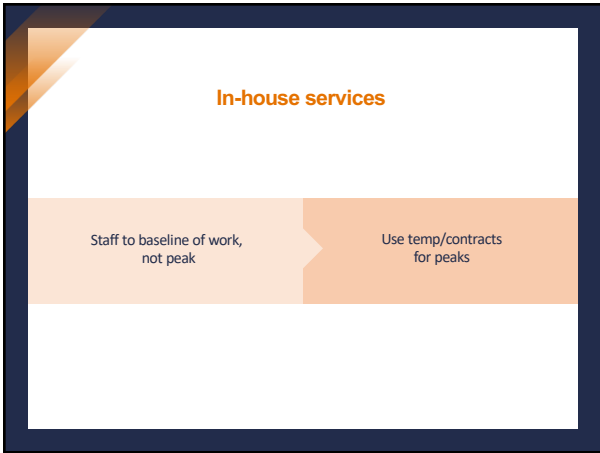
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STAFFING LEVELS

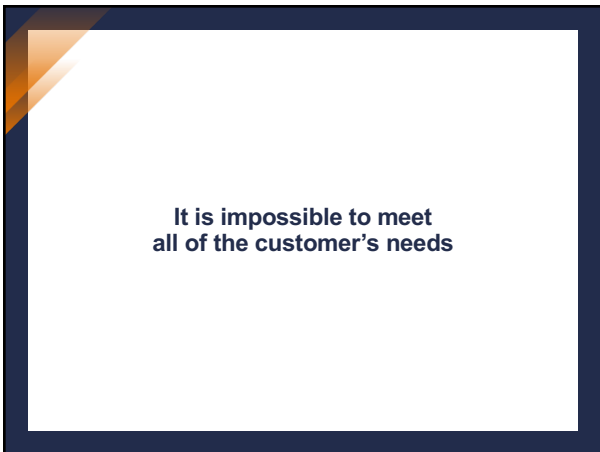
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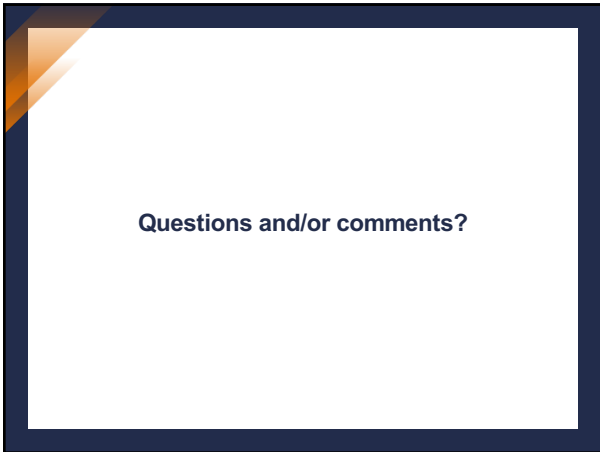
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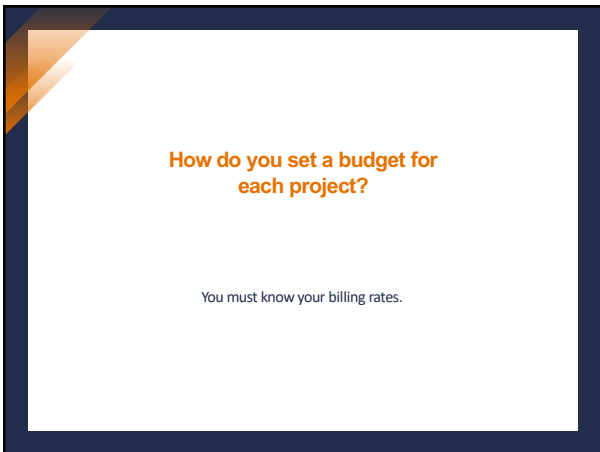
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Billing rates rule of thumb

Recharge rates should be approximately twice the employee's direct wages

- 1x for the employees' direct wages
- .35x for benefits
- .25x for non-billable time
- .40x for supervision and support

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Estimating and bidding

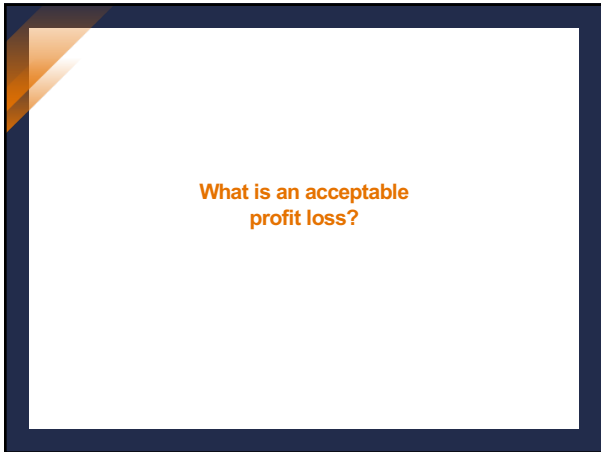
- Estimating quantities and effort-hours
- Client should be given the option to use or not use in-house services
- Bidding against the market
- Fixed price work (FP)
- Time and materials basis (T&M)
- Guaranteed maximum price (GMP)

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Profit and loss

- Project profit/loss limits
- Overall profit/loss distribution
- Profit/loss carryover

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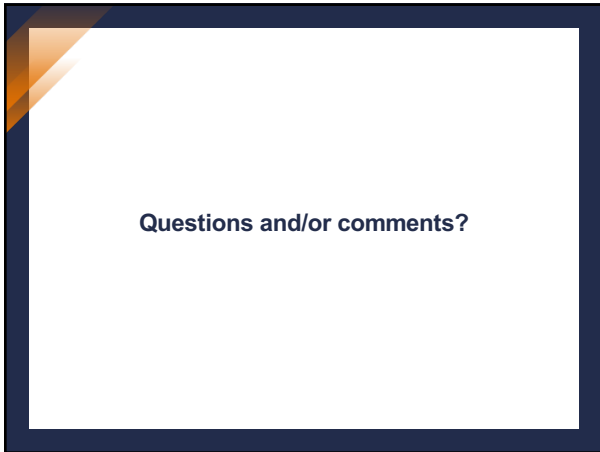
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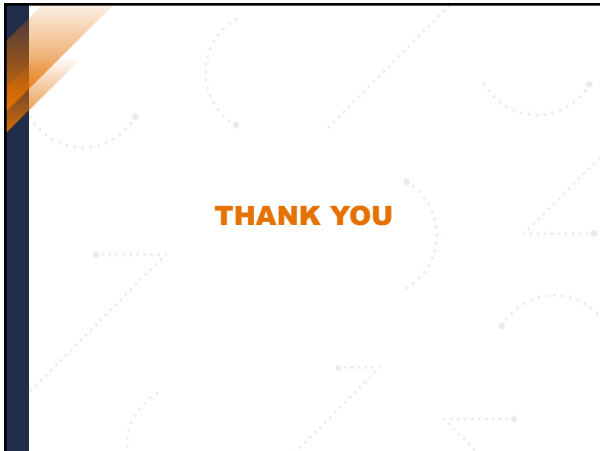
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