For Immediate Release

Success with San Diego Lean Project Delivery Highlighted at International Conference in Oslo

San Diego, CA, July 7, 2014 - How did the San Diego Community College District, a public agency, save an average of $900,000 per project, save $13.6M in change orders over past experience, yield an additional $7.7M in project savings and reduce maintenance costs by 53% over 3 years? The answers to these questions were part of a paper presented at the 2014 International Group for Lean Construction Conference in Oslo, Norway in late June. Representatives from over 30 countries were in attendance to share current research and best management practices related to Lean construction throughout the world. Lean construction is the application of principles and practices to eliminate waste and deliver greater value to the customer in delivery of capital construction projects.

The paper was authored by David Umstot of Umstot Project and Facilities Solutions, LLC (La Mesa, CA), Dan Fauchier, CMF, of The ReAlignment Group (Del Mar, CA), and Dr. Thais da C.L. Alves of the J.R. Filanc Construction Engineering and Management Program at San Diego State University. The paper was based on the experience at the San Diego Community College District from 2007 through January 2014. In 2008, significant changes were made in the way that projects on a $1.555 billion capital bond program were delivered integrating Lean principles. After reviewing 35 completed projects totaling more than $584 million in construction value, it was apparent that the changes were yielding significant waste reduction and cost savings. More than $13.6 million was saved in reduced change order rates in the 15 projects completed with Lean practices compared to the 20 projects that were not.

The use of target value design helped deliver greener buildings, improved budget performance, and reduced future maintenance costs. Target value design is an approach where the budget is published at the beginning of the project and the owner, design team, builder and specialty trades work together collaboratively using Building Information Modeling and other tools to make decisions that enhance the value delivered within the available funding budget.

Sustainable buildings are a core value of the San Diego Community College District with a target of a minimum of United States Green Building Council Leadership in Energy and Environmental Design (LEED)
Silver certification. The District has 44 projects that will be LEED certified under this capital bond program. The use of target value design helped improve the number of buildings certified at the LEED Gold level from 20% to 44% once implemented.

Target value design also enabled decisions to be made to reduce energy consumption and future maintenance costs helping reduce annual square footage costs from $3.93 to $1.46 over a 3-year period resulting in cumulative savings of $13.3 million during this period.

This is the largest study of Lean construction programs to date in the United States and clearly shows that public owners can significantly benefit by changing their project delivery practices.

A copy of the paper can be downloaded at this link


About San Diego Community College District

The San Diego Community College District serves approximately 130,000 students annually through three two-year colleges and seven Continuing Education campuses. It is the second largest community college district in California and the sixth largest in the United States.

About Umstot Project and Facilities Solutions, LLC

Umstot Project and Facilities Solutions, LLC is based in La Mesa, California with its core business philosophy of "Helping Deliver Better Projects, Performance and Results". David Umstot, PE, is co-founder and President. He is also an adjunct lecturer in the San Diego State University JR Filanc Construction Engineering and Management graduate program. Learn more at www.umstotsolutions.com.

About The ReAlignment Group

The ReAlignment Group, headquartered in Centennial, Colorado, is a unique provider of facilitation, training and coaching services for lean design and construction implementation, lean partnering, lean tool implementation, organizational realignment, team building, collaboration, lean construction development and Integrated Project Delivery. Members of its team are among the most honored Lean coaches in the United States construction industry. Learn more at www.projectrealign.com.

About the JR Filanc Construction Engineering and Management Program at San Diego State University

The JR Filanc Construction Engineering and Management Program is part of the San Diego State University Department of Civil, Construction and Environmental Engineering. The mission of the Department of Civil, Construction, and Environmental Engineering is to provide a high quality undergraduate and graduate education in the civil, construction, and environmental engineering areas as well as the advising and other support needed to ensure the students' academic success and preparation for a productive engineering career. In addition, through research and continuing professional development, the faculty produce, enhance and promote new developments within their areas of expertise for the benefit of society and the furtherance of their profession.

Learn more at http://ccee.sdsu.edu/.

Learn more about Lean Construction through the Lean Construction Institute www.leanconstruction.org.