4 Delivery Lessons from the RAF Lakenheath Beddown Program

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Some Quick Facts

- **9 of 10**
  - PROJECTS OVER BUDGET
  Both mega and smaller projects face the same challenge from incomplete scope, inadequate governance, change orders, and transactional cost overruns through the supply chain.

- **27%**
  - AVERAGE COST OVERRUN
  Harvard study found that a cost overrun of over a quarter occurs on projects, with 1 in 6 projects experiencing a 200%+ cost growth!

- **35%**
  - PROJECTS WITH A MAJOR CHANGE
  Making certain scope, specs, and clear change management processes are in place are vital to reducing a major cost and time overrun producer.
What we’re here to talk about…

• The RAF Lakenheath program
• The Four Key Discoveries
• The Main Points (the ‘so what’?)

Learning Moment

A PROJECT is a:
• Temporary endeavour
• Create a unique product, service, or result
• Definitive start & stop

A PROGRAM is a:
• Group of related projects
• Managed in a coordinated fashion
• Start and stop predicated on when managing multiple projects and ops is no longer value-added

FOCUS ON MANAGING THE 6 CONSTRAINTS:
• Scope
• Cost
• Schedule
• Quality
• Risk
• Resources

FOCUS ON BENEFITS REALIZATION:
• Benefit is an intended outcome
• Contributes to achieving organizational strategy
RAF Lakenheath

- Limited Development Pressure
- Potential Land Acquisition
- Strong Safeguarding
- Pro-Active with Community

Divest Lords Walk MPH
Land Acquisition (RAF/USAFE-UK)
Primary Land Owner
Other Land Owners

RAF Lakenheath Program

c. $1.5B over next decade

- F-35A Beddown Program
- European Defense Initiative
- DHA Hospital Recapitalization
- DoDEA High School Recapitalization
- AAFES BX Recapitalization
- Multiple major/minor FSRM improvements
MILCON Delivery in the UK

Defence Infrastructure Organisation
Crown Commercial Services Framework

Status of Forces Agreement
1973 Cost Sharing Agreement

Design & Construction Agent in the UK for US-funded MILCON and FSRM

Total Value: $515M
- 20 MILCONs projects @ $350M
- 10+ FSRM companion projects @ $31M
- New 33kVA substation & 22 mi connection @ $33M
- Furnishings, Fixtures & Equipment @ $62M
- Other supporting contracts @ $39M
Key Discovery #1: Organize for Success

MILCON Delivery Considerations
Key Discovery #1: Organize for Success

Key Discovery #2: Hire a Client-Side Partner
Key Discovery #2: Hire a Client-Side Partner

Funding Agent

Principle Designer & Contractor

OWNER

Integrator

Client-Side Partner

DA/CA & DM/CM

Services / Agencies

For USAF: AFIMSC / Installation

DM/CM: AFCEC
DA/CA: USACE, NAVFAC, DIO

Hybrid function comprised of Government – Industry SME

Consultant imbedded in the Integrator

Reference: Institution of Civil Engineer, Project 23

Operating Model

- Advise & Assist 48 CES
- Develop requirements
- Coordinate w/ USAF client, agencies on/off base, DIO
- Procurement development
- Design development / assurance
- Construction assurance
- Cost engineering
- Planning & programming
- Technical SME

CORE SERVICES:

- Governance & Administration
- Planning & Programming
- Program Controls
- Procurement
- Design Management
- Construction Management
- Communication & Technology Integration
- Testing, Commissioning, Fit-out & Occupancy
- Quality & Safety Management
- Security
- Integration & Dependency Management
Key Discovery #3: Establish Formal Roles & Responsibilities

Establish Formal Roles and Responsibilities

<table>
<thead>
<tr>
<th>ROLE</th>
<th>Funding Agent</th>
<th>Owner / Installation</th>
<th>DA/CA</th>
<th>DM/CM</th>
<th>Integrator</th>
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<tbody>
<tr>
<td>Project Deliverable</td>
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<td>(or Activity)</td>
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<td>Processes &amp; Procedures</td>
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<td>Systems &amp; Tools</td>
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<td>Collaboration</td>
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<td>Delivery &amp; Execution</td>
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<td>Performance Reporting</td>
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R - Responsible    A - Accountable    C - Contributing    I - Informed
Key Discovery #4: Establish Program-Level Plans and Processes
Key Discovery #4: Establish Program-Level Processes

20 Core Program Delivery Activities: Who’s in charge and what’s the process?

<table>
<thead>
<tr>
<th>Governance &amp; Controls</th>
<th>Scope &amp; Requirements</th>
<th>Benefits Management</th>
<th>Dependency Management</th>
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<tbody>
<tr>
<td>Quality Management</td>
<td>Stakeholder Engagement</td>
<td>Risk &amp; Issue Management</td>
<td>Information Management</td>
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<td>Business Case</td>
<td>Schedule Management</td>
<td>Change Control Management</td>
<td>Sustainability / Resiliency</td>
</tr>
<tr>
<td>Organizational &amp; System Engineering</td>
<td>Cost &amp; Financial Management</td>
<td>Procurement</td>
<td>Current Operations &amp; Integration</td>
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<td>Health, Safety, &amp; Welfare</td>
<td>Performance (KPIs)</td>
<td>Data &amp; Information</td>
<td>Ideas &amp; Optioneering</td>
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MILCON Delivery Considerations

GOVERNANCE
- Framework for execution of a capital program
- Establishes processes
- Structure for communication, implementation, monitoring
Main Points

1. Determine what program delivery functions are needed and who will accomplish each
2. Establish formal plans and processes for delivery

Key Challenges: *do you have a plan and resources identified?*
Final Note: AEC professionals working on defense infrastructure projects are delivering an OPERATIONAL CAPABILITY for the warfighter.

Thank You!

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