

# RISK ANALYSIS AND SCHEDULING APPROACHES

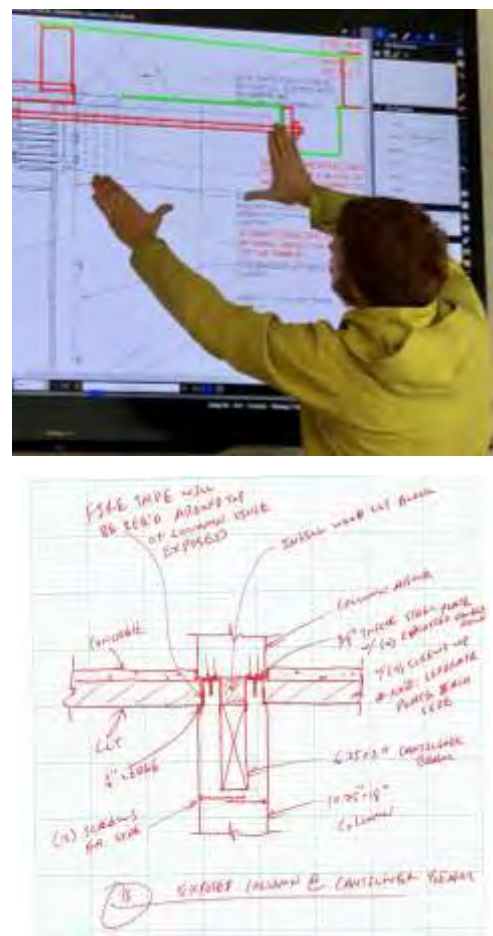
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AUGUST 20, 2021

Disclaimer: This presentation was developed by a third party and is not funded by WoodWorks or the Softwood Lumber Board.

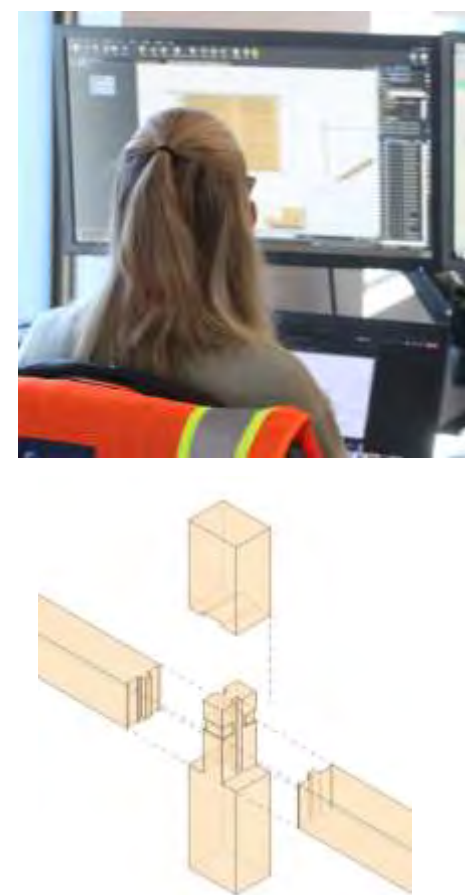


# EXPERTISE

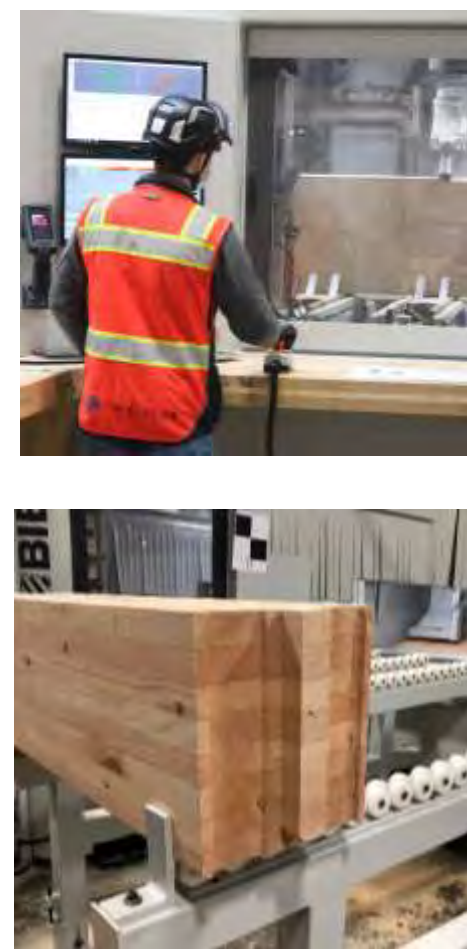
TIMBER ENGINEERING



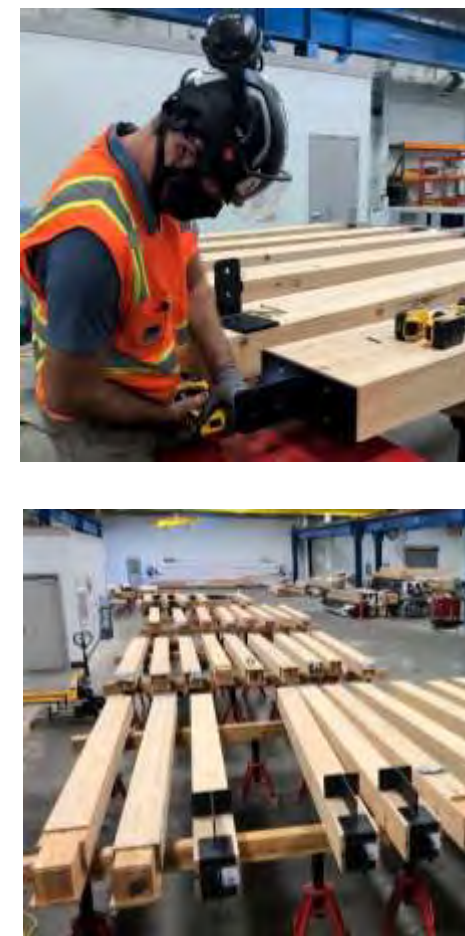
VIRTUAL CONSTRUCTION



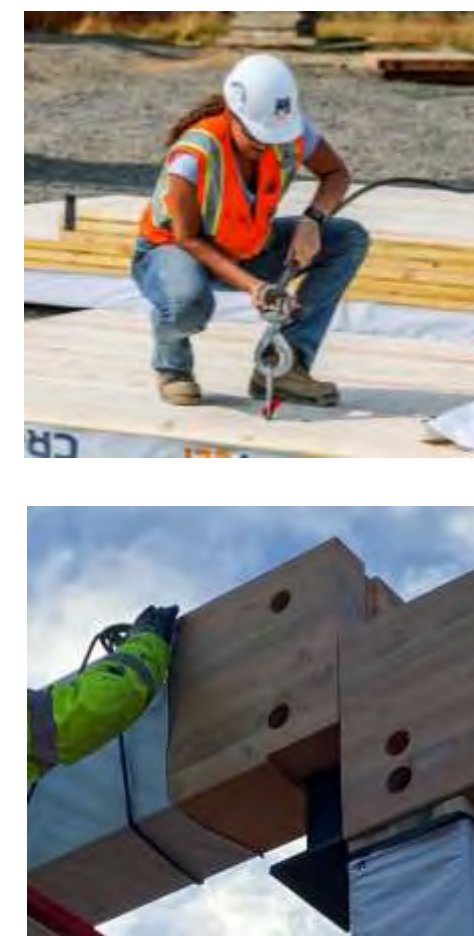
FABRICATION



PREFABRICATION



ASSEMBLY



# PRESENTATION GOAL

To identify potential project risks, recommend mitigation tactics, so that mass timber projects can be implemented with financial efficiency



# RISK AND SCHEDULE MANAGEMENT LEARNING OBJECTIVES

## FINANCIAL RISK

- Project Delivery Method
- Design Efficiency
- Purchasing: Exchange Rate
- Purchasing: Commodity Pricing
- Project Execution
- Quality

## JURISDICTIONAL RISK

- Code Path
- Code Interpretation
- Limited Tested Assemblies
- Permit Comments
- Field Inspections

## SCHEDULE RISK

- MEPF Penetration Incorporation
- Schedule Critical Shop Drawing Dates
- Adjacent Structural Systems
- Manage RFI Process
- Factory Backlog
- Erection Sequencing
- Constructability

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# PROJECT DELIVERY METHOD

## Project Delivery Matters: Why?



5% Savings

Neutrality

10% Premium

CMGC, GC/CM, CMAR, Design-Build

Design-Bid-Build

# RISK MITIGATION FOR SEAMLESS TRANSITION TO CONSTRUCTION



Avoid Design-Bid-Build

Hire and use a CM or GC during design for paid precon => spend \$ to save \$\$\$

Engage with a mass timber firm during precon to optimize system costs

# DESIGN EFFICIENCY

## COLUMN SPACING V. MATERIAL VOLUME

### 5 PLY PANEL WITH 13'-4" O.C. COLUMN SPACING

CLT BY VOLUME (APPROX):

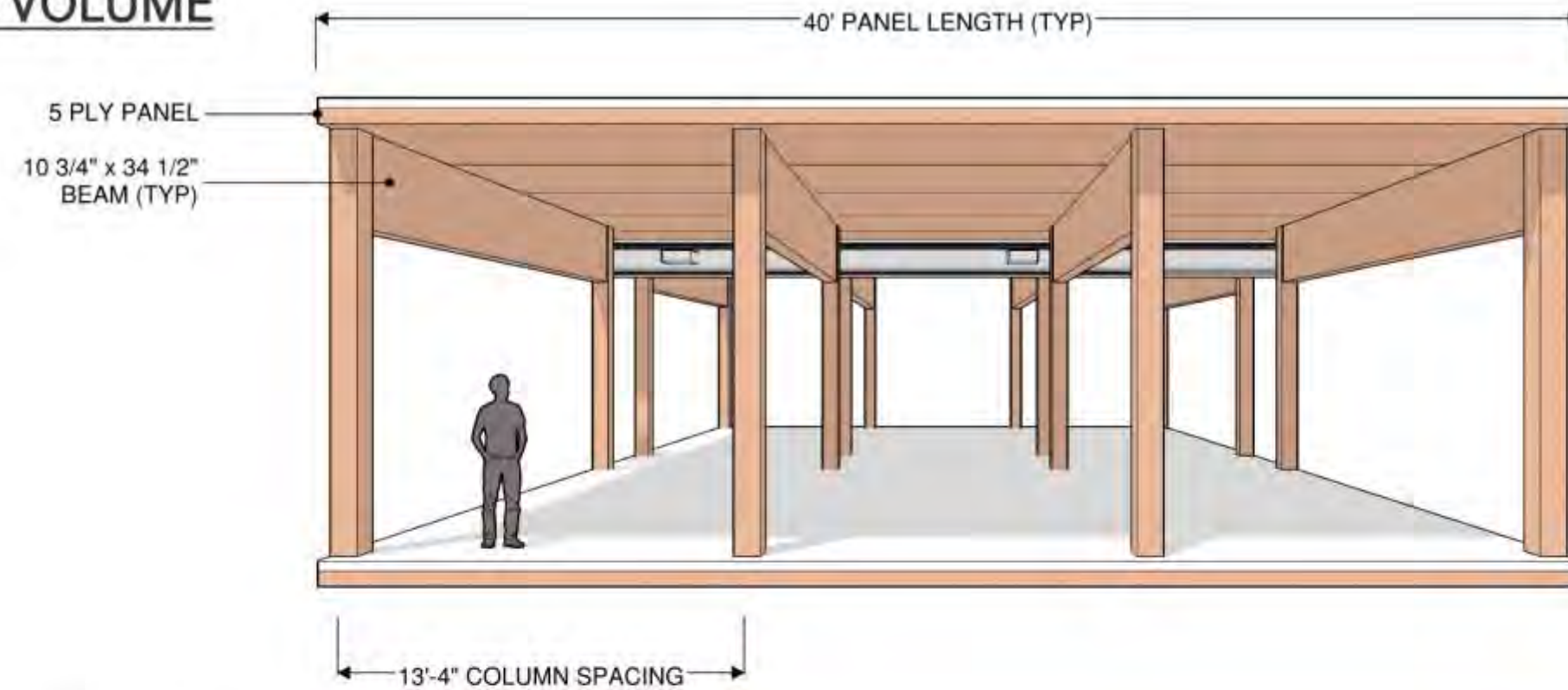
**30,070 CUBIC FT**

FRAMING BY VOLUME (APPROX):

**10,670 CUBIC FT**

TOTAL WOOD VOLUME (APPROX):

**40,740 CUBIC FT**



### 3 PLY PANEL WITH 10'-0" O.C. COLUMN SPACING

CLT BY VOLUME (APPROX):

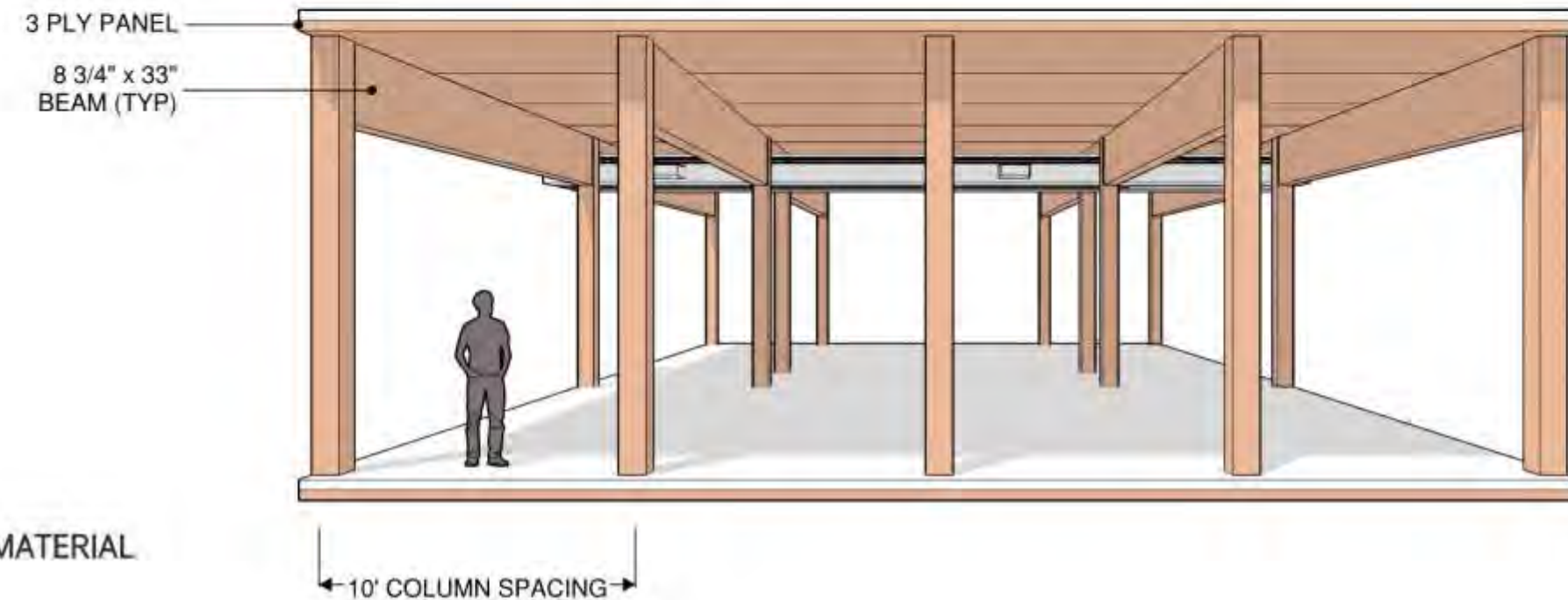
**18,700 CUBIC FT**

FRAMING BY VOLUME (APPROX):

**11,750 CUBIC FT**

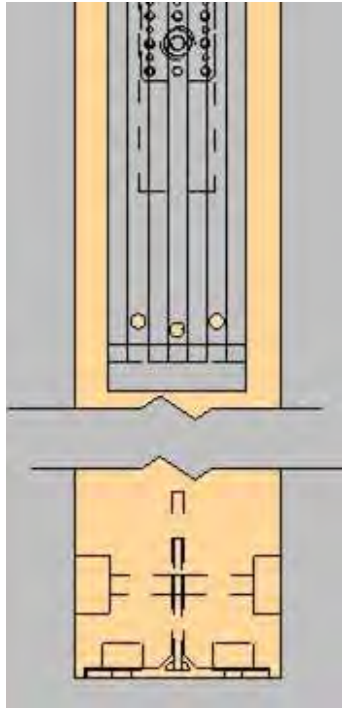
TOTAL WOOD VOLUME (APPROX):

**30,450 CUBIC FT**



**25-30%** REDUCTION IN STRUCTURAL MATERIAL

# PROJECT DELIVERY



Detailing



Manufacturing Constraints



Fabrication Limitations



Hardware Choices



Fasteners and Proper Use

Risk:

New and unfamiliar products can lead to unoptimized design => \$\$\$\$

Mitigation:

Gain technical knowhow from industry experts => \$

# PURCHASING: EXCHANGE RATE EFFECTS



Bid Date: May 15<sup>th</sup>, 2020

Bid Amount: \$1,000,000

Bid Amount is not locked, varies with exchange rate

Bid Leveling, Approvals, Etc.: May 15<sup>th</sup> – July 28<sup>th</sup>

LOI Date: July 28<sup>th</sup>

Purchase Price: \$1,096,500

Financial Risk: \$96,500 or 9.65%

Risk: Purchase of material has exchange rate risk

Mitigation: Be prepared to execute an LOI to lock in exchange rate risk at time of bid.  
This approach requires teaming effort with owner, contractor, architect, and engineer.

# PURCHASING: EXCHANGE RATE EFFECTS

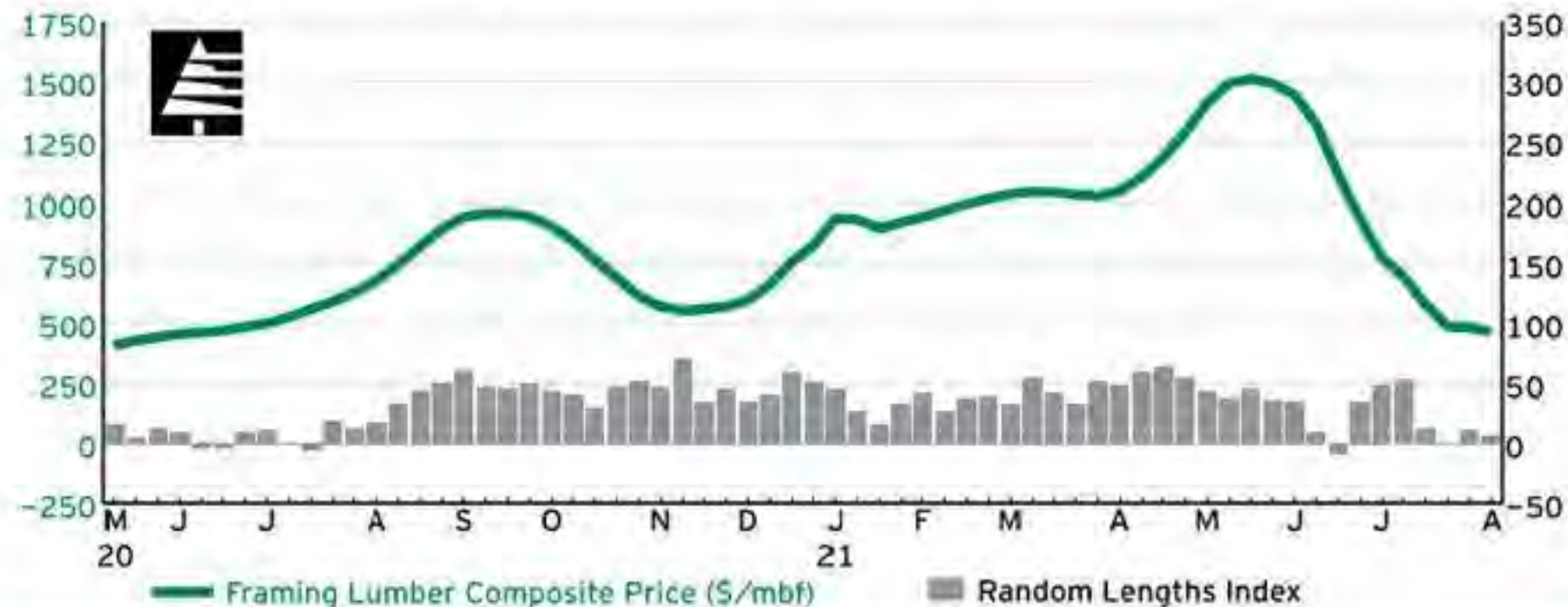
## Lumber Market Indicators

	This Week	Last Week	Year Ago
<b>Framing Lumber Composite Price<sup>1</sup></b>	<b>463</b>	<b>479</b>	<b>627</b>
<b>Key Lumber Prices</b>			
2x4 #2&Btr KD Western S-P-F	490	525	632
2x4 Std&Btr Grn Douglas Fir (Por)	425	475	645
2x4 #2 KD SYP (Westside)	477	460	580
2x4-8' PET KD Western S-P-F	345	360	615
1x12 #3 KD Ponderosa Pine	1,000	1,025	610
Random Lengths Index <sup>2</sup>	+5.7	+10.2	+12.3

1 - For a list of items included in each composite, go to [www.rlpi.com](http://www.rlpi.com) and click on In Depth > Useful Data > Monthly Composite Prices.

2 - The index is a numerical representation of market activity, based on a ratio of western sawmill order files to inventories. In computing the index, the data are compared with similar data averaged over the past five years.

	This Week	Last Week	Year Ago
<b>Lumber Group Composites<sup>1</sup></b>			
Random-Length Dimension	491	504	590
Stud	472	493	611
Low-Grade Random Dimension	347	356	333
Board	1,281	1,293	699
Shop and Mldg&Btr	1,549	1,549	690
Coast Dry Random and Stud	461	482	577
Inland	739	758	643
Southern Pine	450	443	638
Western S-P-F	464	492	595
Eastern S-P-F	568	584	669
Green Douglas Fir	613	658	637



Risk:

Purchase of material has commodity index risk, similar to steel and concrete

Mitigation:

Be prepared to execute an LOI to avoid commodity price risk at time of bid. This approach requires teaming effort with owner, contractor, architect, and engineer.

# PROJECT EXECUTION



Risk:

Delivery, install, crane proximity, trucking access

Mitigation:

Model the design, Model the plan, work the plan

# PROJECT QUALITY



Risk:

Water management, TI detailing, Protection during construction

Mitigation:

Water management plan, Mock-ups

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# CODE PATH

Which Code?

Risk:  
Local adoption of code influences  
**what can and can't be done with**  
mass timber

Mitigation:  
Understand code path and  
required variances at inception of  
project



# CODE INTERPRETATION



## Risk:

Each jurisdiction may interpret the code slightly differently.

## Mitigation:

Meet with the AHJ for pre-app conferences to discuss code interpretation for project

Are solutions codified or do you need Alternate Means and Methods (AMMR) or Performance Based Design (PBD)

Mock-up to set expectations

# LIMITED TESTED ASSEMBLIES



Penetrations through 2 HR rated elements

2 HR rated Timber to Timber Connections

Risks:

Tested assemblies may be required

Mitigation:

Engage consultants and system experts to determine what project details require engineering judgements or project specific testing. Can the design be modified to remove engineering judgements or project specific testing?

# FIRE EGRESS & PROTECTION DURING CONSTRUCTION

Risk:

Fire Protection During construction 3308.4

Facilitate construction egress (stairs, man hoist, Elevator)

Meeting required protection of elements during construction

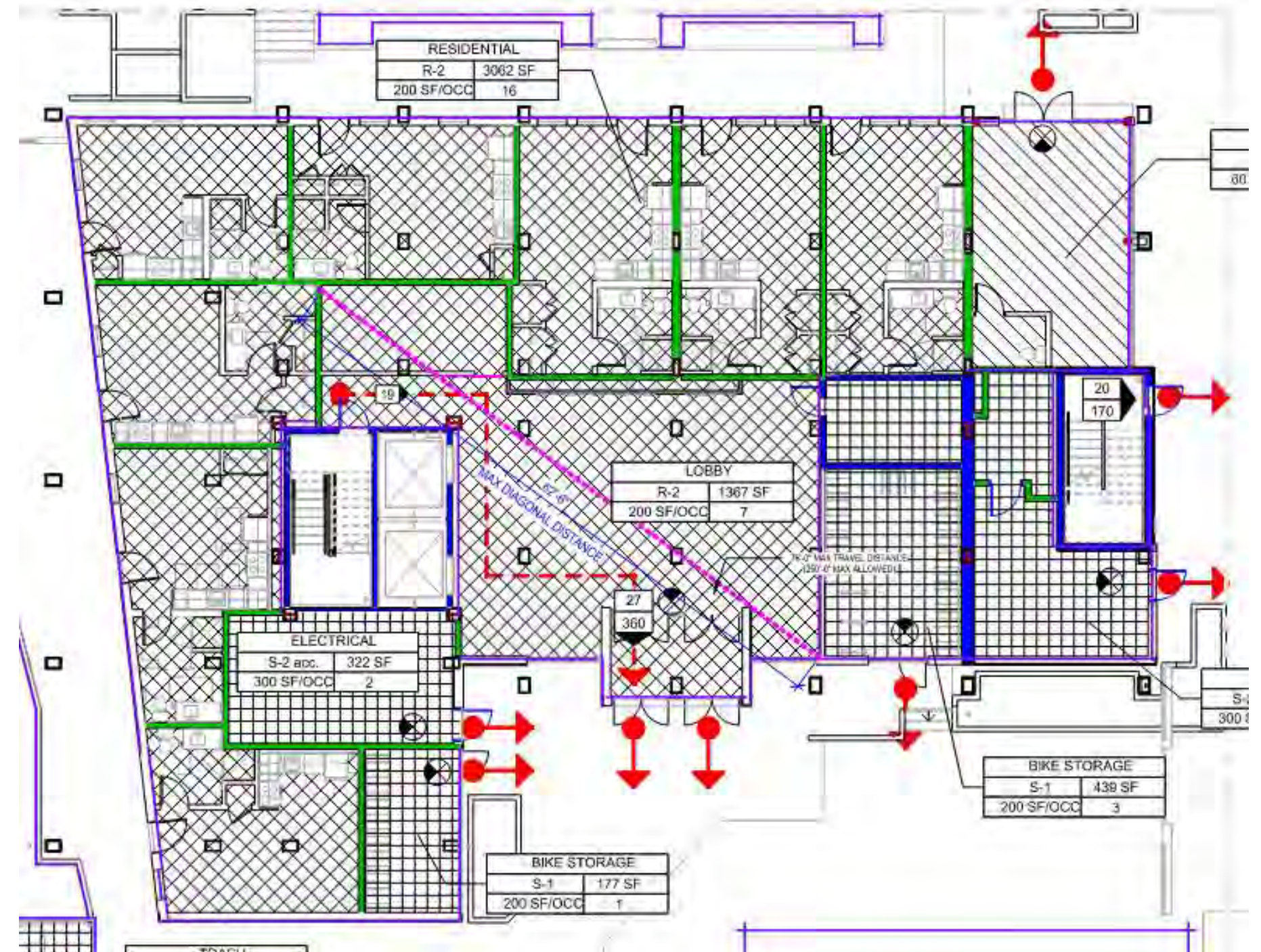
- Sealing of Adjacent mass timber elements 703.7
- Verify Fire Blocking Materials 718.2.1

Special Inspections in-situ or at factory 1705.5.3

Daily fire safety inspection 3303.3

Mitigation:

Engage city officials early to verify proposed plan meets city official requirements. Determine what project details require coordination with special inspector. Fire protection and protection from moisture will require fire Engineer, structural, architect, envelope consultant, and waterproofing consultant.



# INCORPORATE PERMIT COMMENTS INTO SHOP DRAWINGS

19	Submittals & Procurement		08-May-20	03-Dec-21	396	396			SB	
20	All Areas		08-May-20	03-Dec-21	396	396			SB	
21	Procurement		08-May-20	08-May-20	0	0			SB	
22	Procurement		08-May-20	08-May-20	0	0			SB	
23	Swinerton VDC Coordination		08-May-20	08-May-20	0	0			SB	Order/Finish from Mitig
24	Levels 2-3 Bldg Geometry		09-Jun-20	28-Jul-20	35	35			SB	
25	H.C. Materials		09-Jun-20	28-Jul-20	35	35			SB	
26	Swinerton VDC Coordination		09-Jun-20	28-Jul-20	35	35			SB	
27	VDC BG2010	Swinerton-Drawing Review	09-Jun-20	29-Jun-20	15	15			SB	
28	VDC BG0060	Addendum #2 (Structure) Review Comments Back From DBI	29-Jun-20		0	0			SB	
29	VDC BG2020	Swinerton-CLT+Glulam Detailing LOD 200 Geometry Change-EOS-RF's Submittal	30-Jun-20	07-Jul-20	5	5			SB	
30	VDC BG2030	Swinerton-CLT+Glulam Shop Drawings LOD 200 A/E EOS Review/Comments	08-Jul-20	21-Jul-20	10	10			SB	
31	VDC BG2040	Swinerton-CLT+Glulam Shop Drawings LOD 200 Corrections EOS	22-Jul-20	28-Jul-20	5	5			SB	
32	VDC BG2070	Swinerton-CLT+Glulam Shop Drawings LOD 200 A/E EOS+Glulam Submit for Record		28-Jul-20	0	0			SB	

Critical Remaining Work


Actual Work

Remaining Work

Milestone

Start Constraint

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## Addendum #2 (Structure) Review Comments Back From DBI

Mitigation:

Know when first round of structural comments are anticipated, place date in schedule

Ensure structural comment date is tied to critical path in schedule

# FIELD INSPECTIONS



Risk:

Approved permit does not limit field inspector interpretation of the plans.

Mitigation:

Determine assemblies requiring engineering judgements

Proactively plan for inspections and engage inspector prior to onsite inspections

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# EARLY MEPF INVOLVEMENT LEADS TO SCHEDULE ENHANCEMENT

## Risk:

Failure to engage MEPF partners early leads to difficulty field fabricating penetrations

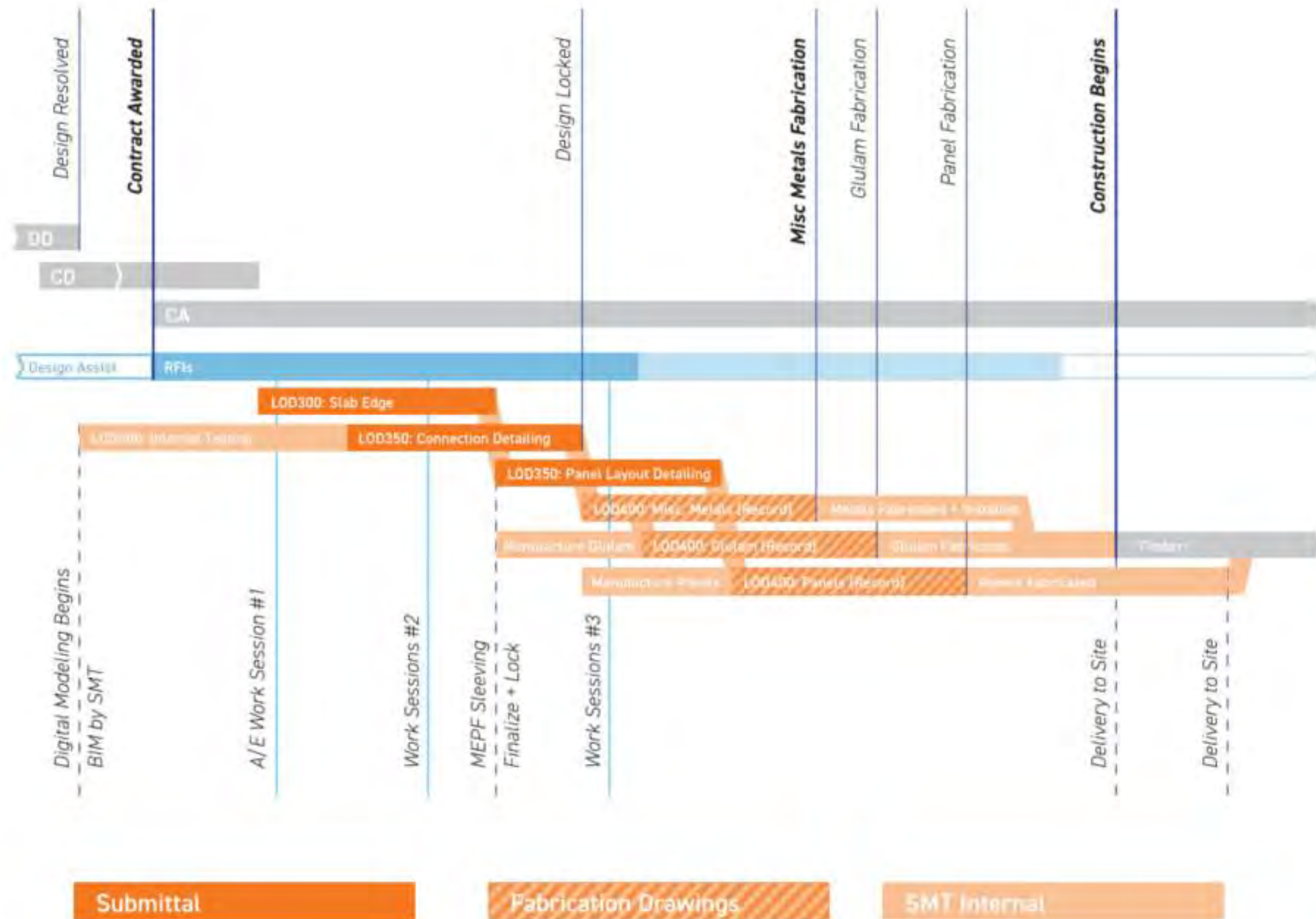
## Mitigation:

Take advantage of CNC Technology, coordinate MEPF trades early in project design

Prefabricating MEPF openings leads to quicker field installation times and better quality



# SHOP DRAWING SCHEDULE



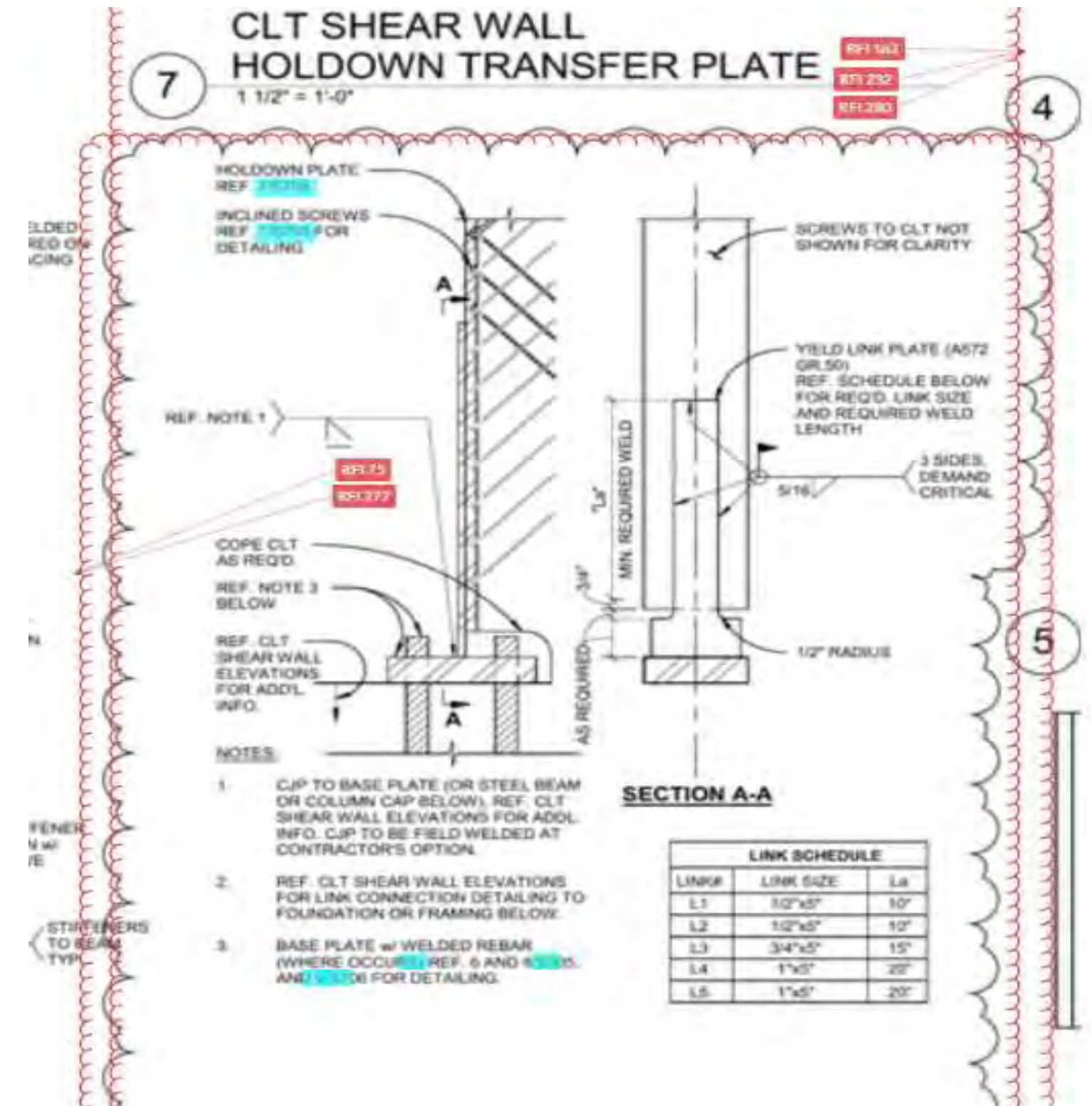
# RFI SUBMISSION & RESPONSE TIMING

## Risks:

Protracted RFI submittal and response period  
leads to hold ups with fabrication drawing  
development

Mitigation:

Teamwork and RFI meetings between AEC teams will speed up RFI period and facilitate timely execution of fabrication drawings



# MODEL ADJACENT STRUCTURAL SYSTEMS



Risk:

Failure to model all structural materials

Failing to consider differing tolerances between materials

Mitigation:

Coordinate timber model with other structural models

Ensure subcontractor performing steel and concrete structures build to a model and agreed tolerances

# FACTORY BACKLOG

## Risk:

If large projects ahead of you in **the factory's queue get delayed** then your material may become delayed

## Mitigation:

**Understand the manufacturer's** backlog and risk associated with those projects.



# ERECTION SEQUENCING CONSTRUCTABILITY



# THANK YOU!

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