

# **PROJECT COMMISSIONING** for building or expanding a facility

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It's a long journey from developing plans for a new distribution centre to actually settling into a functional building - and even harder to manage such a large move without interrupting your day-to-day operations.

With a scope and mandate larger than the traditional role of a general contractor, LIDD's project commissioner takes the lead on planning and managing thousands of details to deliver a fully operational building. LIDD's project commissioner bridges design, construction, and operations, ensuring a smooth transition including the training and documentation needed for ongoing operations.

## WHAT DOES A PROJECT **COMMISSIONER** DO?

LIDD's project commissioner always coordinates many stages of a new construction or renovation p roject.

# MANY STAGES OF A NEW CONSTRUCTION OR RENOVATION PROJECT

## **PLANNING**

- Optimizing building and yard layouts
- Establishing architectural and structural design parameters
- Planning and selecting material • handling, IT, electrical and mechanical systems

## PROCUREMENT

- Writing & submitting RFPs to vendors
- Assessing and summarizing • quotes for owner

## COORDINATION

- Developing the master project schedule
- Tracking every detail and adjusting schedule as conditions change

## CONSTRUCTION

- Coordinating with the general contractor, tradesmen and system installers
- Verifying that all construction and installation meet specifications







## **TESTING**

- Testing all systems' performance under a full range of operating conditions
- Resolving any failures or weak points

## DOCUMENTATION

Documenting through descriptions and flow charts how the building should be used and maintained

## TRAINING

• Training employees how to use and maintain the building and its systems

## TRANSITION

- Managing the move into new space
- Overseeing the final handover of the facility to the owner









## WHY HIRE A PROJECT **COMMISSIONER?**

#### For a complex project, you need coordination

Building or renovating a facility is a massive undertaking that requires clear leadership to happen on time and on budget. If you like sports analogies, think of LIDD's project commissioner as a quarterback. If you are more of a music aficionado, envision a conductor: unifying every performer, setting the tempo, and adjusting individual performances to shape the end result from start to finish.

#### Your capital is precious

If not expertly managed, any last minute decision in the building process can introduce serious operational limitations and cost overruns. At a minimum, poor choices can result in delays and frustration. In today's hyper-competitive marketplace, it's more critical than ever to invest your capital wisely if you hope to see positive returns. That means doing it right the first time.

#### Ensure a comprehensive view

The commissioning process reduces risks and maintains control and accountability by instituting a 360° viewpoint, meticulous oversight and a rigorous series of checks and balances through each stage of your project. It significantly increases overall accuracy, quality compliance and synergy throughout the entire design-build process. That translates into a facility that is completely aligned with the vision, needs and objectives of your business.

**DOES YOUR** COMPANY NEED PROJECT COMMISSIONING Some companies that build and operate numerous facilities have developed the capabilities in-house to design and manage the construction and commissioning of new distribution centres. However, many companies need outside help for several reasons.

#### There is a significant gap between theoretical knowledge and practical application

Given that the lifecycle of a facility can last 20 to 40 years on average, the process of building or expanding might have only occurred once or twice in your company's history. Accordingly, your staff may not have the required expertise and current knowledge needed to effectively navigate an expansive process that is challenging even for those who specialize in it and do it regularly.

A seasoned project commissioner regularly completes the journey that most companies undertake only once or twice in their lifetimes. It makes sense to bring in someone with hands-on experience on capital projects and have them collaborate with your staff.

#### Your operations staff needs to run operations today

Simply put, project commissioning is a full-time job: justified by the size of



your capital investment, the stakes and the ramifications on your business. It is unreasonable to expect a positive outcome if you add another extremely important, full-time role to the responsibilities of an internal operations leader already busy managing your business day-to-day.

#### Inadequate commissioning usually has a higher price tag

Without an experienced, dedicated expert at the helm, you are opting for periodic arms-length oversight and relying on the diligence of contractors who may not understand the full operational impact of every design aspect in the building. Risks increase exponentially. Accountability is uncertain and further complicated because much of the work performed will be hidden from view; issues won't become known until after the project has been delivered.

Though rarely budgeted for, inadequate commissioning has its own significant price tag measured in poor capital investments, ineffective operations and lost opportunities. Given the life of your facility and its critical importance to your business, project commissioning is not really a cost - it is an investment that delivers higher returns.

## LIDD'S PROJECT **COMMISSIONING PROCESS**

### Getting the key players on the team

A successful project takes a diverse team of in-house and outside experts. Part of LIDD's project commissioner's job is to coordinate all the players, representing the owner's interests at all times.

#### The key roles usually include:



## Organize weekly huddles

These team members meet weekly in a leadership huddle which LIDD's project commissioner coordinates and runs. Constant communication helps keep everyone in sync and allows changes to quickly propagate through the project plans and execution.

## Key reports created during project commissioning

The project commissioner creates comprehensive plans and documentation about every aspect of the building project.

#### These reports include the following:

**Procurement Tables** Detailed specs on everything to be bought for:



#### Project Schedule with Details

- Who's responsible to do each task
- Who's responsible to check/validate each task
- Key sub-tasks and due dates
- Expected hours to complete

### Design Details

- Rack profiles, bin numbering, pick paths & family group locations
- Signage & floor lines •
- Detailed implementation drawings for material handling equipment
- First aid station details

#### Asset Schedule

- Guidelines for maintenance and or replacement of equipment & buildings
- Recurring operating • expenses

- Warehouse
- Office
- Security
- Employee break areas

### Plans for Employee Support

- Security
- Ergonomics
- Health & Safety •
- Team communication
- Food
- Transportation

### Budgets

- Equipment
- Parts & Supplies
- Service Fees
- Training •
- Maintenance

#### Layout Drawings

- Overall site
- Warehouse
- Offices
- Emergency exists & fire extinguisher locations
- Yard & parking lots

#### **Operational Procedures**

- Standard operating procedures for all processes
- Roles and staffing plan

#### **Building Deficiency List**

• Building or construction deficiencies that must be addressed



## WHEN SHOULD YOU ENGAGE A PROJECT COMMISSIONER?

The earlier you get a commissioning expert involved in the process, the greater your chances of experiencing a successful transition to your new facility.

LIDD usually begins helping companies before the commissioning phase. We work with clients to thoroughly analyze their current operations and long-term plans to design future infrastructure and facility requirements even before choosing a location or purchasing land. It is always a good idea to have well-defined operational imperatives and parameters when you enter the architectural design and commissioning phase.



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A Canadian Treasury Board Crown Corporation, the Saskatchewan Liquor and Gaming Authority (SLGA) is the main distributor of alcohol for the province and distributes across 75 liquor stores, 187 rural franchises and a network of private liquor stores.

### THE NEED

The SLGA required a new physical distribution center and improved supply chain technology and systems to accommodate growing demands and adapt to significant changes in the retail landscape. LIDD was selected to manage every aspect of the 3.5 year project to design and build the SLGA's new distribution facility in Regina.

## THE RESULTS

We managed the construction phase to ensure that objectives, standards and milestones were met before equipping the facility, training employees and overseeing a smooth transition into the new facility that opened in 2015.

"It was a long journey but the rewards are worth it," said Project Director Cal Lekivetz. "We completed the project on time and within budget. It is a state-of-the-art operation running at full capacity as well as a very pleasant work environment for our employees. One of LIDD's intangible assets is that they excel at communicating, interacting and engaging across all levels of an organization from upper management to the warehouse floor."

# It was a long journey but the rewards are worth it

Cal Lekivetz Project Director

## **ABOUT LIDD**

We are supply chain infrastructure & industrial real estate consultants. Our value lies in helping you find the sweet spot between optimizing space & labor productivity and minimizing operating costs. Your capital is precious. We help you make intelligent investments in your supply chain.



### CONTACT US

If you would like to learn more about our project commissioning services and how it can help streamline your move into a new facility, contact us to talk about your goals & define your needs.

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