

Case Study:

Holiday Inn Express & Suites Bluffton

Effective Pandemic Project Management: On-Time & On-Budget

During the COVID-19 pandemic, ownership renovated the 112-key Holiday Inn Express located in the thriving tourist destination of Bluffton, SC (Greater Hilton Head Island MSA). Ownership engaged Aperture Hotels for third-party hotel management services. Aperture Hotels leveraged its alliance with industry project management expertise to manage the renovation on schedule while controlling costs and adverse business impact through effective site management and minimal revenue displacement.



OPPORTUNITY

The property improvement plan was scheduled to take 32 weeks (including an 18-week construction phase) during a global pandemic. The budgeted \$2.87m renovation began in early November 2021 during which BTM leveraged industry knowledge and relationships to expedite the process and minimize overage.



STRATEGY

The objective was to execute the project scope on-time and on-budget while overcoming pandemic-era supply chain constraints, 8% inflationary pressures, and global logistics issues. Aperture Hotels identified numerous opportunities for improvement and efficiencies, including re-routing FF&E from Port of San Diego and Long Beach to Port of Savannah due to congestion, transport, and warehousing issues. The change minimized delivery wait and further cut costs, as the property was a quick 35-mile truck delivery away. Aperture also strategically planned the guest room renovation timing to minimize out-of-order rooms and consequently revenue displacement.



RESULT

The construction phase of this project was completed in the same allocated days as planned (18-weeks), during a global pandemic. Despite unplanned infrastructure remediation issues and a 512% increase in freight expenses, ^[1] the renovation was completed in the same number of weeks as projected, with only \$15k delta (0.5%) in total project cost. ^[2]

Property Details:

Keys: 112
Scheduled Completion Date: 18 weeks
Actual Completion Date: 18 weeks
Budget: \$2.87M
Actual Cost: \$2.90M
Brand: Holiday Inn Express

Minimal Project Cost Net Overage

=Project Total	\$2.90m
-PIP Renovation Budget	\$2.87m
-PCR Reserve Account Balance	\$23k

With in 0.5% of Total Project Budget

Scope of Services Provided

Initiation
Phase

Design
Phase

Construction
Phase

[1] : Freight for case goods was \$209,700 from budgeted \$34,252 due to the cost increase for containers. Total Freight expense for the project was \$418,856 (Bluffton HI January 2022 Cost Report)

[2] : The delta represents net overage from budgeted to actual total project cost based on 6% contingency cost (March 2022 Master Budget Relicense Revision)