



Date: 07/09/2025
To:
From: Pete Fowler Construction Services, Inc.
Project: PLRB Hot Topics Webinar Resolving High Estimates and Post Work
Supplementals 7/10/2025 (PFCS 25-0116)
Regarding: Audience Handout Package

Meet The Panelists

Pete Fowler

CHIEF QUALITY OFFICER - PETE FOWLER CONSTRUCTION CONSULTANTS

Pete Fowler is a construction consultant, professional cost estimator, President and Chief Quality Officer of Pete Fowler Construction, a licensed general building contractor in California, Nevada, and Oregon. Pete received a B.S. in Construction Management from CSU, Chico. He has held certifications from AAMA, ASPE, ICBO, and others. Mr. Fowler has published articles in national magazines, has been invited to speak by the most important groups in the building industry (AAMA, APRA, ASPE, ASQ, ASTM, BETEC, CAI, CLM, DBIA, ICC, NIBS, PLRB, RCI, etc.), and has composed and delivered hundreds of educational programs on building inspection & testing, estimating, quality & construction management, project management, and claims & litigation. Pete has experience with successful expert witness testimony, including Federal Court.



David Heemann

PARTNER - TYSON & MENDES LLP

David H. Heemann is a Partner in Tyson & Mendes' Seattle office. His practice includes general liability, auto liability, and construction defects. Mr. Heemann also has extensive experience in insurance law, including coverage opinions, claims management, bad faith litigation, and policy contract drafting.

Mr. Heemann brings more than 20 years of experience to the firm. He has provided counsel on complex legal matters involving case exposures exceeding \$100 million and has significant expertise in regulatory and compliance issues, errors and omissions, auto and premises liability, product and operational liability, pollution, and bad faith claims. Prior to joining Tyson & Mendes, Mr. Heemann worked as Claims Coverage Counsel at Mutual of Enumclaw. He also worked independently at his firm, The Heemann Law Group. In 2023, Mr. Heemann was recognized with the PLRB Outstanding Presenter Award. He is admitted to practice in Washington and California.

Mr. Heemann obtained his J.D. from Thomas Jefferson School of Law in San Diego, California, his M.S. in Forensic Sciences from National University, and his B.S. in Criminal Justice from Sam Houston State University.

In his free time, Mr. Heemann enjoys hiking, climbing, snowshoeing, and skiing. When not outdoors, he can be found in the kitchen honing his culinary skills or in the cellar making wine.



Jennifer Kalvestran

PARTNER - ANDERSON, MCPHARLIN & CONNERS, LLP

Jennifer Kalvestran's practice is focused on insurance coverage analysis, bad faith claims, and coverage dispute litigation in various jurisdictions in the Western United States.

Jennifer represents insurers on a broad range of coverage issues falling under primary and excess policies, with a focus on long-tail liabilities and other general liability, pollution liability, and professional liability coverage matters. Jennifer also handles first- and third-party coverage issues under business operations policies, automobile policies, and other specialty coverages. In this role, Jennifer also counsels insurers as to bad faith issues that might arise from these coverage disputes, providing a commonsense, measured approach intended to avoid such claims.

When coverage litigation is unavoidable, Jennifer represents insurers in all aspects of litigation, including trial practice, mediations, and depositions, bringing a practical perspective to planning and executing these dispute resolution and litigation strategies in various state and federal courts in the Western United States. Jennifer has also successfully represented clients in numerous matters on appeal before the California Court of Appeal and the Ninth Circuit Court of Appeals.

Finally, Jennifer has counseled insurers and otherwise participated in drafting policy language in a manner that is reasonable and legally enforceable.

Jennifer is a frequent speaker at national conferences and other educational events, where she provides educational services to other attorneys and those in the insurance industry.

Jennifer is AV® Preeminent™ rated by Martindale-Hubbell®, representing the highest rating in legal ability and ethical standards. She has also been named to the 2023, 2024, and 2025 Southern California Super Lawyers list.

Presentation Materials

1. Presentation Outline
2. Power Point Slides
3. Contracting 101 by Pete Fowler
4. Professional Construction Contracting Discipline by Pete Fowler



PLRB 2025 Hot Topics Webinar (July 2025):

Resolving High Estimates and Post Work Supplementals

PRESENTERS:

David Heemann,
Counsel and Partner
Tyson & Mendes LLP

Jennifer Kalvestran,
Senior Counsel and Partner
Anderson, McPharlin & Conners, LLP

Pete Fowler,
Chief Quality Officer
Pete Fowler Construction Consultants, Inc.

CURRICULA: Property – Personal and Commercial Lines

LEARNING OBJECTIVES:

1. Identify the key points in the claim process when repair costs can be best mitigated.
2. Best practices for resolving estimated cost of repair disputes.
3. Best practices for resolving cost of repair disputes for already started or completed work.
4. Best practices for resolving supplemental invoices post repairs.

OUTLINE:

1. Introduction **(5 min)**
 - a. Presenter Information
 - b. Materials
 - c. Learning Objectives
 - d. Program Introduction / Summary
2. Key points in the claim process to address the cost of repair. **(10 min)**
 - a. First Notice of Loss
 - b. Initial Inspection
 - c. Post remediation
 - d. Post restoration
3. What investigation and information do you need? **(10 min)**
 - a. Identify the information you need to make a decision.
 - i. Agreed Scope
 - ii. The contractor's estimate
 - iii. Your or a competitive estimate
 - iv. Coverage Review
 - v. Consulting Experts
 - b. Handling disputes with the contractor
 - i. Fun with Numbers
 - ii. Match Game
 - iii. Be prepared to say "No"
 - iv. Cost consultants vs. competitive bids
 - c. What are your options when you reach an impasse with the contractor?
4. Best practices to address high estimates prior to the start of work. **(10 min)**

- a. Blank contracts, lump sum bids, and “dream home” estimates.
 - b. Identify the information you need.
 - c. Prepare your response.
 - d. Communicate your position to the contractor and the insured.
 - e. Legal considerations – avoiding bad faith.
 - i. Options available under the policy contract
 - ii. Other legal options available
 - 5. Best practices to address high estimates after the work is started or completed. **(10 min)**
 - a. Blank contracts, lump sum bids, excessive scopes, above industry amounts.
 - b. Identify the information you need.
 - c. Prepare your response.
 - d. Communicate your position to the contractor and the insured.
 - e. Legal considerations – avoiding bad faith.
 - i. Options available under the policy contract
 - ii. Other Legal options available
 - 6. Best practices to address supplementals after the work is completed. **(10 min)**
 - a. Supplementals post agreed scope and 3rd Party Vendors.
 - b. Identify the information you need.
 - c. Prepare your response.
 - d. Communicate your position to the contractor and the insured.
 - e. Legal considerations – avoiding bad faith.
 - i. Options available under the policy contract
 - ii. Other Legal options available
 - 7. Conclusion **(5 min)**
 - a. Concluding Thoughts and Key Takeaways
 - i. Communicate early with the insured as to scope/estimate, contractors, and coverage.
 - ii. Establish boundaries early with the contractor.
 - iii. Address supplementals and change orders quickly.
 - iv. Gather information along the way to be prepared for difficult discussions.
 - b. Q&A
- (TOTAL 60 min)**

This presentation is intended to discuss how to address excessive cost of repair estimates and supplementals presented by the insured’s contractor. This program will identify key times in the claim cycle and methods the adjuster can use to address disputes by identifying why there is a disagreement and then effectively communicate their position to the contractor and the insured. There will be a discussion of pre-work estimates, estimates submitted post the start of work, final post work invoices, and post work supplementals – to include the use of third-party vendors to manipulate the agreed to scope of repairs. This program will also explore what legal options are available to the carrier, both under the policy contract and at law, while avoiding pitfall that can lead to bad faith.

The presentation will be a combination of presented information and group discussions to provide the audience with information and relevant case studies regarding first-party property claims. The information provided can be applied to both commercial and personal lines claims. The PowerPoint will include graphics, photos, charts, and diagrams modified from the original claim files. David Heemann will take the role of the adjuster / insurer and will facilitate the carrier side components, with Jennifer Kalvestran providing legal insight from both a coverage and claims counsel perspective, and then Pete Fowler will play the role of the construction consultant / expert on the technical estimating and repair issues.

Resolving High Estimates and Post Work Supplementals
July 10, 2025 | CE: TX (Ethics), DE, OK (Ethics), WV (Ethics)


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Hot Topics
Webinar Series
May - Sept. 2025

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What To Expect



Tech Issues?

The webinar will last one hour. If you have audio issues, try logging out and logging back in. You can call in by phone, but be sure to watch the slides for CE credit.



Stay for Q&A

Throughout the hour, enter in any questions you may have to the Chat pane. After the hour mark, there will be an optional Q&A.



PDF of Slides

Today's slides will be sent via email 24 hours after the webinar ends.



Visit PLRB.org

The recorded version of this webinar will be posted at PLRB.org in a week or two. It will not be eligible for CE credit.







Resolving High Estimates and Post Work Supplementals


Thursday, July 10, 2025

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Back Up Materials

- Understanding & Evaluating Construction Costs for Building Claims by Pete Fowler
- Contracting 101 by Pete Fowler
- Professional Construction Contracting Discipline by Pete Fowler
- Who Would You Prefer As Your Contractor? by Pete Fowler

Learning Objectives

- 
- Identify the key points in the claim process when repair costs can be best mitigated.
 - Practical tips for resolving cost of repair disputes for already started or completed work.
 - Practical tips for resolving estimated cost of repair disputes.
 - Practical tips for resolving supplemental invoices post repairs.

Program Outline

PLRB CLAIMS CONFERENCE: RESOLVING HIGH ESTIMATES AND POST WORK SUPPLEMENTALS

- Introduction
- Key Points In the Claim Process to Address Costs
- Investigation and Information Needed
- Addressing High Estimates Prior to the Start of Work
- Addressing High Estimates After the Work Has Started
- Addressing Supplementals After the Work is Completed
- Conclusion

7



Key Points in the Claim Process to Address Costs →

8





Poll Question

The first opportunity to
prevent high estimates
and supplements is...

If seeking CE credit, you
must respond to the poll.

Technical Issues?
Respond in Chat Pane.

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Post Remediation







Informing What You Need to Make A Decision

- Agreed Scope
- The contractor's estimate
- Yours or a competitive estimate
- Coverage Review
- Consulting Experts

Important Activities	Who					
	1	2	3	4	5	6
1. Evaluate						
2. Define & Specify						
3. Budget						
4. Tender & Contract						
5. Schedule & Notice						
6. Project Kickoff						
7. Coordinate Work						
8. Verify Quality						
9. Change Management						
10. Payment Processing						
11. Project Close						



Poll Question

What is the necessary information you need to make a decision on a high estimate or supplemental?

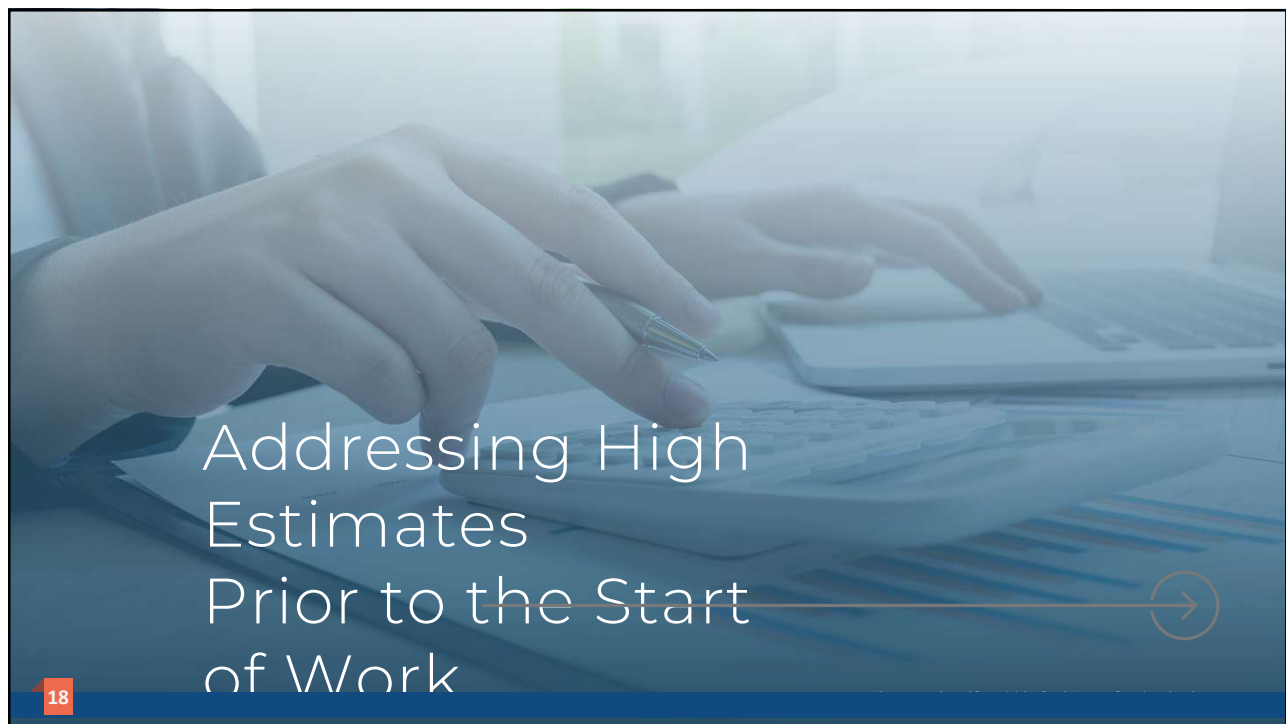
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Technical Issues?
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Handling Disputes With The Contractor

- Fun with Numbers
- Match Game
- Be prepared to say “No”
- Cost consultants vs. competitive bids
- What are your options when you reach an impasse with the contractor?



Practical Tips

- Blank contracts, lump sum bids, and “dream home” estimates.
- Identify the information you need.
- Prepare your response.
- Communicate your position to the contractor and the insured.



Legal Considerations

- Avoiding bad faith.
- Options available under the policy contract.
- Other legal options available.



Addressing High Estimates
After the Work Has Started →

21

Practical Tips

- Blank contracts, lump sum bids, excessive scopes, above industry amounts.
- Identify the information you need.
- Prepare your response.
- Communicate your position to the contractor and the insured.

Legal Considerations

- Avoiding bad faith.
- Options available under the policy contract.
- Other legal options available.



Practical Tips

- Supplementals post agreed scope and 3rd Party Vendors.
- Identify the information you need.
- Prepare your response.
- Communicate your position to the contractor and the insured.

Legal Considerations

- Avoiding bad faith.
- Options available under the policy contract.
- Other legal options available.



Concluding Thoughts & Key Takeaways

- Communicate early with the insured as to scope/estimate, contractors, and coverage.
- Establish boundaries early with the contractor.
- Address supplementals and change orders quickly.
- Gather information along the way and be prepared for difficult discussions.

Learning Objectives

- Identify the key points in the claim process when repair costs can be best mitigated.
- Practical tips for resolving cost of repair disputes for already started or completed work.
- Practical tips for resolving estimated cost of repair disputes.
- Practical tips for resolving supplemental invoices post repairs.




Poll Question

What are some important concerns that you should be aware of when addressing high estimates and supplementals?

If seeking CE credit, you must respond to the poll.

Technical Issues?
Respond in Chat Pane.

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An illustration on a dark blue background showing a virtual audience Q&A session. In the foreground, a row of stylized human figures with different colored hair (red, brown, black, grey, blonde) are seated, facing away from the viewer. In front of them is a large screen displaying three people (two men and one woman) in a video call. Above the screen, there are several icons: a megaphone, a checkmark inside a gear, a calendar, a clock, and a Wi-Fi signal icon. Dotted lines connect these icons, suggesting a process or flow. Below the illustration, there is white text on a dark blue background.

**Join us after the presentation for the audience Q&A.
Enter your responses into the “Q&A” pane.**

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Thank You for Joining!
 July 10, 2025 | CE: TX, DE, OK, WV

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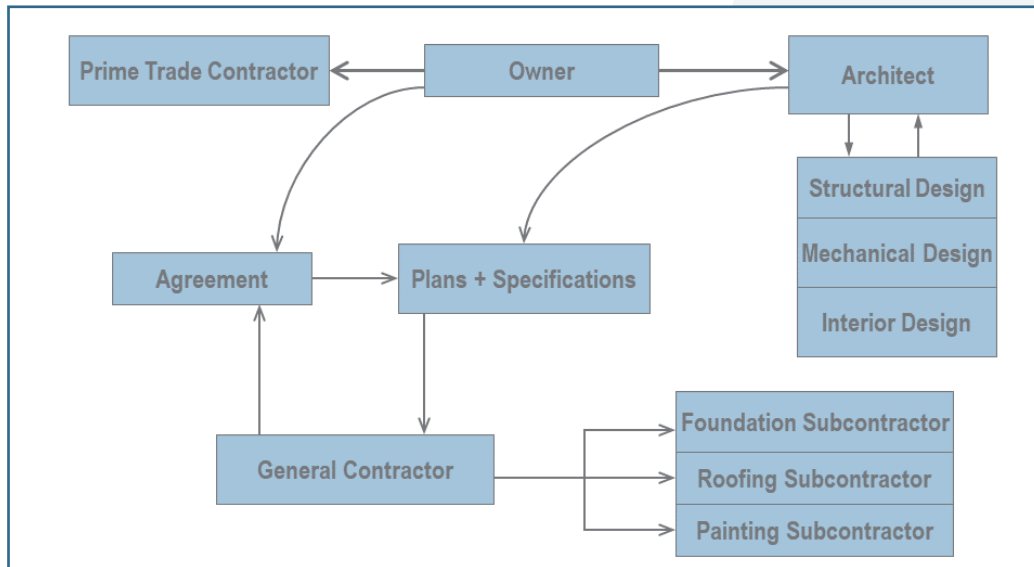
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Contracting 101

Pete Fowler, October 22, 2017

Understanding the Roles & Responsibilities in Building Projects



Explain It Simply

*"If you can't explain it simply, you don't understand it well enough."
— Albert Einstein*

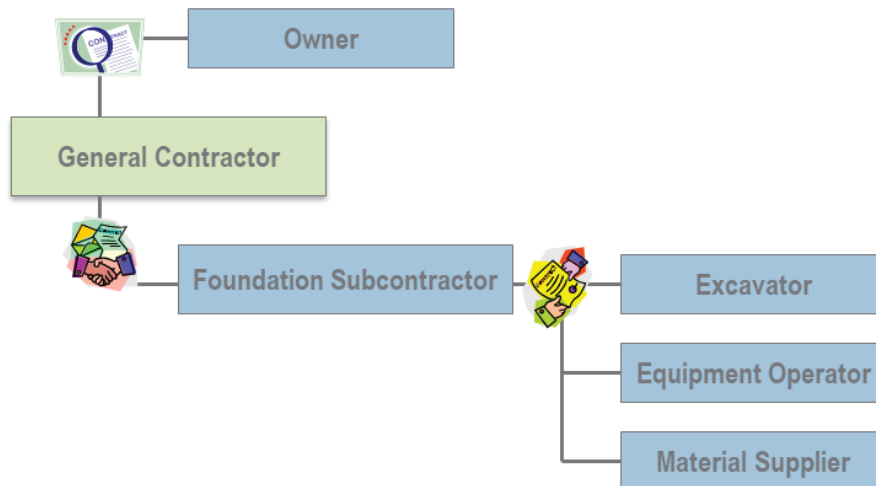
The building industry is terrible at explaining how it does what it does. And this is coming from a guy who has a Bachelor of Science in Construction Management! It's so bad that I was once working on a construction litigation matter and needed the most basic of organizational charts to explain to a jury the most common roles, relationships, and responsibilities of the various parties involved in a typical construction project; but there was none to be found. I would have loved to have had a reliable source like American Institute of Constructors, The Construction Specifications Institute, the American Institute of Architects, or some similar organization to rely on, to tell my story to the jury. I searched and searched and there was just nothing simple enough to use for a group of people with no construction experience. Everything was overly complex, attempting to account for every possibility. So I locked myself in my office alone one weekend with a pile of flip-chart paper and made iteration after iteration, and finally I nailed it. That was more than a decade ago. Since that time almost every trial or arbitration I have testified in has included some version of this org chart to explain the roles of the parties to one another and to the physical work.

The Contracting 101 Framework

1. An **Owner** wants a project, similar to anyone who wants to buy something, such as a car, but with a construction project the product being purchased is not something that is already built.
2. The Owner goes to an **Architect** (or in some cases a non-architect designer) to translate his/her desires into a set of documents. This process is intended to "define" what the Owner wants to buy (often from a General Contractor).
3. The Architect works with **Specialty (Sub) Designers** such as structural engineers, mechanical engineers and interior designers to further detail the **Plans and Specifications** (also referred to as Construction Documents) because buildings are so complex that many specialized professionals are required.

The Contracting 101 Framework *Continued*

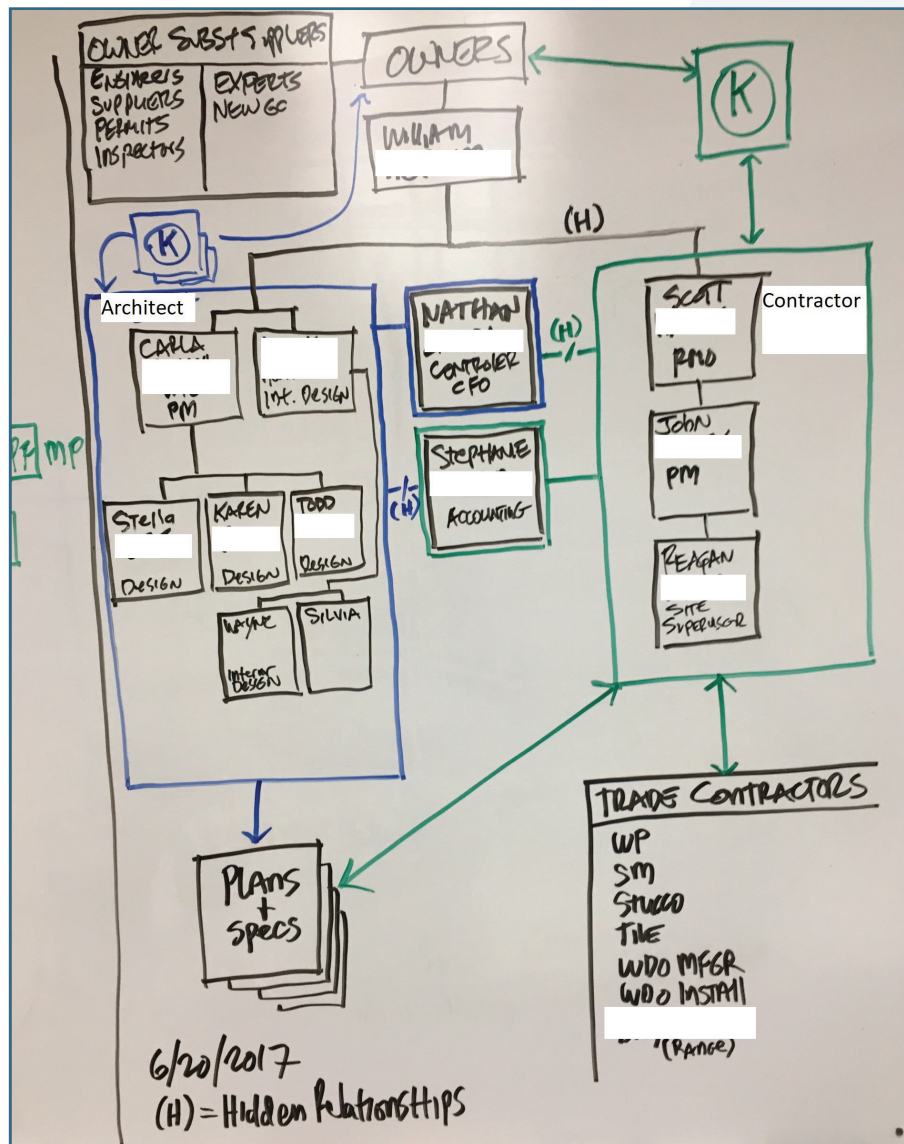
4. The Plans and Specifications are sent to qualified and interested **General Contractors**, who submit proposals to the Owner. Ultimately the Owner and a General Contractor compose an **Agreement** (or Contract).
5. An Agreement for construction is simply a promise by the Contractor to deliver what is described in the Plans, Specifications, and other contract documents, and a promise by the Owner to pay for it.
6. The Agreement refers to the Plans & Specifications and should include clear definition of the Scope, Budget, and Schedule, including at Scope of Work document that includes: Inclusions and Exclusions, Allowances, a provision for handling Change Orders. The Agreement should include a Schedule of Values and Payment Milestones (for management of the Budget). And finally, the Agreement should include a Progress Schedule.
7. GCs usually hire specialty trade contractors, commonly referred to as **Subcontractors** when they are working for a prime (or general) contractor, who are specialists in their respective trades, to help deliver what has been promised in the Agreement. This is, again, because buildings are so complex that many specialized professionals are required.
8. There is nothing in this scheme that prohibits the Owner from directly hiring Specialty/Trade Contractors (that are called Subcontractors if they are working for a General Contractor) for work that is not in the Scope of Work in the Agreement with the GC. In this situation they are **Prime Trade Contractors**.
9. Most of the Subcontractors, and Prime Trade Contractors, have their own suppliers and subcontractors: these are called **Sub-Subcontractors**. (See diagram below)



Using the Contracting 101 Framework

So the point of the Contracting 101 Framework is to foster understanding of the project at hand. Begin by printing the diagrams above and writing the names of the project players over the generic descriptions. Virtually every project will be different than the Contracting 101 Framework, so you might have to compose multiple iterations, moving the boxes around to fit the peculiarities of your project. I often do this in my office where we have multiple whiteboards and I move back and forth from one to the next until I get my organizational chart to accurately reflect the complexity of the roles and relationships of the current situation. The "compare and contrast," from the simple "Contracting 101 Framework," to the complexity of the real world, is often incredibly instructive.

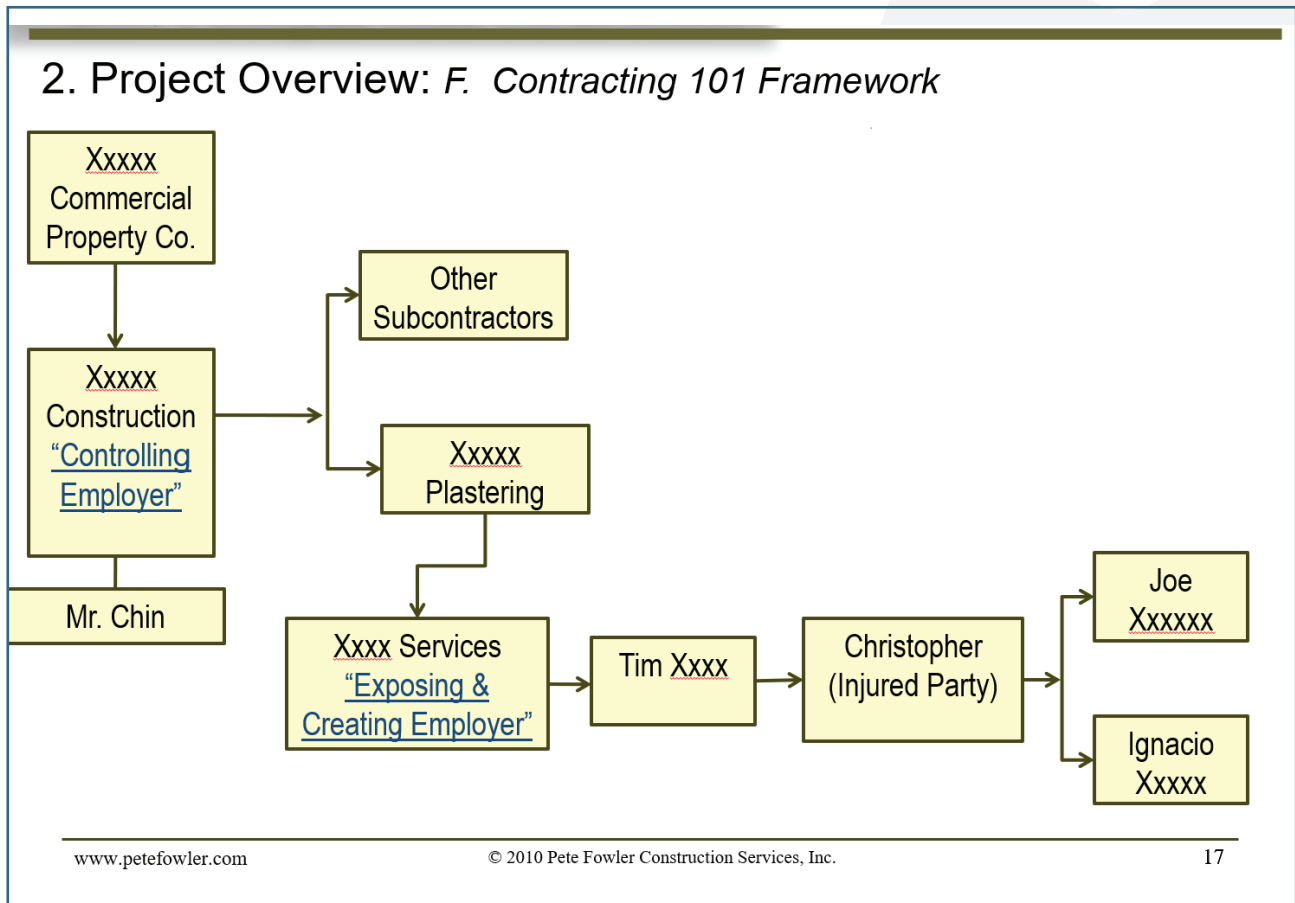
Sample Project: Custom Single Family Residence



This project was a train wreck.

The Architecture firm and the General Contracting firm were both owned by the same person, but the Owner did not know that (which is unethical and illegal without following strict consent laws). By the time the Owner tried to get control of the project, the two firms had taken \$3.5 million dollars to turn a \$2.9 million home (initial purchase cost) into a lumber pile. The contract called for distinct design phases but the design was never finished, and it called for the Architect to serve as the Construction Administrator (Owner Representative), but that was a sham since the entities are so closely related and have employees who work for both businesses. The construction work, based on an incomplete design, was executed negligently at inflated prices. The construction work onsite should have been halted long before it was. When the Owners finally asked for a legitimate halt to the construction work, to sort out a plan to go forward, both entities terminated the agreements (using the same lawyer) and engaged in a scorched-earth litigation policy that ensured the maximum economic damage possible from this terrible situation.

Sample Project: Construction Site Accident



Above is a slide from a 2010 trial presentation. This case came precariously close to trial.

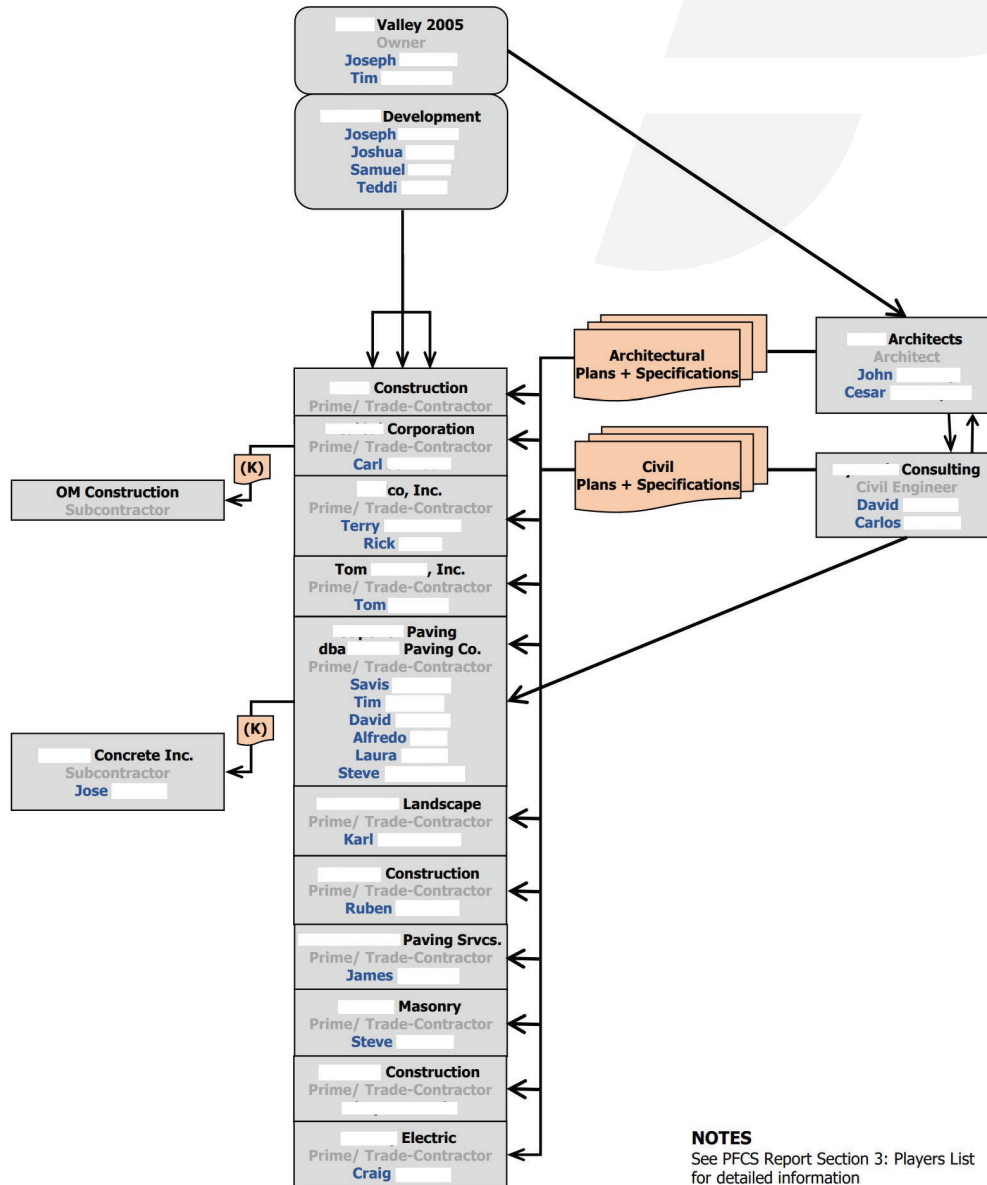
The project was a four story 445-unit apartment community. The property Owner was also the developer. The General Contractor entered into a cost-plus prime contract with Owner. The General Contractor entered into an agreement with the Plastering Contractor for \$6.5 million. When asked by the General Contractor to perform scaffolding work outside their scope, the Plastering Contractor contracted with a specialty Scaffolding Contractor to furnish a system to access the interior walls of the air shafts at the project. So the key parties included the Owner, General Contractor, Subcontractor (plaster), Sub-Subcontractor (scaffolding), and all of their respective staff.

The injured individual was the crew lead for the Sub-Subcontractor. That day he was part of a three-man crew setting up scaffolding in an air shaft of one of the buildings. The crew was removing the temporary wood flooring previously installed by another subcontractor and the injured employee fell approximately 35 feet to the concrete floor below.

Sample Project: Claim for Nonpayment / Counter Claims for Defects & Delays

2/20/2017

Paving v Valley 2005 (PFCS 16-192)
Players Map



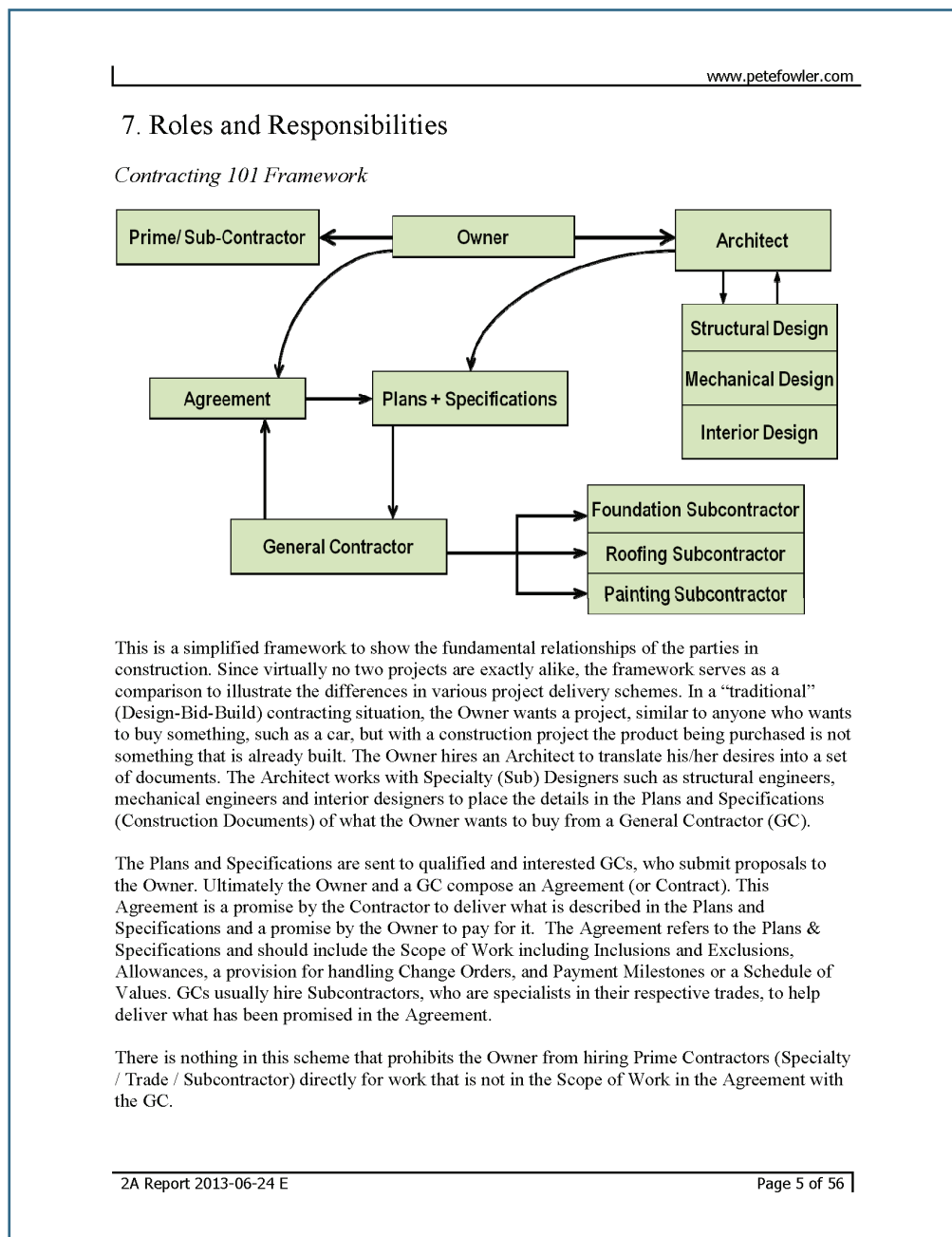
This project was the complete renovation of a commercial retail center. The Owner entered into a direct contract with our client, a Paving Company, as well as many other contracts with prime and trade contractors. The Owner had an independent contractor, who was a formerly licensed general contractor, on-site as a supervisor. Our client's initial complaint and mechanics lien were filed to collect \$282,400 in work performed. The Owner cross-complained that the work was not completed in the 30-day agreed time limit, that some items were not completed ever, that some work was performed that was outside the contract scope of work (all of which had very sensible explanations).

The primary argument the Owner / Developer was trying to make was that they were NOT playing the role traditionally played by a general contractor or construction manager (which was RIDICULOUS). The Contracting 101 / Roles & Responsibilities Analysis PFCS performed in this matter, particularly the organizational chart above, made their argument seem silly (because it was).

Sample Project: Condominium Conversion

This project arose from construction defect allegations related to the conversion of a 32 unit apartment complex originally built in 1975 into condominiums. The Developer/Converter purchased the 32 unit apartment complex and almost immediately began the conversion to a condominium complex utilizing a Specialty General Contractor (our client) and many other other contractors. Plaintiff alleged that the Specialty General Contractor's scope included defective work. Our client was a general contractor who, according to invoices, performed property maintenance, repair and improvement work related to the conversion including demolition, work in garages, on balconies, stucco, fences/gates, finish carpentry, doors, and electrical totalling \$186,165.00.

One of the key allegations was that our client was THE General Contractor, which was not the case. You will see from reading two and a half pages from the 56 page report that our Roles & Responsibilities analysis made clear that the Owner/Developer was in the drivers seat for all important decisions on this project.



Sample Project: Condominium Conversion *Continued*

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This Project

This project is NOT a “traditional” (Design-Bid-Build) contracting situation. The association and unit owners are purchasers who had nothing to do with the construction process. The actual Owner was a single purpose (we assume) entity controlled by [REDACTED] Investments who was the Developer, Designer, Owner-Builder / General Contractor, Converter, Seller. [REDACTED] hired many parties to repair and improve the project prior to selling to unit owners. Prior to construction, [REDACTED], LLC hired [REDACTED] Condition Assessment, LLC for the purpose of property analysis, scope of work for the conversion, and to confirm that all items were completed to typical industry standards.

Association and Unit Owners

The association was formed by the developer and turned over to the owners, once enough units were sold, and enough homeowners were acting as members on the board. Danette [REDACTED] and another board member created a punch list for the developer in early 2005. Both board members walked the site at separate times in order to create the punch list. Per depositions reviewed, it appears that most items were completed by the developer; however miscellaneous items were not completed, mostly associated with paint. The HOA eventually hired numerous consultants and [REDACTED] & Associates in order to pursue a remedy for the defects, identified by their experts.

Owner: [REDACTED], LLC

[REDACTED], LLC was set-up as an individual entity, owned by numerous investors. Per the deposition of [REDACTED], all [REDACTED] projects were set-up as an individual LLC, and all projects had a different group of investors.

Developer – Designer – Owner-Builder/General Contractor: [REDACTED] Investments

[REDACTED] Investments acted in multiple roles as the developer of the project (they did not hire a designer and took on this role) and as the Owner-Builder / General Contractor. [REDACTED]'s role was to entitle and prepare the property for the purpose of conversion from apartments to condominiums. Based on additional projects mentioned throughout various testimonies, this appeared to be a common project type for [REDACTED] Investments. [REDACTED] was responsible for all jurisdictional documents to purchase the property and to convert it to private residential condominiums. [REDACTED] also acted as the general contractor, as they hired and executed contracts with trade-contractors, and established a scope of repair, while the conversion work was being executed.

Per the depositions of [REDACTED] Development established Burl Foster as the lead project manager, responsible for scope of work development, contracting, and site supervision.

Consultant / Designer: [REDACTED] Condition Assessment, LLC

[REDACTED] Condition Assessment, LLC was hired by [REDACTED], LLC to prepare a property condition assessment report, including a scope of repair for the property. On June 25, 2004, Robert

Sample Project: Condominium Conversion *Continued*

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Brademann, published a final job walk confirmation report, indicating that all repair line items are satisfactorily completed to typical industry standards.

Specialty Contractor: Bruce [REDACTED] Construction

[REDACTED] hired numerous specialty contractors to maintain, repair and improve the project prior to selling to unit owners. Bruce [REDACTED] Construction (BTC) was a specialty property maintenance, improvement and repair contractor who delivered proposals for specific work, but ultimately performed different work at the explicit direction of Davlyn staff who specified the scope and methods. BTC delivered invoices and was paid based on the work that was specified, overseen and approved by [REDACTED] and [REDACTED].

In particular [REDACTED], [REDACTED] lead project manager directed the scope for work for the maintenance, repair and improvement projects that were performed by BTC. The overall value of the scope of work related to BTC was approximately \$200,000. This is in contrast to an original proposal for \$40,000. Per Bruce [REDACTED] testimony, all work was directed by Mr. [REDACTED] and all field design decisions were also executed by Mr. [REDACTED].

8. Deposition Summaries

Deposition of [REDACTED]

Company: [REDACTED] Detection Services

Title: Owner

Trade: Leak detection contractor (plumbing)

- Alleges that he has been to the property 2-4 times per year, time-frame 2007-2013
- Has identified broken pipes below slab-on-grade
- Alleges that leaks likely exist in all units
- Never performed any repairs, detection only
- Alleges that there is no vapor barrier below slab-on-grade

Deposition of [REDACTED], Vol 1 & 2

Company: [REDACTED] Architects - [REDACTED]

Title: Principal

Trade: Forensic Architectural Expert

General

- [REDACTED], employed by [REDACTED] was the project manager
- States that BTC pulled the stucco permit
- States that BTC may have been the general contractor
- States that BTC covered up damaged building components
- States that the conversion scope was developed / directed by [REDACTED]

Concrete Flatwork

- Concrete flatwork issues related to delamination of surface coating
- Concrete flatwork between units 9 and 10 is original construction

Breezeway Construction

- Breezeway construction has exposed sheetrock and has caused leaks into unit 15

Professional Construction Contracting Discipline

Pete Fowler, October 5, 2018



What it is and how to get it

Your project is
safe in our hands



petefowler.com

INSPECTION
& TESTING

CONSTRUCTION
MANAGEMENT

CLAIMS &
LITIGATION



Pete Fowler
CONSTRUCTION
Services, Inc.

Definition

The ability to define precisely a 100% complete scope of work for a construction project, to budget and schedule that work, to professionally contract for that work at the prime level (directly between the Owner and Contractor), to break that 100% scope-budget-schedule into manageable chunks by trade or subcontractor, to contract for each of those individual trade or subcontract scopes of work with a corresponding budget and schedule, to coordinate all of those scope-budget-schedules in executing the construction, to manage changes to the scope-budget-schedule at the prime and sub levels, and to verify with precision that each of those scope-budget-schedule packages is being executed in conformance with the plans, specifications, trade standards, budget, schedule, and contracts.

Discussion

Pete Fowler Construction does three things: building inspection & testing of many types; construction management, specifically estimating and building maintenance and rehabilitation management for owners; and building claims and litigation consulting related to everything imaginable that could make someone sad about real estate. We have refined processes, technology, and staff who are experts in building performance analysis, building economics, and construction management.

Since so many of our technical staff are "forensic consultants" who testify as expert witnesses, we have to create plain English definitions of what otherwise could have stayed techno-speak in the Nerdville that exists in the engineering and construction management departments of universities. We have to do this so that the non-technical people we work for can make informed and smart decisions. And this exercise has helped us to improve our own construction management practices and processes. As we have written in our internal training documents: (1.) Define what awesome work looks like, and (2.) train to mastery.

Details

Professional Construction Contracting Discipline

Level 1 Work Breakdown Structure (WBS)

1. The ability to define a 100% complete scope of work for a construction project,
2. to budget and
3. schedule that work,
4. to professionally contract for that work at the prime level (directly between the Owner and Contractor),
5. to break that 100% scope-budget-schedule into manageable chunks by trade or subcontractor,
6. to contract for each of those individual trade or subcontract scopes of work with a corresponding budget and schedule,
7. to coordinate all of those scope-budget-schedules in executing the construction,
8. to manage changes to the scope-budget-schedule at the prime and sub levels, and
9. to verify with precision that each of those scope-budget-schedule packages is being executed in conformance with the plans, specifications, trade standards, budget, schedule, and contracts.

Professional Construction Contracting Discipline

Level 2 WBS with discussion and key deliverables

1. The ability to define a 100% complete scope of work for a construction project,
 - A. WBS (Basis of Schedule of Values)
 - B. Estimate Details with trade/sub scopes broken down (No Prices)
 - C. RFIs / RFI Log
2. to budget and
 - A. Budget (Worksheet - Basis of Schedule of Values)
 - B. Estimate Details with Labor, Material, Equipment, and Trade Contractor Prices
 - C. Budget to Actual Comparison
3. schedule that work,
 - A. Progress Schedule
 - B. Progress Schedule Updates / Comparison of Plan to Actual
4. to professionally contract for that work at the prime level (directly between the Owner and Contractor),
 - A. Prime Contract
 - B. Insurance Requirements
 - C. RFP
 - D. Other Addenda

Details *Continued*

5. to break that 100% scope-budget-schedule into manageable chunks by trade or subcontractor,
 - A. Trade/Sub Scopes of Work
 - B. Trade/Sub Budget
 - C. Trade/Sub Progress Schedule (Integrated with the Project (Master) Progress Schedule)
6. to contract for each of those individual trade or subcontract scopes of work with a corresponding budget and schedule,
 - A. Subcontracts
 - B. RFP
 - C. Contractor Solicitation & Pre-Qualification
7. to coordinate all of those scope-budget-schedules in executing the construction,
 - A. Project Kickoff
 - B. Meeting Management
 - C. Trade/Sub Progress Payment Application Processing
8. to manage changes to the scope-budget-schedule at the prime and sub levels, and
 - A. Prime Contract Change Order Processing
 - B. Trade/Sub Change Order Processing
 - C. Change Order Log
9. to verify with precision that each of those scope-budget-schedule packages is being executed in conformance with the plans, specifications, trade standards, budget, schedule, and contracts.
 - A. Progress Schedule QC Hold Points
 - B. Inspection Checklist(s)
 - C. Managing Construction Quality
 - D. Inspection
 - E. Issues Management, Followup, and Closure
 - F. Punch List
 - G. Payment Application Approval memos
 - H. Report to Management (As GC this is prior to Payment Application. As CM this is between receipt and approval of payments.)

Project Team

- Construction Manager
- Project Coordinator
- Project Executive(s)
- Other

Meeting Rhythm

- Project Kickoff
- Daily
- Weekly
- Monthly
- Project Close