



Ask The Maintenance Panel

By Dick Tippett

Outside Construction Managers

Q: We are faced with several major projects in the next three years and money is tight. Most of our board feels that an outside construction manager is an unnecessary expense. What say you?

A: Our answer this month comes from Dick Tippett of ERTECH, Inc.

This is a very common belief. The reality is quite different.

Contractors only make money when they are removing and replacing siding, or paving, or roofs, for example. And the more that they remove and replace, the more money they make. A good construction manager should be able to show you several ways to accomplish your goals, establish the extent of the work, and protect your association from high-priced Change Orders. In this way, the manager will save the association more than he costs.

Construction managers should have their own license and insurance. They should know as much about construction as any general contractor. They should be pragmatists, and the association's concerns should be foremost in their minds.

Not all of the roofs or all of the balconies or all of the piping in an association fail at one time. Nor does all of the siding or the paving. A good construction manager can and should be able to locate the problem areas and

design a "fix" that address only the problem areas.

This avoids wasting the association's assets by removing or replacing materials that are in good condition and may not need repair or replacement for several more years.

A classic example of this is roof replacement. Roofs in an association age and fail at varying rates. Some will need replacement sooner than expected. Others will last several years longer than their designed working life. A good consultant can examine the roofs and can schedule replacement over a number of years, rather than scheduling all of the roofs for replacement when the first ones fail, which is a waste of money. The same is true even if the roofs are Cemwood or wood shakes. Spreading the work over several years will save the association the cost of the consultant's services many times over.

Contractors bidding on projects for associations will all have their own approach to doing the work. These approaches will vary widely. Some will be "overkill," some will be correct and adequate, some will be inadequate or "cut rate."

A good consultant can look at a project and, in conjunction with the board, develop a scope of work and specifications that meet the real project needs. These specifications will ensure that all bidders are pricing the same scope of work. The scope of work and bids should be proper for the work, neither over- nor under-priced. Overpriced and

you pay too much. Under-priced in construction means low quality, a shortened working life, and the need to pay to redo the work too soon.

There will always be Change Orders for any major project. This is because once work begins on buildings or paving, apparent problems are uncovered that couldn't be known before siding or roofing or paving was removed. It is in the contractor's best interest to find as many of these apparent problems as possible. A consultant should look at all such apparent problems and determine which ones are real and which are cosmetic. The real problems should then get corrected and cosmetic items handled in other ways.

This is yet a third area where a construction manager can save an association far more than the cost of his time.

There's an old saying in the industry: "Pencil lead costs less than labor and material." Good planning before work begins will save substantial sums during construction. Good management of the work during construction will save even more money yet.

In summary, careful planning by an association and working with a construction consultant can save those reserve dollars from being needlessly spent. Doing work that doesn't need to be done can be avoided. This means smaller assessments and more opportunity for money in your reserve account to stay in that account and earn more interest.