

# Construction & Quality Management

**Our Services Were Free, Plus a Profit!**

## The Problem

This project was a custom single family home perched on a cliff over a beach, purchased 23 years ago for almost \$10,000,000 by the current Owners, our client. Recently the Owners added a pool and remodeled a cabana and guest house. The homeowners were sad and frustrated about the pool because the custom glass mosaic tiles were falling off, efflorescence was weeping at the grout joints, and the overall poor workmanship of the tile installation looked terrible.

## The Solution

We were hired by a long-time attorney client who specializes in construction defect claims. He had been hired by the Owner's Personal Attorney, who handled most of their affairs. We gathered and analyzed all available information, including the plans for the pool, and conducted an onsite investigation including interviewing people who were involved in the project and thoroughly inspecting the pool construction and tile installation. We gathered our thoughts and communicated possible scenarios for moving forward. As with many of our construction defect matters where our client is the Owner and has the means to make the repairs, we recommend doing so. In the beginning, the Owners were in negotiations with the Original Pool Contractor, but negotiations fell through; they were not qualified to do high-end work. The Owners agreed to put the pool design and contracting in our hands. Pete Fowler Construction composed a Request for Proposal, based upon pool plans received from the Owner, researched pool contractors who were qualified and interested, received and analyzed competitive bids, and provided recommendations. The selected proposal Pete Fowler Construction received based on the third party information was for \$128,000. During our first direct communication with the Owners, while reviewing the proposals we had received, we found that the Owners had a different scope of work than the plans we had received bids for. We modified the Scope of Work to meet the Owners' actual expectations, updated our Request for Proposal, solicited new bids, compiled a modified standard-form agreement, and executed the contract. Our total fee was \$26,000, including the "forensic" portion of the assignment, in anticipation of a litigated claim. Pete Fowler Construction was able to get the required and wanted work for a fixed fee of \$90,000, a minimum direct savings of \$38,000 below the previous selected proposal. Since our services were only \$26,000, they were free, plus a \$12,000 profit! The pool is now completed and the owners were extremely happy with our recommendation of a contractor using the processes Pete Fowler Construction developed for projects of this nature.

