

# Cost Estimating

## A Mixed-Use Development with Design and Structural Issues

### The Problem

The project was a mixed use development with over 400 apartments, 35,000 square feet of retail space, and a public plaza in front of an underground train station portal. It included a seven-story building with a central plaza and three levels of subterranean parking. The problem began as an underground water intrusion matter, and grew to include a tremendous amount of alleged design and structural issues including the structural framing, concrete, fire resistive construction, interior doors, and external window washing system supports. The owner's expert argued to have the entire structure re-designed and considerably strengthened. The final quote for cost to repair, by owner experts, totaled over \$128 million!

A single subcontractor performed the structural steel frame installation, steel studs, and fire-resistant wallboard installation. Their initial contracts totaled over \$20 million between the three trades. They were responsible for the metal load-bearing framing, panelized system, light gauge metal framing, and drywall. When the issues came to light, they were alleged to be responsible for over \$7 million in damages!

### The Solution

Pete Fowler Construction was hired by the subcontractor as expert consultants to analyze the allegations, and deliver the defense cost of repair estimate on behalf of the client. We processed and analyzed an enormous amount of documents and data, including over 300 deposition transcripts, plus contracts, change orders, inspections reports, and complaints, among others. Pete Fowler Construction reviewed the alleged damages, created an issues list, performed over 30 site inspections, and conducted on site destructive testing. We analyzed all of the information we collected and found that the total scope of work was wildly exaggerated and unnecessary, and some of the issues attributed to our client were not applicable. Our cost to repair estimate came in under \$700,000 (one tenth of what they were supposedly responsible for!) to perform repairs regarding construction details that did not comply with the original design documents. Our client was grateful for our hard work on such a long and difficult case.

