Second Edition

G.BATISTA's ONE-HOUR GUIDE TO Project Management

IN SOUTH FLORIDA

WHAT IS A PROJECT MANAGER?

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www.askgbatista.com

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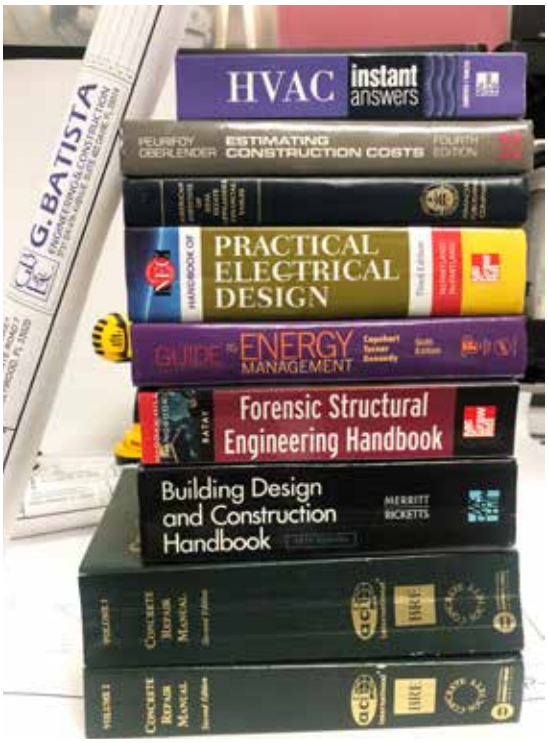
Just ask G. BATISTA

ABOUT THE AUTHOR

DID YOU KNOW?

Mr. Batista is one of the leading engineers in South Florida with over 30 years of experience in both engineering and construction.



For over 30 years, Mr. Batista has been a Licensed Professional Engineer and Licensed General Contractor in multiple states and is a well-respected member of the concrete construction and repair industry. Mr. Batista sat on the Broward County Board of Unsafe Structures and has been Director of the Board of the largest Hispanic Professional Engineering Association in the United States and has won serveral professional awards and recognitions.

In the year 2000, Mr. Batista began Real Estate Engineering, LLC and is the President of G. Batista & Associates, a prominent Engineering and Concrete Repair contracting company with multiple locations.

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LETS GET STARTED

This guide is about hiring a engineer who will eventually be at the center of a your project that, if things go badly or if you choose the wrong person, could have dire repercussions for all those involved in what is typically a complex undertaking. When I say "engineer" I will assume that we are talking about a licensed engineer who has a proven track record and education, keeps up-to-date by taking required continuing education credits, and is held to a Professional Code of Ethics.

There are certain things in life that are relatively simple to figure out such as making a bed or picking up a pencil. Other things start out as difficult, but eventually become simple once you have practiced it enough times, and eventually become second-nature, such as working on a computer, driving a car or meeting new people. Finding an engineer (or a design professional) for a project is neither easy, nor is one of those things where, if you do do it enough, it will become second-nature. Although most Property Managers and owners can competently hire an engineer at some time during their careers for smaller projects, there will always be those technical aspects that will pose a real challenge for those larger and complicated projects.

Most Property Managers and Owners I know are very smart and resourceful and have been around the block enough to competently hire all sorts of contractors and professionals. However, finding a competent, local, licensed, and insured Engineer for a large, complicated project can be difficult particularly when you will be receiving different proposals outlining different technical items, scopes of work, etc. This is especially true when your Engineer will be your central figure at the center of the project by perhaps providing plans, aiding in choosing your contractors, and even acting as your consultant during your construction (to look out for your finances, safety, etc), to ultimately making sure that your construction project is properly closed out by getting your permits closed, obtaining your warranties from the contractor, making sure all final payments are properly dispensed, etc.

I've spoken to many design and construction professionals all around the country and I have come to the conclusion that South Florida is a challenging place for engineers and contractors to conduct business. There are many reasons for this, but most notably are the sometimes challenging requirements imposed by Florida Law and Building Departments (in the form of inspections, plan reviews, etc.), and the complex codes (high velocity wind pressures, water resources, etc.) that we all must abide by. Now don't get me wrong. We have come a very long way since the days before Hurricane Andrew and the requirements imposed on the engineering and construction industry to get its act together and provide rules and regulations to not only require buildings to be better-designed, but also have them built better.

DID YOU KNOW?

Choosing the right Engineer is critical to your all-around success on your project. You should take the proper time to choose the right professional.

As a final point to this introduction, I am assuming that it is, in fact, an engineer that you need. At times, the lines between needing an engineer and needing an Architect is blurry. Also, the lines can also be blurred between needing an engineer, when you can fulfill your needs by hiring another type of professional (such as a home inspector or contractor). The "Ask G. Batista" brand was created to provide guidance to those that seek answers to these basic questions and we are available to answer any questions that not only are in this guide, but to help you in making the right decision.

In other words, choosing the right Engineer is critical to your all-around success on your project. I have written this guide so that Property Managers and others may understand that there is a structured and simpler way of hiring an engineer ragardless of the size and breadth of your project. I would have to say, though, that if you are required to perform a simple inspection (ie. to look at a crack that just appeared on your wall), you may not need to go through this entire process, but instead rely on google ratings on a company, or just a friendly reference.

At the end of the day, it is my true desire to give you the necessary tools and information so that you can make the best decision for you, your residents, your Board, or your family.

NOW THAT I KNOW I NEED AN ENGINEER, WHAT DO I DO NEXT?

For Starters

As in anything in life, there is a thought process to making any decision. Some decisions come without even thinking, and others don't. In choosing an engineer for your project, the process does not have to be complex or difficult. But you do have to come to the realization that there are good engineers and there are not-so-good ones. There are cheap engineers and there are expensive ones. There are competent engineers and there are others that are not as competent. Some are insured and some aren't. Some "engineers" even break the law by practicing engineering without being licensed. The list goes on and on. These are all matters that one must consider when choosing a professional that is so consequential to the success of your project. Choosing the wrong engineer will at best increase the chances of a debacle and at worst, end up costing you a substantial amount of money and heartache.

A great place to start your quest is to search for a local engineer that is used to dealing with the different Cities and Counties in South Florida. Remember, this guide is specifically written for the South Florida audience because of the peculiarity of how constrction and engineering is done here in the Dade, Broward, and Palm Beach Counties. Ideally, if you can find an engineer that has worked in the particular city where the project is located, then that would be ideal. However, most established engineering firms located in South Florida have already worked with most of the different cities in the South Florida area. Having worked with virtually all of the Cities in South Florida over a span of 30 years, I can tell you that it is very advantageous for your engineer to understand how your particular City and County works as far as how they review plans and enforce the Florida and Municipal Code.

Starting the Search

LEVERAGE THE POWER OF GOOGLE

For the purposes of this guide, I am going to assume that you don't already know an engineer that is competent, experienced, and relatively economical. If you already know someone like that, then you can skip a lot of what is contained in this book. However, if you are looking for comparative pricing or don't already know a worthy engineer, then this section will be most helpful in your search for a good engineer and/or design professional.

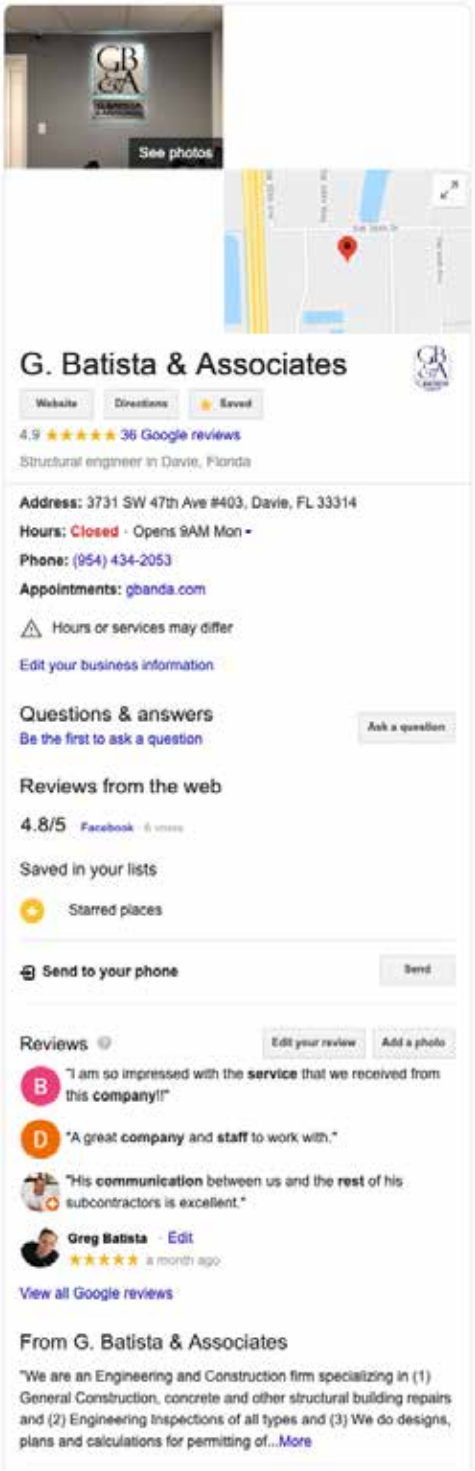
The best way to begin your quest is by searching Google assuming you don't already know someone trustworthy and qualified. You should write the key words with what you need, and the area where they should be located (ie. "40 year recertification Broward County Florida"). Once you click on "Search", you will get your answers. There are 3 major portions of the google search that you need to be aware of.

Section 1- As seen in the picture below, you will note that there are 2 diferenty types of ads that show up. The first is the "Ad" section where companies pay Google to feature their company at the very top of the page. You

will note that my company shows up at the top where it says "Ad – www.gbanda.com". This means that every time that someone clicks on our link, it will take you directly to our website and Google will charge me for that click. Any company that has money to pay Google to appear on the top of the page can appear at the very top. You should consider this in your election process because companies that have just opened its doors and have little or no experience could easily buy an ad to appear at the top of the page.

Section 2- You will also see that there are other companies in the list that do not have the word "Ad" next to it. These are what we call "organic" Google answers because typically established companies that have a business history and are in compliance with the Google requirements for scoring high, will get the top spots on the page. You will note that my company also appears as an organic result.

Section 3 – Typically, some companies are highlighted at the right side of the screen where there is a lot more information on that company. Companies that appear in this section must apply for that spot and confirm that they are an established firm. Here, you can immediately see pictures of the firm and most importantly, reviews and the amount of stars that the company has accumulated. Note that my company can appear in searches as shown in the picture. You'll note that my company has many excellent reviews.



NOW THAT I HAVE A COUPLE OF ENGINEERS I LIKE, HOW DO I CHOOSE ONE?

Most people that don't know any better, just pick up the phone and contact the first engineer that they see on Google or one that someone refers to them. There isn't anything inherently wrong with that except when it comes time to making an actual choice, it could be a difficult task because you will inevitably have to compare the different proposals on an apples-to-apples basis, and when you are dealing with Engineering and Construction, this is more complicated than it seems on the surface; so just because one engineer charges you less money, does not mean that it will cost you less in the long run. Additionally, the vast majority of condo boards are required to obtain a minimum of 3 bids when hiring professional services. And like in every business, all proposals are not built the same. Some proposals leave things out on purpose and others don't. At the end of the day, its always up to the buyer to make sure that his own interests are being protected and hiring a lawyer should always be on the table if you deem that a proposal is too "legalistic".

In order to illustrate how a cheaper Engineer could wind up costing you more money, I'll begin by providing you an over-simplified example: Engineer "A" will charge you $5,000 for a set of plans for an addition to your home, and Engineer "B" will charge you $10,000. Upon examining the proposals closely, you see that the cheaper engineer excludes critical items such as meeting with the Buiding Department to help attain the permit, Contract Administration, answering RFI's (questions from contractors), jobsite inspections to make sure the contractors are doing things correctly, checking the contractor invoices prior to payment, etc. Once you add up all costs of these services that contractor "A" didn't add to his proposal, he would have handed you a proposal for $15,000. There are many other considerations one should keep in mind when looking ot hire an engineer such as:

- Does the Engineer have Errors and Omissions insurance?
- Is the Engineer experienced enough and has a list of past clients he can show you?
- Does he have a staff that can do the work if the main person is not available?
- Is the person licensed?
- Does the person have any past complaints levied against them at the Florida Board of Professional Engineers?

DID YOU KNOW?

Producing and RFP (Request for Proposal) is by far the most efficient and effective way to.

So you see that just calling some Engineers and obtaining a proposal could become a complicated endeavour if you want to drastically increase the chances of having a successful project with minimal issues. There is, however, a structured way to find out who the best engineer is for the job. Its through the proper use of the RFP, or a "Request for a Proposal". With a Request for Proposal, you are the one that will tell the engineers what the scope of the work entails, how you want the proposals written, what you don't want on the proposal, the minimum requirements needed, the time and date that you expect the proposals, among other key items. The following page shows a sample of a very simplified, 1-page RFP for a very narrow scope of work. Most RFP's are 2 to 3 pages long for more complicated projects.

RFP's are as varied as there are projects, but if you call our office, we can send you the MS-Word version for free so that you do not have to recreate it from scratch and you can revise it to fit your needs – Just ask G. Batista. If your project is more complicated and requires a more detailed and comprehensive RFP, we can also provide you with a customized RFP for a minimal cost. We can even provide one for free if we are given the opportunity to bid on the project.

Parts of the RFP (Request for Proposal) Explained

The RFP is comprised mainly of 5 parts:

1. Background
2. Requirements
3. Fee and Payment terms
4. References
5. Contacts
6. Due Date and time

Background

The Background is merely giving a little bit of the back story to the bidding engineer so that they are in tune with the realities behind the project and thus can provide a more realistic proposal given your specific needs. Any good engineer will want to know the reasons behind why these renovations are being done, such as "it was an overdue beautification project that all the Owners wanted", or "The Building Department issued a citation because the work poses a threat the the safety of the residents".

Requirements

This section is where the Engineer will understand exactly what is expected of them and what they are to include (and not include) in their proposal. The more information you provide the Engineer about the details of the scope of work, the more precise your proposals will be. In the example provided in this guide, you will also let the Engineers know that in addition to providing the all-important plans and specifications, he must also provide some assistance to the Owner during the construction in the form of providing a second opinion on financial matters (change orders, invoices, etc.), or even assisting in closing out the project, which is a very important and often-overlooked phase of a project. Many Engineers do not include these items because they are afraid that their price will be too high compared to the other Engineers and that the Owners are not saavy enough distinguish the difference. Thus, when Owners end up hiring the cheaper Engineer, they will typically be left without a real ally when the project is underway.

There are other requirements which are extremely important such as expecting the Engineer to have "Errors and Omissions Insurance" or what we call in the industry E&O Insurance. E&O insurance is a kind of specialized liability protection against losses not covered by traditional liability insurance. It protects the Engineer from claims if you (or your condominium) sue for negligent acts, errors or omissions committed during business activities that result in a financial loss. We Engineers are human and at times make mistakes on our plans, and unfortunately these mistakes translates to financial losses for the Owners. This type of insurance can come in handy during difficult times on the project. If your Engineer does not have E&O Insurance, you can ask them why since most competent and established firms in South Florida have an active E&O insurance policy. Im not saying that Engineers without an E&O Insurance are bad Engineers, but it definitely raises a red flag if you are in the market for an established, trustworthy firm. You can ask to see their "E&O Insurance Policy Binder" for proof that they do posess it. The typical coverage for a small-to -medium engineering firm is $1,000,000 per occurrence.

Fee and Payment Terms

Since Engineering and Constuction projects can be very complicated, it thus follows that charging for these services could also be complicated. Many Engineers charge on a lump-sum basis, but there are some projects that require unforeseen and sporadic site inspections or meetings with the Building Department, the Owners, and with the Contractors and can therefore be difficult to know how many hours will be allotted to these tasks. Some engineers charge for reimbursable costs such as mailings, plan reproductions, and travel time. Furthermore, if an incompetent Contractor is hired, this makes the Engineer's life more difficult and thus have to spend more time on the project than previously estimated. There are many reasons why an Engineer will include hourly rates (in addition to lump-sum items) in his proposal, and each Engineer will have his own way of adding these fees and payment terms into his proposal.

At the end of the day, it will be up to the owner to sift through the proposals and figure out a way to compare fees and payment terms on an apples-to-apples basis. However, if you let the Engineers know upfront what your expectations are, then your work is drastically simplified. This is where the RFP comes in handy. You will tell your bidding Engineers upfront how they should structure their fees so you can easily compare the different bids to one another.

In conclusion, the RFP is a very powerful tool to obtain proposals that will be easy to analyze your bids on an apples-to-apples basis and save you, the Owner, a ton of time in the process. Furthermore, all the bidding engineers will be on the same page and bid on the same written scope of work and therefore the chances of misunderstandings occurring will be kept at a minimum.

References

Although references are not a complete guarantee of success, they are a great way to know a little more about your engineer. It will suffice to ask your bidding engineer to provide you with 2 names and numbers of past clients that have performed a similar scope of work in the past. Granted, Engineers (as any other business person) will only provide references of people that they have satisfied in their work, so many people take the reference stamp of approval with a grain of salt.

Contacts

Your bidders must know who to send their bids to. The person who receives the bids must be someone who is trustworthy because the receipt of bids are susceptible to tampering and fraud. I have always found that the most fool-proof way to receive bids is by asking the bidders to submit their RFP's in SEALED envelopes to only be opened when all those in charge are present (such as a Condominium Board meeting). The contact information should be concise so that there are no misunderstandings as to who and where the proposals are to be sent.

Due Date and Time

Having done hundreds of RFP's (both creating the RFP as well as replying to them), this is the part that the vast majority of the bidders look at first because they must make a snap-decision on whether they will invest their time to read, prepare for, understand, and hand in a reply to an RFP. This part must be underlined or in bold print. If too little time is allotted to the task, then you may find it difficult to find an engineer to fulfill your timing requirements. Typically, you should give your engineers 3 weeks (from the time you send them the RFP) to provide a proposal for a smaller project and a maximum of 6 weeks for a larger, more complicated project. You should also provide a time frame for them to call or email with any questions.

SAMPLE RFP

Background – The Florida Condominium Tower 500 (further "OWNER")is located at 1234 17th Street, Sunny Isles Beach, FL and is a 5-Story, 20-unit condominium preparing to go through major repairs required by the results of our 40 year recertification inspection. We are looking to hire an engineer by the end of March. We request a proposal from your firm given the following requirements.

Requirements - OWNER is requesting the interested professional engineering companies (further "ENGINEER") to submit the corresponding proposal for Engineering for the following Scope of Work:

The scope of the Engineering work is to provide a lump-sum price to provide plans and specifications for (a) major concrete structural repairs to the parking garage on the top-most floor, (2) repairs to the concrete pool deck machine room structure, (3) painting and waterproofing at the pool deck, and (4) inspecting the 2nd floor lanais units for structural damages.

The ENGINEER shall also include in his lump-sum price (1) Preparing the Contractor RFP, bidding documents, and invitation to bid letter, and distributing to bidders, (2) include 5 hours of time to assist the OWNER analyze bids and choose the Contractor, (3) Conducting 10 site visits during the construction which will include contractor inspections and meetings with the Owner and/or City Inspectors, (4) answering all contractor questions in writing during construction, (5) reviewing and approving all Contractor invoices, (6) reviewing and approving any Change Orders that may arise, and (7) assist the OWNER and Contractor in properly closing out the permit and construction which includes obtaining the proper warranties from the Contractor, closing out the lien process, closing out the finances, and providing as-built plans for the OWNER. The lump-sum price shall also include any additional time needed to correct the plans as required by the Building Department when submitting for permit.

The ENGINEER shall also posess (1) Errors and Ommissions insurance for $1MM, (2) have 5 years minimum in business, (3) an established office with at least 4 full-time employees, (4) no past record of complaints with the Florida Board of Professional Engineers within the past 5 years.

Fee and Payments Terms - Fee should be shown as a Lump-Sum fixed price for the Plans and Specifications. The ENGINEER shall also provide a fixed hourly price should any work arise that is beyond this scope of work. Travel time will not be considered in the hourly work. Reimbursable costs will not be allowed. Owner will pay in 30 days after approval of the bill by the Board.

References- The ENGINEER shall provide with their proposal 3 references (name, number of contact and description of project) .

All Proposals should be hand-delivered in a sealed envelope to the President of the Board of Directors of Florida Condominium: Mr. John Doe at JohnDoe@Condo.com or call (954)123-4567.

If you have any questions or want to visit the site prior to providing a proposal, please contact the Property Manager Jane Doe JaneDoe@Condo.com or call (847)814-6069. The cut-off date for questions is January 1, 2029.

DUE DATE : Proposals are due by 4pm on January 8, 2029. Late proposals will not be opened or accepted.

DID YOU KNOW?

I pride myself in guiding my customers. It is my passion and the foundation of my success. If you need guidance on any topics dealing with engineering or construction relating to your building, just "Ask G. Batista".

If you have any engineering or construction questions, just ask G. Batista.

Log on to www.askgbatista.com for more information

YOU'VE HIRED YOUR ENGINEER, NOW WHAT?

If you have a larger project where you may need additional help in managing the process from the Owners side, then you may need the services of an Owner's Representative. Log on to askgbatista.com and refer to the "Owner's Representative" services. We may be able to help you out on your engineering or construction project.

Lets assume just for a second that you were able to hammer out the details of your agreement with your proposed engineer since it is beyond the scope of this book to get into the legal particulars of a contract. As a matter of fact, it is against Florida law for an engineer to review an agreement (or contract) in order to offer legal advice. Therefore, for the purposes of this book, it is always best to seek legal counsel when reviewing a contract.

Now you have your engineer which, if you followed the instructions as laid out in this book, you have paved a path towards a successful project. The final piece of advice that I can give you is to manage the contract execution carefully. If you have a small project, then it is not likely worth the effort to hire a lawyer so that they can provide you with legal advice. However, if you have a large project, then it will be a good idea to seek legal advice. There are many lawyers out there that provide contract-review services and it will be just a matter of searching for a good attorney to help you out with that.

Once you have completed the steps as per this guide and you have your engineer on board with a duly executed contract, then you are well on your way to a successful project. This is not to say that your project will be problem-free, but that you will have properly done your due diligence to minimize any future potential problems.

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ENGINEERING&
CONSTRUCTION

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