

# Quality, Cost, and Schedule: Winning the Triple Crown

*Owner's reps are a valuable addition to the district's facility planning team.*

By Charles Moleski



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**Left: The Philadelphia School. Architects Purdy O'Gwynn**

McCullough, director of finances and facilities for the Agnes Irwin School, “but we decided that given the scope, complexity, and timing of this project, we would benefit from an external professional resource to support and advise the school.”

Faced with a huge undertaking for a small school, the administrators put their project in the hands of a project manager/owner's representative to safeguard their interests. The owner's rep supervised the design process, led cost-cutting and value-engineering exercises, negotiated a lump-sum contract, and monitored construction.

“Right out of the gate, the owner's rep enhanced our contractual arrangements with the architect, contractor, and direct-purchase vendors,” McCullough says. “That gave me, as director of finance, a second set of eyes and ears on these critical arrangements.”

It is advantageous to have someone at hand who has experience running construction projects, and who is looking out for the school's interests. Bringing on an owner's representative is like outsourcing a portion of the facilities staff.

Although not interviewed for this article, Ben Franklin might have agreed: “An investment in knowledge pays the best interest.”

**W**hen Agnes Irwin, Benjamin Franklin's great-great-granddaughter, founded an independent school for girls in a Victorian townhouse in Philadelphia, the curriculum emphasized the study of the classics. Nearly 150 years later, the Agnes Irwin School's curriculum and campus have grown like a penny saved.

Now located on 18 acres in the western suburbs of Philadelphia, the school recently undertook its most ambitious building project yet. Completed in 2013, the new 80,000-square-foot athletics and

dining facility is the largest single structure on campus. It came in on time and within budget under the leadership of a project manager/owner's representative.

Colleges that are continually building and renovating have crews of in-house project managers who handle new construction and ongoing renovations of dorms and academic buildings. Since independent schools build less often, it makes no financial sense for them to carry a robust project management staff. Owner's reps can help meet that need.

“The school had managed small projects internally,” explains Kevin

## A Business Manager's Ally

Although it often falls to a school's business manager to oversee most building projects, they often involve a wide group of stakeholders. Pedagogy must be considered in planning classroom space, but teachers also need to grasp the nuances of the construction process. Similarly, students and parents need to hear about the scope and schedule at regular intervals. In independent schools, new facilities are largely donor-driven, which adds another constituency that must be heeded.

The owner's rep sets up a method and schedule for sharing information about the construction project with the user groups and serves as a conduit for those groups to share concerns with the owner. This approach allows the chief financial officer (CFO) to outsource the details and instead to focus on the future of his or her institution.

A CFO often works with a building committee of volunteers who have some experience in design and construction. Managing a building committee plus the day-to-day operations of a building project adds an additional layer of financial issues, requires familiarity with construction standards, and demands the coordination of a team of diverse consultants and contractors.

"Our owner's rep understood that independent schools work by board committee, and those committees add another dimension to the project," McCullough says. "Our owner's rep was able to synthesize and summarize complex information so that the committee could understand it and take action accordingly."

## Time and Money

One of the owner's rep's chief responsibilities is to oversee the project's finances. Because owner's reps buy goods and services every day that are required for construction, they can apply their experience to help buy the required goods and services in a cost-effective and timely manner. As the project progresses, they review and track billings against the master budget on an ongoing basis in order to provide real-time knowledge of past, current, and upcoming expenses.

"I think one of the things that having an owner's rep provides to the owner is oversight," McCullough explains. "Whereas in many cases, the architect is responsible for the work of the contractor in the plans and specifications of the work, the owner's rep provides direct oversight of the architect. The owner's rep is responsible for making sure that the contractor's work is proceeding as the architect specifies, but also that the architect's work is proceeding as the owner expects. Sometimes not-in-contract work falls outside of the architect's purview, so the school has an ally and a resource in the owner's rep. It adds another dimension to the team."



**Agnes Irwin School, Athletics and Dining Center.**  
Architects Bohlin Cywinski Jackson

The largest expense on any given project will likely be construction. There are many ways to buy construction, and no one way is right for all projects. Owner's reps work with clients to develop a construction procurement strategy that best achieves their goals, delving into the nuances of construction procurement so that clients do not leave any money on the table. Aware of current market costs, owner's reps negotiate the best possible deal on behalf of their clients.

Throughout the construction process, the reps play a critical role reviewing invoices and change orders. As change orders arise, they systematically review their necessity and pricing; then, they negotiate on the clients' behalf to guarantee the best value possible.

## Right-Sized Projects

Although owner's reps can be hired at many different points in the design process, ideally they are involved early in the project when their first task can be to ensure that the project's budget, schedule, and scope are in alignment. By making sure a budget is "right-sized," they can protect the client from investing in designs that the project budget cannot afford. By reviewing all project expenses at the outset, they can prevent unanticipated costs that would lead to adjustments later on. Once again, I think Mr. Franklin would concur, for he cautioned: "Beware of little expenses. A small leak will sink a great ship."

The Friends School on 13 acres in Mullica Hill, New Jersey, serves 273 students in preK-8 in the Quaker tradition. In early 2000, the head of school and the board of trustees selected an architect to design a new academic building. After working with the architect for a year, it became clear that he was not going to be able to bring the building in at a cost that the school could afford.

"Then a trustee recommended that we hire a project manager," says Drew Smith, executive director of the



**The Shipley School. Architects Bohlin Cywinski Jackson**

Friends Council on Education and the former head of school for Mullica Hill. “The owner’s rep knew how to interview architects to get the most useful information. For a small Friends school, it was great to feel that we had them in our court. We could go toe to toe and get the best from our consultants and contractors.”

The project started anew with the owner’s rep leading the selection of a new architect and becoming the day-to-day advocate for the project. The new 18,000-square-foot Hanshi Deshbandhu Building, which includes classrooms, laboratories, a library, and an iconic clock tower, came in on time and within budget.

“The owner’s rep was the glue that held the project together,” Smith says. “The owner’s rep wasn’t the bank, wasn’t the dreamers, wasn’t the school, but brought the team together in a terrific collaborative process.”

### Community Liaison

The Philadelphia School, located on several blocks of a residential Center City neighborhood, has an enrollment of 430 in grades preK–8. In 2012, the progressive school completed a new Early Childhood Education Center and garden, significantly enhanced and secured the entrance to its main building, and adapted a nearby industrial garage for a performing arts/multipurpose space in 2013.

Surrounded on all sides by townhouses and city streets, the school wanted to maintain good relations with its neighbors throughout construction and to complete the first phase of the project in time for the opening of school in September.

“I had worked with owner’s reps at my previous job,” said Carol Lerner, director of finance and operations for the Philadelphia School, “so I knew what owner’s reps did and how they could be invaluable in protecting our interests through the planning and construction process. They served as liaisons with our neighbors, attending

meetings and keeping them informed. The owner’s rep definitely enhanced the school’s relationship with the neighborhood.”

### Safety First

On any school project, the safety of students and staff is the number one priority. Mixing construction activity with the regular activities of the school can be tricky. Owner’s reps help schools synthesize information about upcoming construction activities and disseminate it to the school community. Conversely, they alert the construction team to upcoming key activities around which they need to adjust their work.

“The second phase of our project occurred when school was in session,” Lerner explains. “Fencing had to be set up, there were dust issues, and we had to make sure that the students and contractors didn’t interact. As the liaison with the contractor, our owner’s rep took care of all of it.”

### Safety Net

When construction projects go awry, they have the potential for catastrophic results. Contractor insolvency during the downturn, for example, had the potential to leave schools with unfinished projects that could disrupt the campuses they depend on for their operations.

By recognizing the warning signs and maintaining communication with all members of the building team, owner’s reps can often recognize the warning signs of such problems and resolve them before they become serious. They can then help a client navigate unfamiliar waters to keep a project on track.

### Maximizing Value

“Our owner’s rep provides facilitation and information,” relays Adam Wojtelwicz, business manager/CFO at the Shipley School in Bryn Mawr, Pennsylvania. “The owner’s rep mediates issues and works them out for our benefit, and makes sense out of complex contractor issues that we do not typically deal with on a daily basis.”

At the end of the day, it’s the owner’s reps’ job to help the client achieve a better project. As Adam Wojtelwicz explains, “Because they are working for us, they know what we want for our project: highest quality, lowest cost, tightest schedule.”

Achieving those goals comes through careful planning and diligent follow-up. Again, Mr. Franklin provides some guidance: “By failing to plan, you are planning to fail.” Come to think of it, he would have made a great owner’s rep.

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