

# CCM's Tradeshow and Seminar

November 22nd, 2024

8:00 a.m. - 1:30 p.m.

Topic:

**PROJECT MANAGEMENT**

**"Protecting the Asset and What You Need to Know"**



**Presented by:**

**Bergeman Group, Berlien Consulting and Kokua Realty**

**King Kamehameha Golf Club**

**Buffet lunch will be served.**

**Vendor Giveaways!**

*Big MAHALO to the following Trade Show sponsors:*



Breakfast Pastries Sponsor



**SmartProperty**

Audio Visual (AV) Sponsor

# Trade Show and Seminars

## November 22, 2024

### ~ AGENDA ~

- 8:00 am**                    **Trade Show and Registration - Open 8:00 a.m. – 1:30 p.m.**
- 8:45 am**                    **Opening/Introductions**  
Meet with Vendors – Remains Open to 1:30 p.m.
- 9:00 am**                    **Benefits of a Construction Manager** – Keoni Fursse, CCIM - Kokua Realty -  
(1 hr. with Q&A - limited seating to first come / first seated)  
Meet with Vendors – Remains Open to 1:30 p.m.
- 10:15 am**                    **Roles and Responsibilities** – Berlien Construction -  
(1 hr. with Q&A – limited seating to first come / first seated)  
Meet with Vendors – Remains Open to 1:30 p.m.
- 11:30 am**                    **Case Studies and Project Delivery Methods** – Bergeman Group -  
(1 hr. with Q&A - limited seating to first come / first seated)  
Meet with Vendors – Remains Open to 1:30 p.m.
- 11:45 am**                    **Lunch Buffet Starts – will remain open for service to 1:00 pm**  
Meet with Vendors – Remains Open to 1:30 p.m.
- 12:45 pm**                    **Vendor Drawings and closing remarks (in vendor area)**
- 1:30 pm**                    **END. Mahalo for Attending!**
- Thank you to the Vendors**
- See you in 2025...**

## Speaker Bios



**Keoni Fursse, CCIM**  
CEO & Principal Broker



Keoni Fursse is a seasoned entrepreneur and respected leader in commercial real estate, with over 36 years of experience. He is the founder and CEO of Kokua Realty, LLC, a top-ten commercial real estate firm in Hawaii recognized by *Pacific Business News*. Keoni also established Kokua Real Estate Services, LLC, Kokua Construction Group, LLC, and Studia Capital LLC. His companies provide a full range of services, including investment sales, leasing, property management, construction, facility maintenance, and private equity real estate investment across Hawaii and the Mainland. The "Kokua" brand embodies a Hawaiian value of extending help to others, which Keoni and his team live by with a commitment to excellence.

A Certified Commercial Investment Member (CCIM), Keoni offers investment and advisory services to institutional and private clients. His expertise spans acquisitions, dispositions, leasing, turnaround management, asset and property management, development, and construction oversight. Known for sophisticated financial modeling and consulting, Keoni serves as a trusted advisor to investors, developers, owners, and tenants throughout Hawaii and nationwide.

Keoni's career began with Monroe & Friedlander, Inc. (now Colliers), Hawaii's largest commercial real estate firm. He later joined Kidder Mathews in Seattle and went on to co-found Fursse & Hall Realty, specializing in Seattle commercial real estate. In 2010, he founded Kokua Realty Company in Kansas City, and in 2012, he returned to Maui to acquire and rebrand Prudential Iwado Realty, solidifying Kokua Realty as one of Hawaii's leading real estate firms through strategic acquisitions and mergers.

Keoni leads a team managing a diverse portfolio of commercial properties across Maui, including office buildings, retail centers, industrial spaces, and multi-family properties. His clientele includes national and regional organizations like Bank of America, the FBI, Goodman Real Estate, and the State of Hawaii, among others. Properties under his management include Maui Research & Technology Park, Premier Place, and Wailea Village Center.

## Speaker Bios

### **Keoni Fursse, CCIM (continued)**

A highly knowledgeable broker, developer, and construction expert, Keoni frequently speaks at industry events, including the *Pacific Business News* Maui Update and GlobeSt.'s Multifamily Investment Conference. As a Hawaii-licensed real estate broker, Keoni is also the Principal Broker for Kokua Realty and holds memberships in the CCIM Institute, the National Association of Realtors, and local real estate associations. He currently serves as Board President for the Wailea Town Center Association on Maui and has led as President of the Maui Commercial Roundtable.

His accolades include recognition by *Pacific Business News* among the top commercial real estate firms in Hawaii, a 2008 CCIM Institute national award for Top Deals in the Seattle MSA, and CoStar Power Broker awards for top dealmaking year after year. Keoni is also proud to assist nonprofits with their real estate needs, giving back to the community that supports his vision for Kokua Realty and beyond.



**Dana Bergeman**  
Founder and CEO



Dana Bergeman is founder and CEO of Bergeman Group and has nearly three decades of experience in the architecture, engineering, and construction industry. His experience includes managing construction projects for AOAOs, HOAs, single-family homeowners, commercial clients and governmental entities including the Department of Transportation and Department of Education. Dana is also an accredited Construction Mediator, AAA Construction Arbitrator and has provided litigation support and expert witness testimony for numerous construction defect resolution cases.

## Speaker Bios



### **Sean Ruhlen**

Director, Projects & Business  
Development - Hawaii



Sean Ruhlen has more than a quarter-century of experience in the construction and engineering industry. His Construction Management experience encompasses federal, public, and private sectors, ranging from third-party consulting and client representation to being the Quality Control Manager for large-scale projects. Sean's experience includes new construction and retrofit of high-rise buildings, bridges, high-speed rapid transportation systems, athletic stadiums, and commercial development.



### **Alix Buchter**

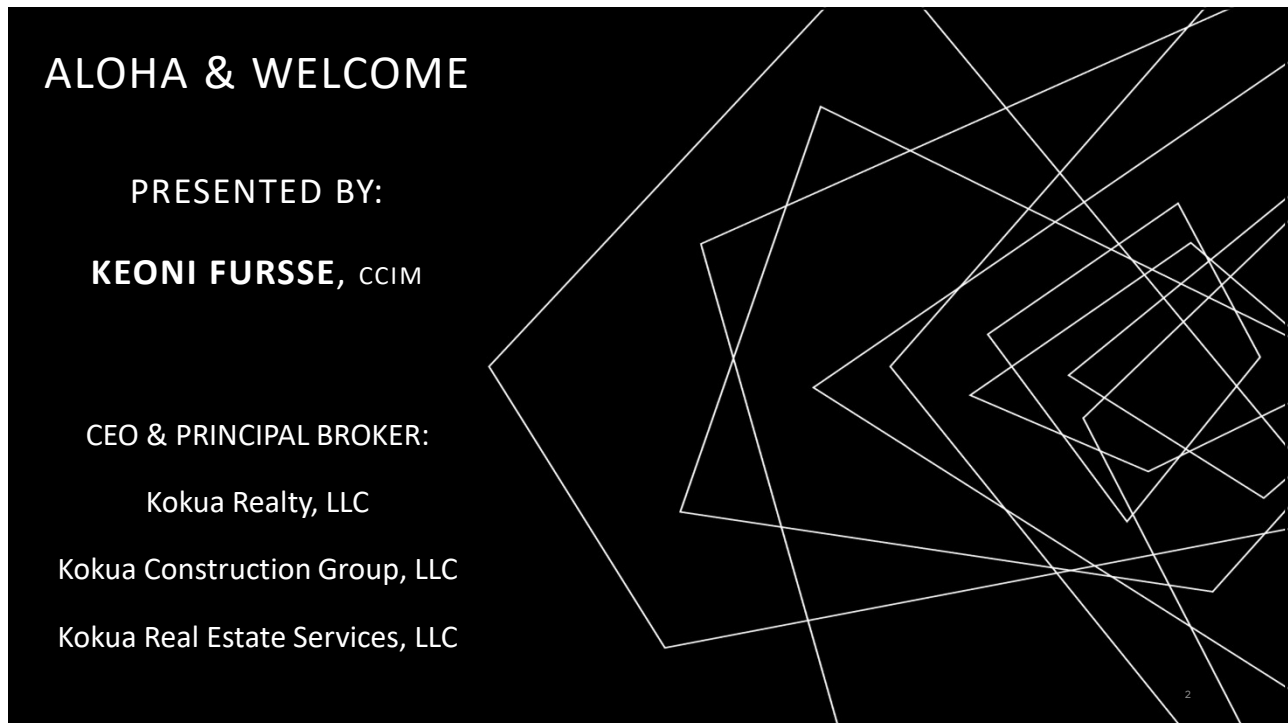
Project Manager



Alix Buchter is a seasoned Project Manager with over 16 years of construction experience, excelling in systems design, budget control and risk management. She has a proven track record of leading successful teams across many sectors.



1



2

## AUDIENCE QUESTIONS

- Who is an association Board member?
- Who is a Board President?
- Who understands the difference between a Construction Manager and a Contractor?  
(There will be a pop test)
- Who has an upcoming project and has no clue where to begin?

3

3

THE ASSOCIATION BOARD HAS TO MAKE A

***MULTI-MILLION-DOLLAR  
IMPROVEMENT.....***

NOW WHAT DO WE DO? HELP!!!

FROM THE VIEWPOINT OF AN  
ASSOCIATION PROPERTY MANAGER

4

4

Construction &  
Renovation  
Cost Overruns

Can get expensive



5

5

Board says:  
We don't need a  
Construction Manager...



6

6



Board President says:  
I can just do it.....  
I was a contractor  
30 years ago.



7

7

## MEET THE TEAM

### **Keoni Furse, CCIM, Realtor (Principal Broker)**

- 35 years experience - real estate and construction management
- CEO & Founder of:

### **Kokua Group of Companies:**

- Kokua Realty, LLC (Association Property Management)
- Kokua Construction Group, LLC (Construction Services)
- Kokua Real Estate Services, LLC (Facility Maintenance)
- Studia Capital, LLC (Investment Firm)

### Today's Panel:

- Lori Carter – Kokua Realty Association Manager
- Gary Gates – Kokua Construction Group



8

## SYDNEY OPERA HOUSE – 1,357 % OVER BUDGET



MCKINSEY REPORTS THAT GLOBALLY, 98% OF CONSTRUCTION PROJECTS INCUR BUDGET OR SCHEDULE OVERRUNS, AND 9 OUT OF 10 PROJECTS IN THE U.S. GO OVER BUDGET.

9

9

## IDENTIFYING KEY ISSUES FOR CONDO BOARDS

### Deferred Maintenance:

- Concrete Spalling
- Seawalls/ Erosion
- Old Elevators
- Termites
- Parking lot hazards
- Leaking roofs

### Challenges:

- Ignored or nonexistent Reserve Studies
- Board members handling repairs inappropriately
- Inexperience and lack of understanding of fiduciary duty

### Complexity of Construction Projects:

- Multi-faceted, needing expert oversight
- Potential Risks & Liabilities

10

10

## ROLES INVOLVED IN CONDO ASSOCIATION MANAGEMENT

### Key Parties

- Condo owners, elected Board, Board President
- Community Association Property Manager
- On-site resident manager (optional)

### Annual Planning:

- Budgeting and hiring for Reserve Study assessments

### Decision Points:

- Handyman vs. Hawaii licensed contractor
- Determining when a Construction Manager is essential

11

11

## CONCERNS OF THE CONDO ASSOCIATION BOARD

- **CM Qualifications & Experience**
- **Cost and Budget Management**
- **Communication and Transparency**
- **Resident Impact**
- **Disruption Management**
- **Knowledge of Regulatory Requirements**
- **Contractor and Vendor Management**
- **Project Timeline Management**
- **Risk Mitigation**
- **Resident Impact**
- **Long-Term Maintenance and Quality**
- **Reputation and References**

12

12

## WHY HIRE A CONSTRUCTION MANAGER?

### High-Level Project Management:

- Scope development, budget, GANTT chart
- Insurance and billing documentation management

### Expertise Requirements:

- Licensed, insured, and bonded contractors and subcontractors

### Why Not Use Board Members/Property Managers?

- Board members or unlicensed managers lack technical expertise

### Avoid Conflicts of Interest:

- Architects, engineers or contractor may have conflicts in CM role

### Minimized Impact on Owners:

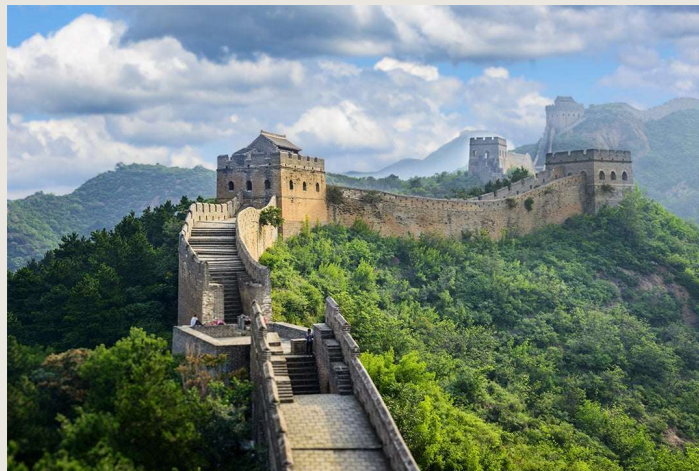
- Construction management reduces dust, noise, and lifestyle disruptions
- Oversee budgets/timelines
- Insurance Management
- Billing Documentation Management (Lien releases)

13

13

## LARGEST CONSTRUCTION PROJECTS IN THE WORLD

Great Wall of China: 13,000 miles long



14

14

How do you find a project? • How do you find a project? • Complexity of Construction Projects • Multi-phased, multi-year projects

## LARGEST CONSTRUCTION PROJECTS IN THE WORLD

International Space Station – Collaboration with 13 countries



15

15

## CONCLUSION AND Q&A

**Summing Up:**

- CM involvement supports successful, code-compliant projects
- Ensures streamlined process and accountability

**Questions?**

*Keoni Fursse, CCIM, R (PB) | 808.280.6556*

*Keoni@kokuarealty.com*

16

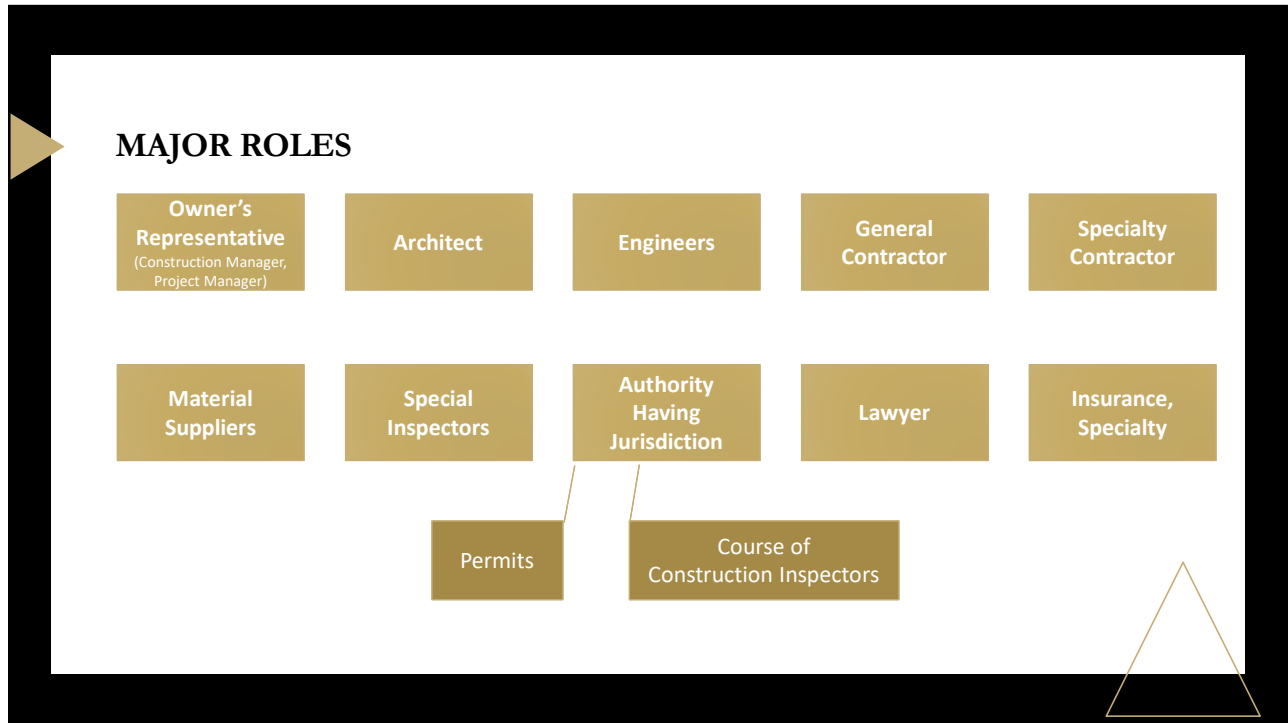
16



1



2



3

### The Owner's Rep

Owner's Project Manager | Construction Manager

- At its core, a construction management owner's consultant acts as a bridge between the project owner and all other stakeholders.
- Our primary responsibility is to advocate for the owner's interests, ensuring that the project aligns with their vision, budget, and timeline.
- We are not just advisors; we are partners in the journey, committed to delivering value at every stage of the construction process.

4

## The Owner's Rep Programming & Pre-con

- Create project schedule for contractor(s) and Owner procurement, inspection and delivery milestones
- Create site plans; contractor staging, work zone barricades and phasing plans
- Coordinate & integrate parties & scopes
- Develop project deliverables, procurement logs, schedule, phasing plan, zone sequencing plans and barricade plans in conjunction with the contractor.
- Develop total project budget
- Ensure insurance requirements are met, assist in WRAP enrollment
- 360 photo documentation and catalog all pre-work conditions
- BOD meetings, community meetings, individual Q&A

- Engagement & Coordination of all required professional disciplines

Architect

Mechanical Engineer

Structural Engineer

Civil Engineer

- Align design development/permitting with the pricing/contracting/procurement phase
- Feasibility Studies; analyze site conditions, regulatory requirement and budget constraints, to guide informed decisions.
- Review Construction Documents; to develop a Request for Proposal to contractors with a defined scope of work
- Obtain contractor proposals, qualify and negotiate pricing
- Compose & negotiate construction contracts for execution

5

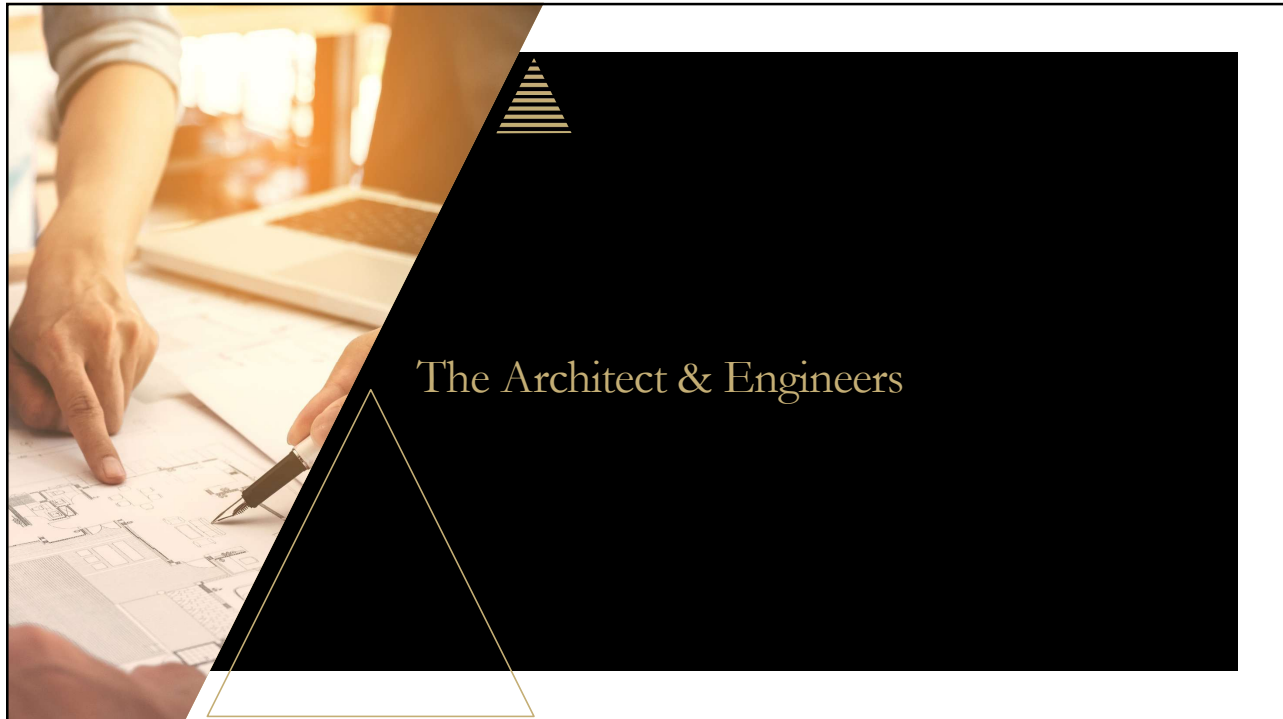
## The Owner's Rep Course of Construction

- Revise schedule milestones to reflect actual progress of work & determine acceptable recovery schedules if contractor should fall behind
- Catalog progress photos for Owner archives
- Coordinate, facilitate & direct responsibilities of Contract(s), Owner & Engineer/Architect.
- Provide Owner with written report of work progress & quantity performed
- Conduct weekly OAC progress meetings
- Review contractor applications for payment and make recommendations for amounts payable based on acceptable work completed and its scheduled value
- Verify any additional work required of the contractor

- Change management; review proposed change orders against base scope inferable from the contract documents, review the merit and accuracy of proposed change orders, prepare contract adjustments
- Enforce property rules & regulations
- Manage project within confines of total project budget
- BOD meetings, community meetings, individual Q&A as necessary
- Upon Substantial Completion, perform punch walk inspections, furnish report to all parties and return inspection to certify completion
- Obtain, review and turn over closeout deliverables to owner
- 360 photo documentation of immediate post work conditions
- Risk Management, QA/QC, Safety

6






7

## The Architect & Engineers

- Provide interpretation of design detail.
- May assist with project cost estimates, and contract administration as directed.
- Expert in understanding of applicable codes and standards
- Perform studies of site/existing conditions and provide design recommendations
- Prepare renderings, schematics, design options
- Prepare permit and construction plansets and specifications and submit for necessary permits
- Monitor the standard and workmanship during course of construction
- May consult with client, management, and operations to determine functional requirements and prepare information regarding design, specifications, materials, color, equipment, estimated cost, and construction time.
- Prepare required documentation such as status reports, drawings of completed / anticipated work, material requirements and takeoffs, etc.
- Review and respond to RFIs, Submittals and provide clarification during course of construction

- **Design Development:** Creating and refining the design that meets both the functional needs and aesthetic preferences of the owners, while adhering to local codes and regulations.
- **Collaboration with Engineers:** Working closely with engineers to integrate structural, mechanical, and electrical systems seamlessly into the overall design.
- **Representing Owners in Approvals:** Serving as a representative in discussions with regulatory bodies and obtaining the necessary permits and approvals.
- The Architect must balance creativity with practicality, ensuring that the design is not only beautiful but also feasible within budget and site constraints.
- Engineers are the technical backbone of any commercial project. Their responsibilities typically include:
  - **Technical Design and Analysis:** Developing detailed engineering plans for structural, mechanical, electrical, and plumbing systems, ensuring safety and efficiency.
  - **Collaboration with Architects and Project Managers:** Coordinating with the project manager and architect to ensure that designs are implemented correctly and efficiently.
  - **Compliance and Testing:** Ensuring that all engineering work complies with relevant codes and standards, and conducting necessary testing and inspections throughout the project.
- Engineers play a crucial role in transforming the architect's vision into a functional reality, ensuring that the project operates as intended.
- QA/QC Review

8



## The Contractors

- Entity licensed to perform the work
- Responsible for all means and methods to execute the work
- Scheduling of the work within the finish and start milestone
- Generate submittals
- Generate RFIs
- Responsible for site safety
- Provide necessary insurance and surety bonds as required
- Provide project management and site supervision for its work
- Manage subcontracted portions of the work
- Provide cost estimates, change pricing
- Provide temp site services if needed
- Responsible to install work according to plans, specifications, standards and code

9



## The Suppliers & Manufacturers

- Typically subcontracted under the contractor
  - OFCI materials are stipulated
- Procurement Times!
- For specialty packages (Roofs, Window/Door Packages, CIPP lining), ensure the manufacturer representative is making required site inspections of installation to preserve specialty warranties.

10



11

## The Authority Having Jurisdiction AHJ

- The Architect should review your property and determine all necessary submittals. Processing time of these permits can be a lengthy amount of time. Anticipate 6 months to 1 year.
- Building Permit Application
- Special Management Area Permit (areas adjacent the ocean)
  - Flood Development Permits
  - Shoreline Setback Assessment
  - Shoreline Setback Certification (State of Hawaii)
- Note: if you are in the SMA, your building permit will not be issued until your SMA Permit is issued. This can prolong the wait time.

- **Grading Permits**  
These can be applied for by your Civil Engineer or Licensed C17 or ABC contraction (if necessary) and processing times can vary from a few weeks to several months.
- **Electrical and Plumbing Permits**  
These are applied for by your licensed Electrical/Plumbing contractors (Subcontractors to your General Contractor) and are usually processed in 1-3 Weeks.
- **Course of Construction AHJ Inspections**


12



## Special Inspectors

- The AHJ does not perform certain course of construction inspections and the Owner is required by the AHJ to retain specialty inspectors for items such as;
  - Compaction
  - Concrete Testing
  - Rebar/Reinforcing
  - Structural steel/welding
  - Pests
  - Hurricane Ties

13



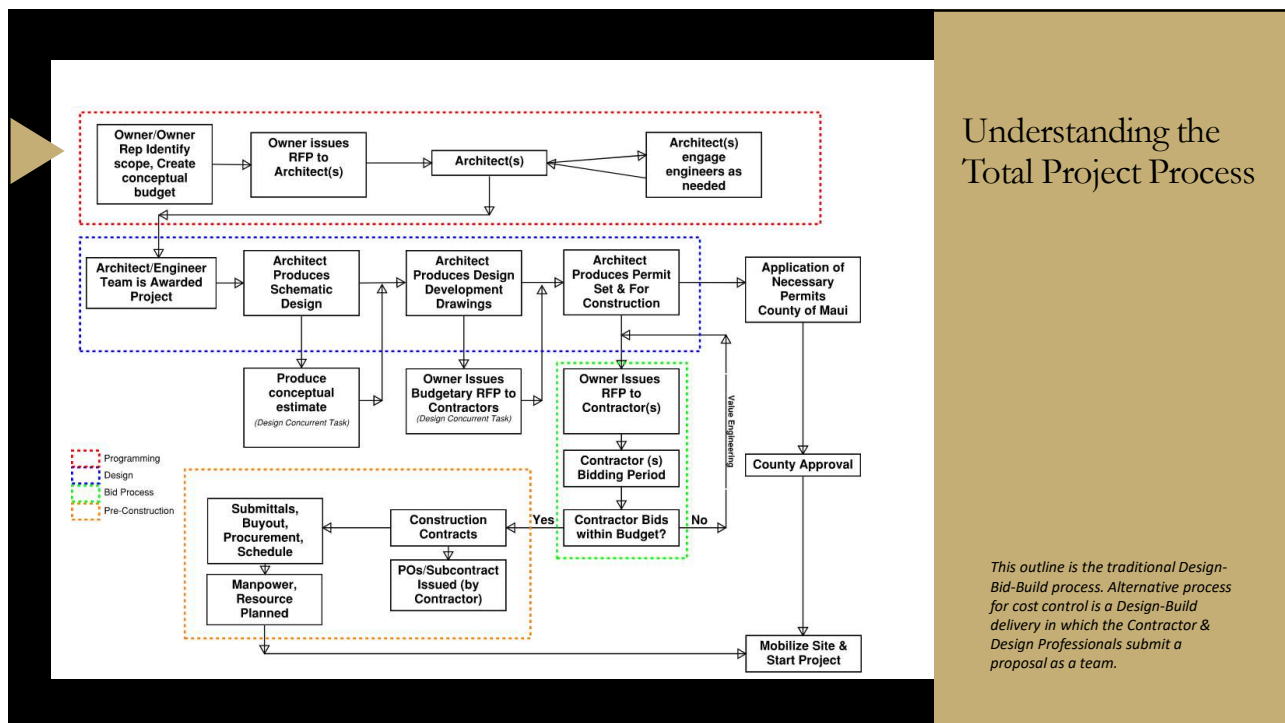
## Lawyer, Insurance, Surety

- Lawyer  
Best practice, have counsel review construction agreements prior to executing. Especially sizable and complex projects.
- Insurance  
Depending on your type/size of project and the contractor's policy exclusions, a specially policy may be required (OCIP/CCIP/WRAP). Consult with your broker and review contractor policy prior to contract signing. Policies in AOA work are getting expensive.
- Surety Bonds/Payment and Performance Bonds; your bylaws may require it and unless your very certain of your contractor's solvency, it is the Owner's assurance the project will be completed.

14

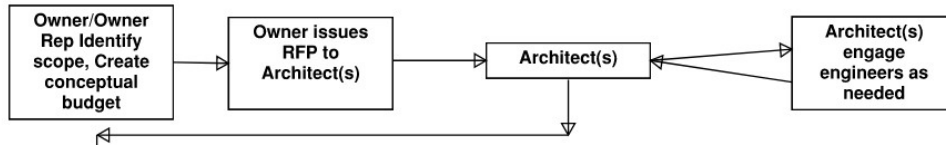


15



16

# Initial Programming Phase



- Research anticipated soft/hard costs. Capture all anticipated costs and create conceptual budget (Owner's Rep)
- Contact Architect(s) and request a proposal (RFP) for preparation of Permit & Construction Plans and all necessary permit application submittals to the county of Maui. Convey your desires of the finished product. (Owner's Rep)
  - Building Permits Applications can only be submitted by a Licensed Architect or Licensed Professional Engineer
- Architect's Proposal should also include Construction Administration Services (CA Services); this for in progress construction oversight and clarification questions to your Contractor (Owner's Rep, Architect/Engineer)
- Architect should carry all other necessary design consultants as needed (Electrical Engineer, Mechanical Engineer, Structural Engineer and possibly Landscape Architect), except Civil Engineers are typically contracted direct if needed for items like grading and septic system design. (Architect, Engineer)
- Select an Architect/Design Team and enter into agreement to proceed into Design Development (Owner's Rep, Architect)
  - Request a copy of their Certificate of Insurance (COI); it should include Professional Liability (Errors and Omissions)

17

- Total Project Budgets include a lot more than just Hard Costs (Construction Costs) Costs (Owner's Rep)
- Contemplate the cost of Architect, Engineers, DWS Services, HECO Services, Building Permit, etc (Owner's Rep)

# Total Project Budget

- Always budget money for unforeseen conditions. No project is perfect and Change Orders to the Contract will occur. Anticipate between 5% to 15% for unforeseen conditions and changes (Owner's Rep)
- Start this process early and continually update as conceptual values and actual proposals are received (Owner's Rep)

## Uncle Kimo's New House Lahaina Maui

Description	Budget
<b>Site/Development/Soft Costs</b>	
Land Cost with subdivision entitlements	\$0.00
Closing Costs	\$0.00
Introduction Fees	\$0.00
MECO	\$5,000.00
Sub Division Infrastructure/Rock Breaking	\$0.00
Irrigation Well	\$0.00
Archeological Monitoring	\$0.00
Compaction Testing	\$0.00
PM/OM Fees	\$0.00
Park Dedication Fee/DOE	\$0.00
Water	\$2,500.00
Appraisal - paid for by Lender	\$0.00
Lender Fee - Review of Appraisals	\$0.00
Legal Fees (Developer)	\$0.00
Survey	\$4,500.00
Real Property Tax	\$0.00
Real Estate Commission	\$0.00
Insurance	\$0.00
Design Contingency	\$10,000.00
Special Inspections	\$0.00
Architect	\$40,000.00
Drafting	\$0.00
Structural Special Inspections	\$0.00
Civil Engineer	\$8,000.00
Mechanical Engineer	\$5,000.00
Electrical Engineer	\$5,000.00
Landscape Arch	\$0.00
Signage	\$0.00
Geotechnical	\$0.00
Env. Assessment	\$0.00
Hazmat Baseline	\$0.00
Permit Fees (Assumed)	\$2,000.00
Industrial Hygenist, Air Monitor	\$0.00
<b>FINANCING COST</b>	\$0.00
Interim Interest	\$0.00
Loan Fees	\$0.00
Lender's Legal Fees	\$0.00
Lender's Plans & Contract Review	\$0.00
Lender's Inspection & Review Fees	\$0.00
Recording Fees (Bureau of Conveances)	\$0.00
Flood Certification - CoreLogic	\$0.00
Documentation / Hazardous Fee	\$0.00
Title Insurance & Title Update	\$0.00
Recording Fees / Closing Cost	\$0.00
<b>Construction Costs</b>	
Phase 1 Construction	\$450,000.00
Owner's Contingency, 8% of hard costs	\$36,000.00
<b>TOTAL PROJECT COSTS</b>	<b>\$568,000.00</b>

18

## Design Development Phase

```

    graph LR
      A[Architect/Engineer Team is Awarded Project] --> B[Architect Produces Schematic Design]
      B --> C[Architect Produces Design Development Drawings]
      C --> D[Architect Produces Permit Set & For Construction]
      B --> B
      C --> C
  
```

The Architect should deliver their progress in phases (Architect/Engineer)

- 1) Schematic design will provide the basic concept
- 2) A design development set would be sufficient for preliminary contractor pricing
- 3) **Permit Set**  
This will be submitted to the County of Maui with the Building Permit Application (BPA) and with other possible submittals depending on your property location.
- 4) **Construction Set**  
This should be fairly aligned with the Permit Set, but will have greater details for constructability and contractor final pricing
  - a) A Permit Set is typically presented ahead of the construction set for County Submittal due to the lengthy processing times of Building Permits

Anticipate this phase may take 3-6 months

19

## Design Development – Concurrent Pricing Exercise

- Engaging contractors or cost estimating firms parallel the Design Development Phase is a good practice to ensure the intended design aligns with your budget/insurance payouts (Owner's Rep)
- If pricing exercises reveal probably budget overruns, these concerns should be conveyed to the Architect so that adjustments can be made in the Design for cost savings (Owner's Rep, Architect/Engineer)

```

    graph LR
      A[Produce conceptual estimate  
(Design Concurrent Task)] --> B[Owner Issues Budgetary RFP to Contractors  
(Design Concurrent Task)]
  
```

20

## Contractor Bidding Phase

- Begin by identifying suitable and capable Contractors that are appropriately licensed to perform the project. The prime contractor you engage may be a Type B Contractor's license (General Contractor) for complex projects, or an Owner's Rep/Owner's Construction Manager may align contracts direct with specialty contractors and manage these contractors direct. (Owner's Rep)
  - Description of Hawaii Contractor License Classifications are here; <https://cca.hawaii.gov/pvl/files/2014/08/DescriptionofContractorLicenseClassifications.pdf>
  - Verify License Status here; <https://mypvl.dcca.hawaii.gov/public-license-search/>
- RFP should include the most current Plans & Specifications with instructions to provide a complete proposal for the construction per Plans and Specifications including all items reasonably necessary but not shown for a completed project. (Owner's Rep)
- Verify that the Contractor is appropriately licensed and insured to perform the work (Owner's Rep)
- If desired, required by bylaws and/or lender financing may be required; confirm General Contractor is capable of furnishing a Payment and Performance Bond (Owner's Rep)
  - Bonds if necessary are an added Owner costs and should be contemplate this in total project budget
- Analyzing Qualifications and Exclusions provided in the General Contractor's Bid Proposal. (Owner's Rep)

Owner Issues RFP to Contractor(s)

↓

Contractor (s) Bidding Period

↓

Contractor Bids within Budget?

21

## Pre-construction

- Once contractor is selected; it is time draft Contracts and negotiate. (Owner's Rep, Contractor)
- Understand the delivery method; is the Contractor offering a Fixed Sum OR are they offering a budget value with the intent to proceed on Cost Plus? (Owner's Rep)
  - If Contractor intends to do Cost Plus (T&M); agree on a budget number and stipulate that value as a Guaranteed Maximum Price (GMP)
- At a minimum; the Contract should stipulate basic understandings such as; (Owner's Rep)
  - Amount, start date, duration of the work, amount of work to be subcontracted, a disclosure of homeowners rights (See HRS)
  - The Contract should bind the Contractor to perform the work shown, and reasonable inferable, on the plans and specification
  - Request Contractor provide a construction schedule detailing the general phases of work and attach the schedule to the Contract as an Exhibit
  - A payment schedule should be agreed; either by milestone or monthly draws based on actual work completed. Do not want to pay a General Contractor in advance of work being performed except for reasonable costs for material purchases.
  - Obtain a COI from the General Contractor naming you, the AOA, as additional insured. Verify residential exclusions and if an OCIP/CCIP is appropriate.

Submittals, Buyout, Procurement, Schedule

Construction Contracts

↓

Manpower, Resource Planned

↓

POs/Subcontract Issued (by Contractor)

22



## Construction Phase

- It will be the Owner's/Owner's Rep's duty to monitor your General Contractor's progress and notify them if they have fallen behind schedule (Owner's Rep)
- Workmanship and deviation from the plans, specifications or industry standards; request a site visit from your Architect immediately and request your Architect provide an observation report with corrective measures. (Owner's Rep, Architects/Engineers)
- Payments made to your General Contractor should be only for actual work after as it is completed. This will require the cost of each phase of work to be presented so that payments can be made as the work progresses. Your Architect or Construction Manager should supervise. (Owner's Rep, Architects/Engineers)
  - Remember – A Contractor has lien rights against your property for non-payment. Make sure you are adequately funded and work as a team.
- Only release final payment after all obligations are fulfilled and corrective works are performed. Your Architect and/or Construction Manager will be able to assist you with what is reasonably acceptable. (Owner's Rep, Architects/Engineers)
- Document, Document, Document and provide notice as necessary (Owner's Rep, Contractors, Architects/Engineers)
- OAC Meetings (Owner's Rep, Contractors, Architects/Engineers)
- Change Management (Owner's Rep)

23

## Closing Thoughts & Questions

Mahalo

24



Construction Management:  
Project Delivery Methods and Case Studies

CCM MAUI

1



## DANA BERGEMAN

Founder and C.E.O.

- Nearly 30 Years of Experience
- Actively Managed Hundreds of Projects
- Construction Mediation Accredited
- AAA Construction Arbitration Accredited
- Expert Witness and Litigation Support



2



## SEAN RUHLEN

Director – Projects & Business Development

- 25+ Years of Experience
- Construction Management Advisor (CM)
- Quality Management Systems Expert (QMS)
- Construction Compliance Manager (CCM)
- ISO 9001:2015 Lead Auditor

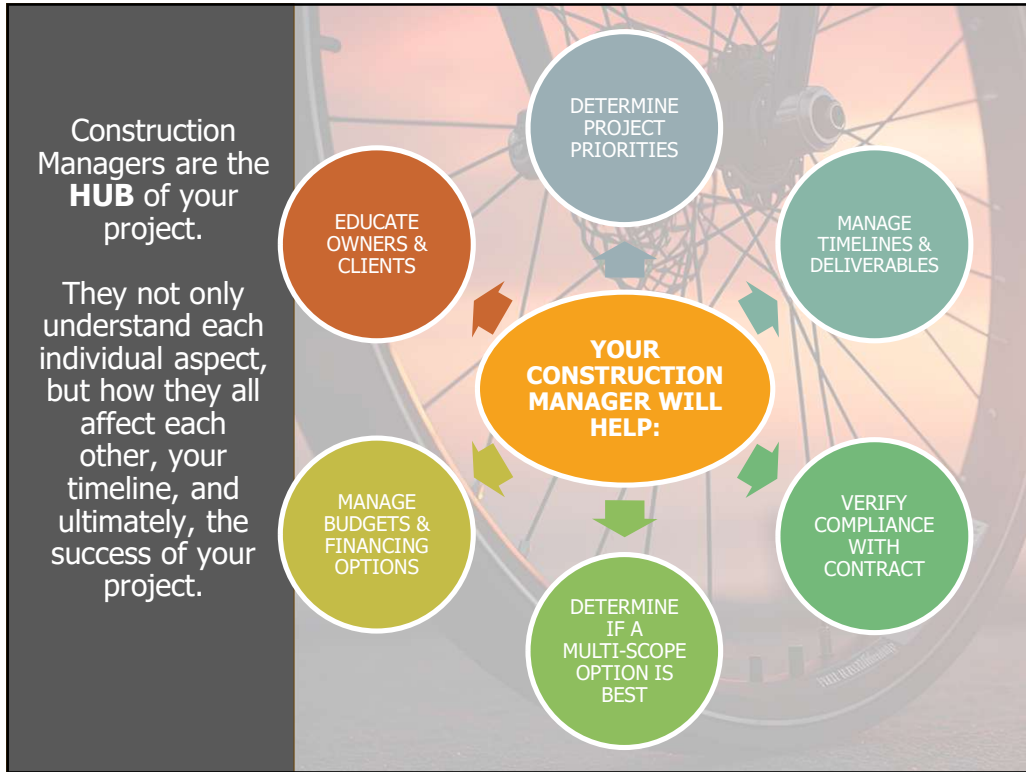


3



- Local Company – established in 2010
- 300+ years combined Construction Intelligence<sup>SM</sup>
- 26 dedicated team members
- Completed more than **250** Hawaii Capital Improvement Projects to date

4



5

# WHAT IF WE AREN'T SURE WE NEED A "CM" OR OWNER'S REPRESENTATIVE?

A collage of three images: a close-up of a metal pipe being cut with a torch, a hand holding a pen over a document, and a construction worker in a hard hat and safety vest working on a building structure.

6

# Start with an Assessment

- **Property Condition Assessment**
- **Prioritizing Projects** - seeing the big picture
- **Budgeting** forecasts
- **Reducing overall construction schedules**
- **Providing AOAOs with:**
  - **Opinions**
  - **Options**
  - **Consulting Advice**




7

# Property Condition Assessment

- **By utilizing a PCA, a CM will help you:**
- Develop an Owner's Program for multi-scope projects
- Create a Roadmap for your projects based on priority
- Guide and educate you along this complex process and provide options and projected costs




8

# Case Studies

---

## Real world examples

9

### "VALUE ENGINEERING"



Couplings: Neoprene Gasket, For 3 in Pipe, 3 in Overall Lg, 4 Clamps Included  
Item **802UF4**  
Mfr. Model **6219H70**  
Web Price ⓘ  
**\$25.42** / each



Flexible Coupling: PVC, For 3 in Pipe, 4 in Overall Lg, 2 Clamps Included  
Item **4P009**  
Mfr. Model **1056-33**  
Catalog Page **2712**  
Web Price ⓘ  
**\$9.04** / each

### BID ISSUES

- Switched from Specified Hardware
- Used cheap version with no credit to Owner

 Bergeman GROUP [bergemangroup.com](http://bergemangroup.com)

10




## BID ISSUES

- Installed Inferior Materials
  - Hawaii salt air will corrode non-stainless steel





11



## BID ISSUES

- Omitted Insulation
  - Chiller pipes in Hawaii will sweat – leading to mold or other damage



12



## BID ISSUES

- Bid Quantities
  - Low Concrete Repair Quantities

13



## CONTRACT ISSUES

- Correct Insurance Coverage
  - Completed Operations
  - Multi-Family Exclusions
  - Low Limits
- Not Bondable
- Switching Materials
- Hidden Contractor Exclusions
- No Warranty/Minimal Warranty
- "Minor Changes" in the work
- Chargebacks
- Unit Prices vs. Allowances

14






## FIELD ISSUES

---

- Changed Engineer Design Specs
- Used Expired Materials
- Poor Finish Quality
- No Firestopping
- Roof Coating Too Thin
- Cheap Sealant
- Overcharging for Concrete Repair
  - Intentionally Over-removing Concrete
  - Reporting more demo than actual
- AOA Knows Best
  - Mainland Roofers
  - Mainland Stucco



bergemangroup.com

15

## Design-Build vs. Design-Bid-Build

---

### How do we choose the best delivery method for our projects?

16

## Benefits of Design-Build

- **Faster Timeline**
- **Consistent Budget**
- **Single Point of Contact**
- **Supposedly Less Expensive**

17

## Disadvantages of Design-Build

- Design-Build gives most of the control to the Contractor
- A Construction Manager will struggle to protect your interests
- No competitive bids
- Less creativity
- Who is writing the contracts?
- Who is advocating for the AOA?
- Is the fox guarding the henhouse?



18

## Realities of Design-Build

- Smaller Construction Management costs - Larger Construction costs
- Your CM doesn't have the same level of quality oversight because the contractor manages design and construction.
- Promises of "NO CHANGE ORDERS" means the construction costs have been padded to account for unforeseen circumstances.
- As there is no apples-to-apples competitive bidding, the AOA won't know if they received the best value for their money.

## Benefits of Design-Bid-Build

- **Role Separation**
- **Cost Certainty**
- **A More Competitive Bidding Process**
- **Owner Control**

## Disadvantages of Design-Bid-Build

- **Longer Timeline**
- **Possible Communication Issues**
- **Potentially Higher Change Order Costs**
  - **Hint: Use Allowances to Avoid Change Orders**

## What is most important to you?

- Is having control over the project most important?
- Do you want to have strong flow and communication throughout?
- Do you want something completed quicker, but don't mind a higher cost?
- A qualified CM can help you determine the best route forward for your projects

# Questions?



23

# Mahalo!



(808) 465-3134  
sruhlen@bergemangroup.com  
www.bergemangroup.com

24



# 2025 SAVE THE DATE!

**February 7, 2025**

**September 5, 2025**

**March 14, 2025**

**October 10, 2025**

**April 11, 2025**

**November 21, 2025**

## 2024-2025 Board of Directors

### **Board of Directors**

Lisa Cano (Chair)  
Max Kopper (Vice-chair)  
Christine McGuire (Secretary)  
Robert Miskae (Treasurer and Past Chair)  
Della Nakamoto (Director)  
Elaine Gascon (Director)  
Philip Nerney (Director)  
Sharon Heritage (Director)  
Weylin Hokutan (Director)  
Erin Pascua (Director)

### **Seminar Coordinator**

Eunise Kunishige (non-Director)

### **Committees**

Programs Chair – Al Andrew  
Membership & Marketing Committee Chair – Sharon Heritage  
Membership & Marketing Committee – Weylin Hokutan, Erin Pascua  
Newsletter Committee – Max Kopper, Elaine Gascon  
Website Committee Chair – Robert Miskae  
Website Administrator – Robert Miskae  
Hot Topics Chair – Tom Boomer

### **Directors Emeritus**

Tom Boomer  
Al Andrews

*"Helping To Build Stronger Community Associations on Maui"*

## Mahalo to our 2024 Platinum Sponsors



PORTER • KIAKONA • KOPPER • LLP

Porter McGuire Kiakona LLP



Premiere Restoration HI



Bank of Hawaii



Flood Pro Hawaii



Coastal Windows



Bellissimo LLC



Bergeman Group

*"Helping To Build Stronger Community Associations on Maui"*

## Mahalo to our 2024 Platinum Sponsors



Associa Hawaii



[sagewater.com/hawaii](https://sagewater.com/hawaii)

Sagewater



Berding & Weil LLP



Ameritone Maui



Pacific Panel Cleaners



ALLANA BUICK & BERS  
Making Buildings Perform Better

Allana Buick & Bers



Kawika's Painting



*"Helping To Build Stronger Community Associations on Maui"*

## Mahalo to our 2024 Platinum Sponsors



Kokua Realty



Hawaii Inspection Group, Inc.



Hawaiiana Management Company, Ltd.



Hawaiian Telcom



Insurance Associates



Destination Maui, Inc.



Atlas Insurance Agency

## Mahalo to our 2024 Platinum Sponsors



Structural Concrete Bonding &  
Restoration Inc.



First Citizens Bank



Ikehu Utility Solutions



Da Kine Paints LLC



Waste Pro Hawaii, LLC

## Breakfast pastries sponsored by:



## AV services sponsored by:



**SmartProperty**

*"Helping To Build Stronger Community Associations on Maui"*

## Mahalo to our 2024 Trade Show Sponsors!



Allens Plumbing



Belfor Property Restoration



MD Restoration



Maui Plumbing



Purchasing Hui of Hawaii

## Mahalo to our 2024 Trade Show Sponsors!



Servpro of Maui



**SmartProperty**

SmartProperty



Spectrum Community Solutions



Valley Isle Building Products

## Trade Show Vendor List

Allens Plumbing

Ameritone Maui

Associa Hawaii

Atlas Insurance Agency

Belfor Property Restoration

Berding | Weil LLP

Bergeman Group

Coastal Windows

Da Kine Paints/Benjamin Moore

Destination Maui, Inc.

First Citizens Bank

Flood Pro

Hawaii Inspection Group

Hawaiian Telcom

Hawaiiana Management  
Company, Ltd.

Ikehu Utility Solutions

Insurance Associates

Kawika's Painting, Inc.

Kokua Realty, LLC

Maui Plumbing

MD Restoration

Pacific Panel Cleaners

Premier Restoration Hawaii

Purchasing Hui

Sagewater

Servpro of Maui

SmartProperty

Spectrum Community Solutions

Structural Concrete Bonding &  
Restoration, Inc.

Valley Isle Building Products

Waste Pro Hawaii

# COMMUNITY COUNCIL OF MAUI (CCM)

## SEMINAR EVALUATION

Please answer the following questions as candidly as possible. Your comments will be used to improve the quality of future programs. Please return it to the Registration Desk.

.....

NAME OF SEMINAR/SESSION: \_\_\_\_\_

Please rate this Seminar on the following statements from 1-5 (5 being the highest)

Overall \_\_\_\_\_

Easily Understood \_\_\_\_\_

Usefulness \_\_\_\_\_

Time Allotments \_\_\_\_\_

Seminar Packet \_\_\_\_\_

Facility \_\_\_\_\_

1. Overall, did today's program meet your expectations? \_\_\_\_YES \_\_\_\_NO

Please elaborate:

\_\_\_\_\_  
\_\_\_\_\_

2. What improvements can you suggest for future presentations of this seminar?

\_\_\_\_\_  
\_\_\_\_\_

3. Please list topics that would be of interest to you for future seminars.

a. \_\_\_\_\_

b. \_\_\_\_\_

4. Are you a CCM Member? \_\_\_\_YES \_\_\_\_NO

5. How did you hear about this seminar?

\_\_\_\_ CCM Newsletter    \_\_\_\_ Seminar Flyer    \_\_\_\_ Referral from individual

\_\_\_\_ Local Newspaper    \_\_\_\_ Managing Agent/Property Manager

\_\_\_\_ E-Mail    \_\_\_\_ Other (please specify) \_\_\_\_\_

Name: \_\_\_\_\_

Organization/Association: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

\*\*If you are not receiving e-mails from CCM, please update your e-mail address

**MAHALO!**



# SPECIAL OFFER FOR MEMBERSHIP FOR 2025

Sign up as a member of the Community Council of Maui by December 31st, 2024, and you will receive a 20% discount on your membership dues!

## MEMBERSHIP APPLICATION FOR 2025

Please follow the steps below to complete your Membership Application Form.

### STEP 1. Membership Type:

Please check the appropriate box to describe your type of membership and select the corresponding annual membership dues. Membership for Companies and Associations applies to all persons in your Company or Association.

- |  |                                       |
|--|---------------------------------------|
| <input type="checkbox"/> Association Management Company      | <del>\$150</del> \$120 per Company    |
| <input type="checkbox"/> Business Partner                    | <del>\$150</del> \$120 per Company    |
| <input type="checkbox"/> Condominium / Community Association | <del>\$100</del> \$80 per Association |
| <input type="checkbox"/> Individual Homeowner                | <del>\$40</del> \$32 per Owner        |

Association or Company Name (if any) \_\_\_\_\_

Type of Business \_\_\_\_\_

Did someone refer you to join CCM? If so, please state who: \_\_\_\_\_

Is this membership:  New OR  Renewal?

### STEP 2. Member Contact Information:

Please provide the contact information for at least 1 person from each Association, Business Partner or Management Company.

#### Member 1 (required)

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Suffix \_\_\_\_\_

Title/Position \_\_\_\_\_ Company \_\_\_\_\_

Mailing Address \_\_\_\_\_

Company Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Email \_\_\_\_\_



**Member 2 (optional)**

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Suffix \_\_\_\_\_  
Title/Position \_\_\_\_\_ Company \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
Company Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Email \_\_\_\_\_

**Member 3 (optional)**

First Name \_\_\_\_\_ Last Name \_\_\_\_\_ Suffix \_\_\_\_\_  
Title/Position \_\_\_\_\_ Company \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
Company Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_  
Email \_\_\_\_\_

**STEP 3. Privacy Options:**

Please initial. (All correspondence will be emailed if email address is provided.)

\_\_\_\_\_ I do not wish my name and/or address information to be provided to any outside organizations.

\_\_\_\_\_ I do not wish to receive any special offers or promotions from CCM via email.

**STEP 4. Submit Application and Payment:**

Please send a check made payable to Community Council of Maui and this completed form by December 31, 2024, to: P.O. Box 1742, Wailuku, Hawaii 96793.

OR you can complete the membership application and pay by credit card online at our website <https://ccmmaui.com>

These membership dues apply to an annual membership good through December 31, 2025. Membership dues do not include seminar and lunch fees. Membership dues are non-refundable.

For more information about CCM, please visit our website at <https://ccmmaui.com>