

---

**WEEK 6**  
**Saturday**  
**April 6,**  
**2024**

**10<sup>TH</sup> GENERATION**  
**CREATING SUSTAINABLE**  
**NEIGHBORHOOD**  
**DEVELOPERS'**  
**PROGRAM: *Virtual***

- 9:00 AM: ***Welcome!!***  
Dr. Donald Andrews- Dean, College of Business,  
Southern University and A&M College
- 9:05 AM: **Path Forward:**  
Eric L. Porter  
Co-Creator CSND/ComNet LLC
- 9:10 AM: ***Curriculum Direction:***  
Dr. Sung No,  
Co-Director, SU EDA University Center
- 9:15 AM: **Where Are They Now**  
Chandra Isby  
LeBella Properties
- 9:45 AM: **Breaking The Lending Code**  
Will Campbell, b1 Foundation
- 10:30 AM: **Break**
- 10:35 AM: **Project Development**  
Eric L. Porter, ComNet, LLC
- 11:10 AM: **Environmental & Legal Essentials in Real Estate Development**  
Raymond Anthony Brown, Esquire
- 11: 50 AM: **Best Practices of a Project Manager**  
Eric L. Porter, ComNet, LLC
- 12:35 PM: **Elevator Pitch**  
Spring 2024 CSND Students
- 12::50 PM **Final Exam Review**  
Dr. Sung No, SU EDA Center
- 1:00 PM Closing



# Breaking the Lending Code

Presented By:  
Will M. Campbell, Jr., MA



# BUSINESS LOAN PRODUCTS

Unsecured and Secured

Lines of Credit

Owner Occupied Real Estate

Equipment Loans

Business Automobile

Investment Property *(Non-Owner Occupied)*

Business Credit Cards



## BUSINESS LOAN PRODUCTS, (cont'd)

C D Secured Loans

SBA Secured Loans





## LOAN STRUCTURE

### Purpose of Loan

The Use Of Funds Is The First Indicator Of When And How The Loan Should Be.

### Repayment Terms

Length Of Loan Repayment Determines Payment Amount Which Is Essential In Evaluating Repayment Ability To Repay.



## ITEMS NEEDED TO APPLY

Business Loan Application

Personal Financial Statement  
(All owners, principals, and officers signed and dated within last 45 days)

Management Resume

History of the Business

Business Debt Schedule

Monthly Performance Income Statement for 12 months

Business Financial Statements  
(Income Statement, Balance Sheets, and last 3 years of Tax Return)



## ITEMS NEEDED TO APPLY

Interim Financial Statement  
(Signed and dated within the last 45 days)

Business Performance Financial Statement, Balance Sheet, Cash Flow  
Projections

Personal Tax Returns (most recent 3 years)

Aging of Accounts Receivables and Payable  
(as of the date of the interim financial statements)

IRS Form 4506C signed for business tax returns of personal schedule C.

Other



## FUNDING SOURCES

- Personal Investment
- Family and Friends
- Credit Union / Banks
- Micro Lenders
- Venture Capital
- Angel Investors
- Factoring
- SBA Secured Loans – b1 Bank owns Waterstone LSP. It provides lending solutions under the 7a Loan program.
- LED Secured Loans
- Leasing Companies
- Commercial Brokers
- USDA Loans



# Thinking Like a Lender:

## Requirements for a Business Loan



## FIVE C's OF CREDIT

**Character-** determination to pay; tested by hard times

**Capacity-** The ability to pay the debt obligations

**Capital-** enough funds in business so it can operate; Liquidity

**Conditions-** state of the economy and environment

**Collateral-** assets that can be pledged to secure loan



## CREDIT HISTORY

- Beacon Score- Evaluates Late Payment History, Sources Of Credit, Residential Types, Outstanding Vs Limits, Inquiries, Etc.
- Scores Less Than 650 Get Closer Scrutiny. Score Above 650 Are Routinely Approved Subject To Loan Terms.
- Recent Payment History- Any Past Dues Within The Last 12 Months.
- Public Records- Tax Liens, Judgements, Collection Items And Bankruptcies



## PRINCIPAL PROTECTION

- Loan-to-value-ratio- Loan-to-value Ratio Compares The Amount Of A Loan You're Hoping To Borrow Against The Appraised Value Of The Property You Want To Buy.
- Ltv's Vary Depending On Type Of Collateral:
- Residential R/E- No More Than 90%
- Commercial R/E- No More Than 80%
- Equipment- No More Than 70%





## QUALITATIVE DECISION FACTORS

- Loan Structure: Purpose and Repayment Terms
- Repayment Ability: Debt Service Coverage
- Principal Protection Ratio: Loan to Value Ratio
- Credit History: Beacon Score (Minimum Score 640)



## REPAYMENT ABILITY

- Gross Cash Flow: Determines Total Cash Available To Repay Loan On A Monthly Or Annual Basis, For Businesses, This Is Calculated As Follows:
- Total Debt Services: Total Amount Of Loan Payment For New And Existing Loans
- $Dscr = \text{Gross Cash Flow} / \text{Total Debt Service}$ .
- This Ratio Should Be No Less Than 1.00; Preferably More Than 1.25 Times (1.00 Times=breakeven).
- Personal Debt To Income: Is Similar To Dscr; But Reversed
- Total Debt Service/Gross Income (Before Taxes); Preferably No More Than 50%



# PROFIT AND LOSS STATEMENT FOR BUSINESS

*Page 3*

**SCHEDULE C (Form 1040) Profit or Loss From Business** (Sole Proprietorship)

OMB No. 1545-0074  
**2020**  
Attachment Sequence No. **09**

Department of the Treasury Internal Revenue Service (IRS) ▶ Go to [www.irs.gov/ScheduleC](https://www.irs.gov/ScheduleC) for instructions and the latest information. ▶ Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor: \_\_\_\_\_ Social security number (SSN): \_\_\_\_\_

**A** Principal business or profession, including product or service (see instructions) \_\_\_\_\_ **B** Enter code from instructions \_\_\_\_\_

**C** Business name. If no separate business name, leave blank. \_\_\_\_\_ **D** Employer ID number (EIN) (see instr.) \_\_\_\_\_

**E** Business address (including suite or room no.) ▶ \_\_\_\_\_  
City, town or post office, state, and ZIP code \_\_\_\_\_

**F** Accounting method: (1)  Cash (2)  Accrual (3)  Other (specify) ▶ \_\_\_\_\_

**G** Did you "materially participate" in the operation of this business during 2020? If "No," see instructions for limit on losses  Yes  No

**H** If you started or acquired this business during 2020, check here  Yes  No

**I** Did you make any payments in 2020 that would require you to file Form(s) 1099? See instructions  Yes  No

**J** If "Yes," did you or will you file required Form(s) 1099?  Yes  No

**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked. <input type="checkbox"/>	1
2	Returns and allowances	2
3	Subtract line 2 from line 1	3
4	Cost of goods sold (from line 42)	4
5	Gross profit. Subtract line 4 from line 3	5
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6
7	Gross income. Add lines 5 and 6	7

**Part II Expenses. Enter expenses for business use of your home only on line 30.**

8	Advertising	18	Office expense (see instructions)	18
9	Car and truck expenses (see instructions)	19	Pension and profit-sharing plans	19
10	Commissions and fees	20	Rent or lease (see instructions)	20
11	Contract labor (see instructions)	20a	Vehicles, machinery, and equipment	20a
12	Depreciation	20b	Other business property	20b
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	21	Repairs and maintenance	21
14	Employee benefit programs (other than on line 19)	22	Supplies (not included in Part III)	22
15	Insurance (other than health)	23	Taxes and licenses	23
16	Interest (see instructions):	24	Travel and meals:	24
16a	Mortgage (paid to banks, etc.)	24a	Travel	24a
16b	Other	24b	Deductible meals (see instructions)	24b
17	Legal and professional services	25	Utilities	25
		26	Wages (less employment credits)	26
		27a	Other expenses (from line 48)	27a
		27b	Reserved for future use	27b
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28		
29	Tentative profit or (loss). Subtract line 28 from line 7	29		
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions. <b>Simplified method filers only:</b> Enter the total square footage of (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30		
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31		
32	If you have a loss, check the box that describes your investment in this activity. See instructions. • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 3, and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited.	32a	<input type="checkbox"/> All investment is at risk.	
		32b	<input type="checkbox"/> Some investment is not at risk.	

For Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11334P Schedule C (Form 1040) 2020



# SCHEDULE 1

Page 4

SCHEDULE 1  
(Form 1040)

Department of the Treasury  
Internal Revenue Service

## Additional Income and Adjustments to Income

▶ Attach to Form 1040, 1040-SR, or 1040-NR.

▶ Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

2020  
Attachment  
Sequence No. 01

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

### Part I Additional Income

1	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	1	
2a	Alimony received . . . . .	2a	
b	Date of original divorce or separation agreement (see instructions) ▶		
3	Business income or (loss). Attach Schedule C . . . . .	3	
4	Other gains or (losses). Attach Form 4797 . . . . .	4	
5	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	5	
6	Farm income or (loss). Attach Schedule F . . . . .	6	
7	Unemployment compensation . . . . .	7	
8	Other income. List type and amount ▶	8	
9	Combine lines 1 through 8. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 . . . . .	9	

### Part II Adjustments to Income

10	Educator expenses . . . . .	10	
11	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 . . . . .	11	
12	Health savings account deduction. Attach Form 8889 . . . . .	12	
13	Moving expenses for members of the Armed Forces. Attach Form 3903 . . . . .	13	
14	Deductible part of self-employment tax. Attach Schedule SE . . . . .	14	
15	Self-employed SEP, SIMPLE, and qualified plans . . . . .	15	
16	Self-employed health insurance deduction . . . . .	16	
17	Penalty on early withdrawal of savings . . . . .	17	
18a	Alimony paid . . . . .	18a	
b	Recipient's SSN . . . . . ▶		
c	Date of original divorce or separation agreement (see instructions) ▶		
19	IRA deduction . . . . .	19	
20	Student loan interest deduction . . . . .	20	
21	Tuition and fees deduction. Attach Form 8917 . . . . .	21	
22	Add lines 10 through 21. These are your adjustments to income. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10a . . . . .	22	

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 71479F

Schedule 1 (Form 1040) 2020

# 1040 TAX RETURN

Page 1

**Form 1040** Department of the Treasury—Internal Revenue Service **2020** U.S. Individual Income Tax Return

Filing Status:  Single  Married filing jointly  Married filing separately (MFS)  Head of household (HOH)  Qualifying widow(er) (QW)

Your first name and middle initial: \_\_\_\_\_ Last name: \_\_\_\_\_ Your social security number: \_\_\_\_\_

Home address (number and street): \_\_\_\_\_ Apt. no.: \_\_\_\_\_

City, town, or post office: \_\_\_\_\_ State: \_\_\_\_\_ ZIP code: \_\_\_\_\_

Foreign country name: \_\_\_\_\_ Foreign province/state/country: \_\_\_\_\_ Foreign postal code: \_\_\_\_\_

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency?  Yes  No

**Standard Deduction**  Spouse itemizes on a separate return or you were a dual-status alien

**Age/Blindness** You:  Were born before January 2, 1956  Are blind  Spouse:  Was born before January 2, 1956  Is blind

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> If qualifies for Child tax credit	(5) <input type="checkbox"/> If qualifies for Credit for other dependents

<b>1</b> Wages, salaries, tips, etc. Attach Form(s) W-2	<b>1</b>
<b>2a</b> Tax-exempt interest	<b>2a</b>
<b>3a</b> Qualified dividends	<b>3a</b>
<b>4a</b> IRA distributions	<b>4a</b>
<b>5a</b> Pensions and annuities	<b>5a</b>
<b>6a</b> Social security benefits	<b>6a</b>
<b>7</b> Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	<b>7</b>
<b>8</b> Other income from Schedule 1, line 9	<b>8</b>
<b>9</b> Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your <b>total income</b>	<b>9</b>
<b>10</b> Adjustments to income:	
<b>a</b> From Schedule 1, line 22	<b>10a</b>
<b>b</b> Charitable contributions if you take the standard deduction. See instructions	<b>10b</b>
<b>c</b> Add lines 10a and 10b. These are your <b>total adjustments to income</b>	<b>10c</b>
<b>11</b> Subtract line 10c from line 9. This is your <b>adjusted gross income</b>	<b>11</b>
<b>12</b> <b>Standard deduction or itemized deductions</b> (from Schedule A)	<b>12</b>
<b>13</b> Qualified business income deduction. Attach Form 8995 or Form 8995-A	<b>13</b>
<b>14</b> Add lines 12 and 13	<b>14</b>
<b>15</b> <b>Taxable income.</b> Subtract line 14 from line 11. If zero or less, enter -0-	<b>15</b>

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 113208 Form 1040 (2020)

Page 2

**Form 1040 (2020)** Page 2

<b>16</b> Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	<b>16</b>
<b>17</b> Amount from Schedule 2, line 3	<b>17</b>
<b>18</b> Add lines 16 and 17	<b>18</b>
<b>19</b> Child tax credit or credit for other dependents	<b>19</b>
<b>20</b> Amount from Schedule 3, line 7	<b>20</b>
<b>21</b> Add lines 19 and 20	<b>21</b>
<b>22</b> Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
<b>23</b> Other taxes, including self-employment tax, from Schedule 2, line 10	<b>23</b>
<b>24</b> Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>
<b>25</b> Federal income tax withheld from:	
<b>a</b> Form(s) W-2	<b>25a</b>
<b>b</b> Form(s) 1099	<b>25b</b>
<b>c</b> Other forms (see instructions)	<b>25c</b>
<b>d</b> Add lines 25a through 25c	<b>25d</b>
<b>26</b> 2020 estimated tax payments and amount applied from 2019 return	<b>26</b>
<b>27</b> Earned income credit (EIC)	<b>27</b>
<b>28</b> Additional child tax credit. Attach Schedule 8812	<b>28</b>
<b>29</b> American opportunity credit from Form 8863, line 8	<b>29</b>
<b>30</b> Recovery rebate credit. See instructions	<b>30</b>
<b>31</b> Amount from Schedule 3, line 13	<b>31</b>
<b>32</b> Add lines 27 through 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>
<b>33</b> Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>
<b>Refund</b> <b>34</b> If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>
<b>35a</b> Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>
<b>b</b> Routing number	<b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
<b>d</b> Account number	
<b>36</b> Amount of line 34 you want <b>applied to your 2021 estimated tax</b>	<b>36</b>
<b>Amount You Owe</b> <b>37</b> Subtract line 33 from line 24. This is the amount you <b>owe now</b>	<b>37</b>
Note: Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.	
<b>38</b> Estimated tax penalty (see instructions)	<b>38</b>

**Third Party Designee** Do you want to allow another person to discuss this return with the IRS? See instructions  Yes. Complete below.  No

Designee's name	Phone no.	Personal identification number (PIN)

**Sign Here** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)

Phone no. \_\_\_\_\_ Email address \_\_\_\_\_

**Paid Preparer Use Only**

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
Firm's name	Firm's EIN			Phone no.
Firm's address	Firm's EIN			

Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information. Form 1040 (2020)



## HIGHER RISK INDUSTRIES - REQUIRE STRICTER UW

- Restaurants/Bars
- Contractors
- Auto, RV, Boat Dealers
- Agriculture/Forest
- Religious Institutions
- Auto Mechanics
- Mobile Home or RV Parks
- Retail
- Taxi Services
- Real Estate Professionals
- Real Estate Developers
- Software Companies
- Hotels
- Pawn Brokers



## HIGHER RISK INDUSTRIES - REQUIRE STRICTER UW, (cont'd)

- Gas Stations
- Convenience Stores
- Trucking Companies
- Dry Cleaners
- Entertainment



## RESTRICTED INDUSTRIES AND/OR LOAN TYPES

- Start -up Businesses
- Medical Marijuana
- Adult Entertainment
- Ammunition or Weapons Manufacturing
- Bail Bond Co's
- Loan Brokers
- Companies Involved in Gaming or Gambling Activities
- Money Services
- Loans to Businesses that Promote Discrimination or Have Significant Negative Public Reputation





## LOWER RISK INDUSTRIES

- Health Organizations
- Small Manufacturing Companies
- Service Companies  
(Plumbing, Air Conditioning, etc)
- Professional
- Doctors
- Dentists
- Chiropractors
- Attorneys
- Veterinarians



# Thank You!

For more information reach out to:

Will M. Campbell, Jr., MA

email:

[will.campbell@b1bank.com](mailto:will.campbell@b1bank.com)

p: (225) 939-1899

 **b1** FOUNDATION

# Creating Sustainable Neighborhood Developers



## Real Estate Development

Eric Porter  
Comnet, LLC





# Real Estate Development

## Introduction

### PROJECT DEVELOPMENT PROCESSES

- Economic Feasibility
  - Property Specific Market Analysis
    - Regional
    - Neighborhood
  - Site Selection
  
- Design Feasibility
  - Site
  - Building





# Real Estate Development

## Introduction

### Project Development Processes

- Financial Feasibility
  - Investment returns on the
    - Property
    - Equity
    - Debt
      - Construction period
      - Permanent loan
- Regulatory/Legal Feasibility
- Timing



# Real Estate Development

## Economic Feasibility

### Market Analysis

#### 1. Purpose

- a. Identify needs in the real property market
- b. Help estimate the market value of the completed property
- c. Provide documentation for the financing decision
  - i. support loan application
  - ii. attract equity investors



# Real Estate Development

## Economic Feasibility

### Market Analysis

#### 2. Steps

- a. Define the relevant (sub-)market boundaries
  - i. primary market
  - ii. secondary market
  
- b. Market Characteristics
  - i. size of market
  - ii. market share
  - iii. absorption rates
  
- c. Characteristics of Demand
  - i. income
  - ii. preferences





# Real Estate Development

## Economic Feasibility

### A. Market Analysis

#### 2. Steps

##### d. Product supply

##### i. Existing supply

- Occupancy/vacancy rates

##### ii. The pipeline

- New construction
- Conversions from alternative uses
- Planned/no permit issued

##### e. Barriers to entry







# Real Estate Development

## Economic Feasibility

### A. Market Analysis

#### 2. Steps

- f. Location of competing products
- g. Current market conditions
  - i. rent levels
  - ii. vacancy rates
    - product type
    - amenity package



# Real Estate Development

## Economic Feasibility

### A. Market Analysis

#### 2. Steps

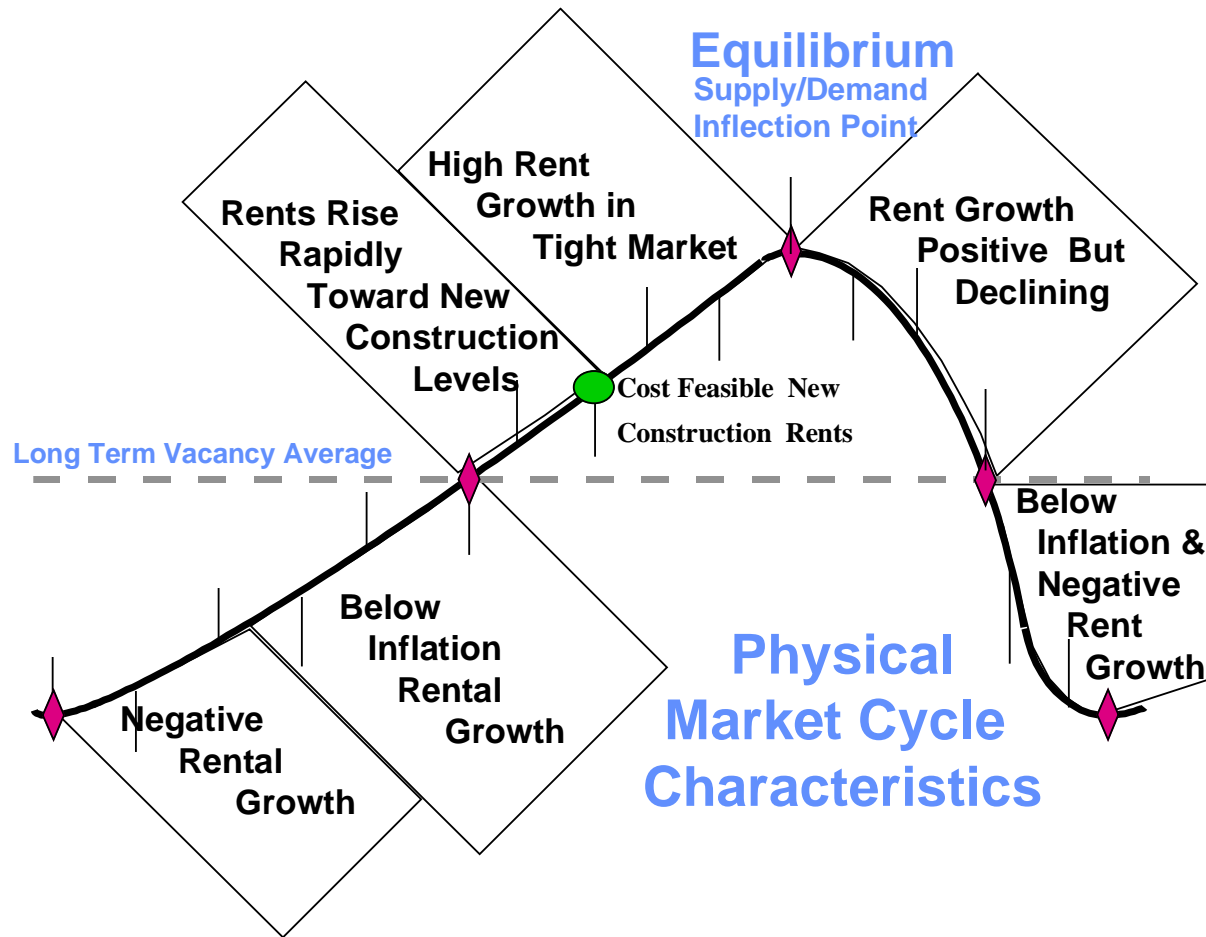
##### i. Real estate cycles

- Market rents do not justify new construction
  - Excess supply
    - High vacancy rates
    - Rents and values declining
- No new construction
- Economic growth increases demand
  - Vacancy rates decline
  - Rents and then values increase
- New construction occurs when expected benefits exceed (all) expected development costs



# Real Estate Development

## Economic Feasibility



# Real Estate Development

## Economic Feasibility

### B. Site Selection

1. Highest and Best Use
2. Location and Neighborhood Amenities
  - a. Proximity
  - b. Accessibility
  - c. Visibility
3. Environmental Issues
  - a. Soil Contamination
  - b. Groundwater Contamination
  - c. Potential Liability





# Real Estate Development

## Economic Feasibility

### B. Site Selection

4. Size and Shape

5. Site conditions

a. slope & topography

b. geology/drainage/soil conditions

c. vegetation

6. Easements and covenants





# Real Estate Development

## Economic Feasibility

### B. Site Selection

7. Utilities
  - a. electric
  - b. water
  - c. gas
  - d. telephone
  - e. cable
8. Traffic patterns
9. Neighboring uses

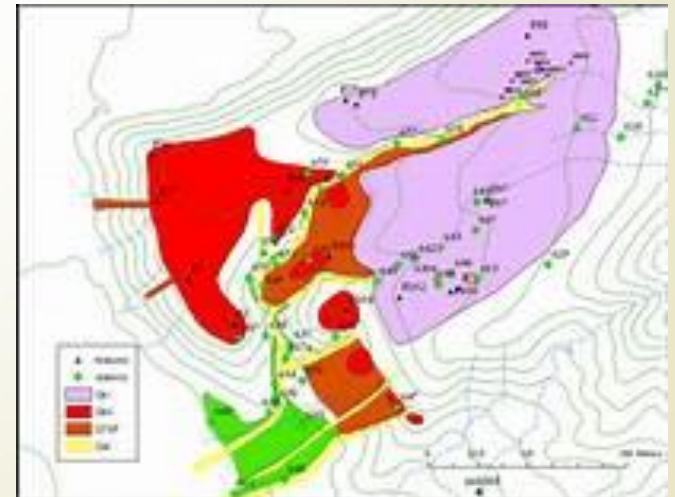


# Real Estate Development

## Economic Feasibility

### C. Maps and Surveys

1. Topographic survey
  - a. property contours
  - b. springs/marshes/wetlands
  - c. soil types
  - d. vegetation
2. Site map
3. Boundary survey
4. Utilities map





# Real Estate Development

## Design Feasibility

### D. Design Feasibility

#### 1. Site

a. Footprint

b. Parking

c. Landscaping

d. Other amenities





# Real Estate Development

## Design Feasibility

### D. Design Feasibility

#### 2. Building configuration

##### a. External Design Features

- i. Structure
- ii. Shell components
- iii. Roof systems
- iv. Signage



# Real Estate Development

## Design Feasibility

### D. Design Feasibility

#### 2. Building configuration

##### b. Interior Design Characteristics

- i. tenant space
- ii. structural flexibility
- iii. ceiling height
- iv. floor covering
- v. utilities
- vi. mechanical and electrical





# Real Estate Development

## Financial Feasibility

### E. Financial Feasibility

#### 2. Capital Structure

a. Debt

b. Equity

#### 3. Types of loans

a. Construction

b. Permanent

c. Miniperm—construction loan w/option  
to extend for a short period

d. Standby commitment



# Real Estate Development

## Financial Feasibility

### E. Financial Feasibility

#### 4. Completed Project NPV

a. rental revenues: leases

b. non-rental income

c. expenses

i. vacancy/collection/loss to leases

ii. fixed expenses

iii. variable expenses

iv. reserves for replacements

v. tenant improvements and leasing commissions

vi. taxes



# Real Estate Development

## Financial Feasibility

### E. Financial Feasibility

#### 5. Construction Period NPV

a. land costs

b. site development costs

i. grading

ii. storm/water drainage

iii. sanitary sewer

iv. streets/curbs/walks

v. utilities



# Real Estate Development

## Financial Feasibility

### E. Financial Feasibility

#### 5. Construction Period NPV

##### c. Building costs

##### i. hard costs

- shell structure
- HVAC
- Electrical
- Plumbing
- Project management fees
- Finish out
- Signage



# Real Estate Development

## Financial Feasibility

### E. Financial Feasibility

#### 5. Construction Period NPV

##### c. Building costs

##### ii. soft costs

- Architect
- Fees and permits
- Legal
- Construction period interest
- Construction loan fees
- Permanent loan fees
- Leasing commissions
- Direct overhead
- Indirect overhead



# Real Estate Development

## Financial Feasibility

### Construction Period or Interim Loan

- Variable Rate: prime + 300 basis points
- Developer obtains line of credit and draws funds as work is completed
- Draws must be approved by lender
- Construction period interest and loan fees *accrue* during the construction period and are paid with the proceeds of the sale of the property or with the permanent financing





# Real Estate Development

## Financial Feasibility

### Construction Period Loan Example

You want a construction loan to develop a \$1.75M garden apartment complex. The property will take 12 months to build. The expected non-loan development costs appear in the first column of the table on the following slide. The construction loan has a 2% fee. The fee is computed on the total amount borrowed. Interest is quoted as an annual rate at prime plus 300 basis points. The prime rate is expected to be:

6% over the first three months of the construction period;

7% over months 4-6 of the construction period;

8% over months 7-9 of the construction period; and

9% over months 10-12 of the construction period.

The interest on the construction loan and the loan fee are not paid but *accrue* interest over the development period. Compute monthly interest, total draws, the loan fee, and the effective borrowing cost.



# Real Estate Development

## Financial Feasibility

### Construction Loan Analysis:

Borrowing Cost  
Fee

13.351%  
2.000%

Mnt h	Non-Interest Costs	Annual Rate	Interest & Fees	Draw	Cumulative Loan	Cash Flow
0	36,000	#N/A	26,943	62,943	62,943	36,000
1	25,000	9.00%	472	25,472	88,415	25,000
2	71,000	9.00%	663	71,663	160,078	71,000
3	125,000	9.00%	1,201	126,201	286,279	125,000
4	174,600	10.00%	2,386	176,986	463,265	174,600
5	200,000	10.00%	3,861	203,861	667,125	200,000
6	160,000	10.00%	5,559	165,559	832,684	160,000
7	175,000	11.00%	7,633	182,633	1,015,317	175,000
8	95,000	11.00%	9,307	104,307	1,119,625	95,000
9	93,000	11.00%	10,263	103,263	1,222,888	93,000
10	50,000	12.00%	12,229	62,229	1,285,117	50,000
11	21,000	12.00%	12,851	33,851	1,318,968	21,000
12	15,000	12.00%	13,190	28,190	1,347,157	15,000
Totals	1,240,600		106,557	1,347,157	1,347,157	(1,347,157)





# Real Estate Development

## Financial Feasibility

### Interim Lender Closing Requirements

1. Project information: final drawings, cost estimates, site plan
2. Property market and borrower financial information
3. Government and regulator information
4. Legal documentation
  - a. approval for permanent loan
  - b. all documentation for general contractors, architects, planners, subcontractors; evidence of bonding; contractor agreements to perform for construction lender; closing documents
  - c. inventory of personal property that secures interim loan
  - d. executed leases
  - e. default provisions

Source: Brueggeman and Fisher, 11<sup>th</sup> Ed., page 440-441.



# Real Estate Development

## Financial Feasibility

### Permanent Lender Closing Requirements

4. Legal documentation
  - a. delivery of construction loan mortgage
  - b. architect's certificate of completion
  - c. insurance policy endorsements (casualty, hazard)
  - d. title insurance policy
  - e. status of ground rents (if applicable)
  - f. an exculpation agreement that relieves the borrower of personal liability (if applicable)
  - g. lien releases from construction subcontractors

Source: Brueggeman and Fisher, 11<sup>th</sup> Ed., p. 441



# Real Estate Development

## Regulatory Feasibility

### F. Regulatory Issues

#### 1. Zoning

- a. permitted uses
- b. density
- c. floor/area ratio (FAR)
- d. height restrictions
- e. size requirements





# Real Estate Development

## Regulatory Feasibility

### D. Regulatory Issues

#### 2. Platting

- a. street width
- b. lot size
- c. setbacks
- d. turning radius

#### 3. Public Approvals

#### 4. Building Codes

#### 5. Fire Codes



# Real Estate Development

## Timing

### Go/No go decision points

- Land option (option to purchase land)
- Government approvals
  - Site plan approvals
  - Building plan approvals
- Lender commitments
- Equity investor commitments





# Real Estate Development

## References

- a. *Professional Real Estate Development: The ULI Guide to the Business*, by Richard B. Peiser with Dean Schwanke. The Urban Land Institute. 1992.
- b. *Value by Design: Landscape, Site Planning, and Amenities*, by Lloyd W. Bookout with Michael D. Beyard and Steven W. Fader. The Urban Land Institute. 1994
- c. *ABC of Architecture*, by James F. O’Gorman with drawings by Dennis E. McGrath. University of Pennsylvania Press. 1998.







**Questions?**

# Creating Sustainable Neighborhood Developers

Eric Porter  
Comnet, LLC

[www.comentllc.net](http://www.comentllc.net)

Email: [comnetllc@yahoo.com](mailto:comnetllc@yahoo.com)



# Environmental & Legal Essentials in Real Estate Development

PRESENTED BY

Raymond A. Brown Esq MS MBA

(225) 910-6873

[ranthonybrown@gmail.com](mailto:ranthonybrown@gmail.com)



# Environmental Concerns

- Asbestos
- Lead-Based Products
- Underground Storage Tanks
- Former Industrial Uses

# Asbestos

This was a material commonly used in construction because it provided excellent insulation and was fireproof. It was discovered that asbestos was related to lung disease as well as different types of lung cancer. It can become a serious problem during remodeling projects. Anything that causes a dispersal of asbestos filaments puts people at risk for health issues involving their lungs

Can be found in:

Flooring

Insulation

Roofing material



# Lead

Lead is a soft gray metal element that occurs naturally in the earth.

For many years, lead was added to:

paint,  
gasoline,  
commercial or industrial operations.



# What are the sources of lead in the environment?

Homes that have cracked and peeling old lead paint on their walls.

Home renovations that disturb old lead paint can spread invisible lead dust.

Lead from old lead paint may contaminate household dust and nearby soil.

Soil may have high levels Pre 1976 gasoline





# Mold

Mold is a type of fungus that consists of small organisms found almost everywhere. They can be black, white, orange, green, or purple. Outdoors, molds play an important role in nature, breaking down dead leaves, plants, and trees. Molds thrive on moisture and reproduce by means of tiny, lightweight spores that travel through the air. You're exposed to mold every day.





# Underground Storage Tank

UST owners include marketers who sell gasoline to the public (such as service stations and convenience stores) and non marketers who use tanks solely for their own needs (such as fleet service operators and local governments).

Until the mid-1980s, most USTs were made of bare steel, which is likely to corrode over time and allow UST contents to leak into the environment. Faulty installation or inadequate operating and maintenance procedures also can cause USTs to release their contents into the environment



# Nearby Industrial Sites

There are many old and existing chemical plants throughout the state

These sites can cause issues to nearby properties.



# Why should you (and your clients) care?

- Avoid potential liability to government agencies and private parties for environmental conditions
- Assure land is suitable for intended use (existing or planned)
- If you represent a lender, assure valuation of secured collateral
- Potentially Affected Parties: Buyers, Sellers, Lenders, Landlords, Tenants

# Key Statutes

## Louisiana

- Pollution and Discharge Prevention and Renewal:
  - Pollution Discharge Prevention and Control Act. §§ 376.011-376.165; 376.19-376.21
  - Brownfields Redevelopment Act: §§ 376.77 – 376.85
- “Little CERCLA:” § 403.727

## Federal

- Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA): 42 USC 9601 et seq.
- Resource Conservation and Recovery Act (RCRA): 42 USC 6901-6992k

# Potentially Liable Parties

## Under Federal Law

- CERCLA – 42 USC 9607(a)
  - Owners and operators
  - Owner/operator at time of disposal
  - Persons who arrange for transport for disposal/treatment (aka “generators”)
  - Persons who accept hazardous substances for transport/disposal
- RCRA
  - Facilities that generate, transport, treat, store, or dispose of hazardous waste (regulated under RCRA subsection C)

# Inspection of Property

A home inspection is an objective, professional, third-party assessment of specific aspects of a house. The home inspection will cover things like water damage, insect or pest infestation, the condition of the roof, your home's electrical system, plumbing issues, and any structural or foundation issues. Inspections are about ensuring the safety of the home, and typically take a few hours to complete for an average-sized home.

# Home Inspection

There are a number of major things that home inspectors look for

- Water damage
- Structural and foundation issues
- Old/damaged roof
- Damaged electrical system
- Plumbing problems
- Insect and pest infestation
- Issues with the HVAC system
- Step, stairway, and railing safety
- Fireplace operation

If the inspection turns up major flaws, like a pest or mold problem, the inspector may recommend having another expert come in to confirm their findings and give recommendations.



# Commercial Property

## DUE DILIGENCE:

## All Appropriate Inquiry

42 USC § 9601(35)  
(B)

### Phase I Environmental Site Assessments, (Phase I ESA)

- Records Review
  - Site Reconnaissance
  - Interviews
  - Evaluation and Reports
- Recognized Environmental Conditions (REC)
    - The presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, ground water, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws.



# DUE DILIGENCE:

## All Appropriate Inquiry

- Typically the standard is used for commercial real estate transactions.
  - Depending on the value, might make sense for a residential purchase
- Must be conducted by an environmental professional.
- Common View of Phase I:
  - Conducted in order to be able to claim “innocent land owners defense.”
- View of Phase I:
  - Environmental due diligence should be conducted so Buyer knows what he/she is getting, and will not be saddled with environmental liability.

# Phase II Sampling

- More practically, it may be used to determine if contamination exists on or near property to be acquired.
- May trigger the obligation to report or clean up.
- Can help establish a baseline condition.

# Innocent Purchaser Defense

- 42 USCA §§ 9601(35)(A), 9607(b)(3)
- Protects innocent purchasers who did not know of, and who had no reason to know of, contamination on the property.
- Requirements:
  - Acquisition after release
  - Buyer did not know and had no reason to know of contamination
- Due Diligence/All Appropriate Inquiry (see above)

# Other CERCLA Defenses

- Bona Fide Prospective Purchasers:
  - 42 USCA §§ 9601(40), 9607(4)
    - Disposal of hazardous substances occurred before purchase
    - Person made all appropriate inquiry and determined contamination was present
    - Person exercised appropriate care with respect to hazardous substances
    - Person is not otherwise potentially liable through familial, contractual, corporate, or financial relationships
  - Must have acquired property after January 11, 2002
  - Must prove certain factors by a preponderance of the evidence, including:
- Contiguous Landowners
- Acts of God: an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight. 42 USC § 9601(1)
- Acts of War

# Lender Liability

- Adds defense for “acts of government” § 403.727(5)(b)
- “Act of God” which “means only an unforeseeable act exclusively occasioned by the violence of nature without the interference of any human agency.” § 403.727(5)(c)
- No secured creditor exemption
- There is protection for petroleum contamination (§ 376.308 (3)) and sites involved in the brownfields process (§ 376.82 (4)).

# Other Uses for Site Assessments

- Establishing contractual liability for known contaminated property
  - Establishing baseline environmental data
- Evaluation for Brownfield redevelopment
- Cost of Remediation
- Establish baseline environmental conditions

# Contractually Resolving Contamination Issues

- Purchase and Sale Contracts, Loan Commitments/ Mortgages, Leases
- Potential Liability Risks
  - Other Party to Contract
  - Third Parties (Government, Prior Owners, Future Owners/Operators, Neighboring Property Owners, Tenants)

# Potential Avenues to Protection

- Assign liability through contractual provisions
- Negotiate an escrow for cleanup costs
- Adjust sales price to reflect cleanup costs
- Environmental insurance



# Clauses to Consider

- Indemnification and Release Clauses
  - CERCLA 107(e)(1) (Liability) contains conflicting language regarding indemnification/hold harmless clauses
  - May only apply when indemnitor is solvent
- Savings Severability Clause
- Mediation Clauses
- Cost-Sharing Provisions

# Disclosures, Warranties, and Representations

- Buyers should seek disclosures in the Representations and Warranties
- Breach of warranty or representation that the property contains no existing environmental conditions can provide a mechanism by which the buyer can rescind the contract.
- No contract clause should interfere with a legal requirement to report.

# Insurance Coverage

- Basically all Comprehensive General Liability policies contain an “absolute” pollution exclusion.
- Environmental Insurance
  - Pollution and/or remediation liability insurance
  - Integrated general liability with pollution insurance
  - “cleanup cost cap” / “stop loss” / “cost containment” insurance
  - Contaminated property development insurance
  - Lender environmental protection insurance
  - Indoor air quality and mold insurance
  - Miscellaneous specialized provisions(underground storage tanks, transactional risks, business-specific coverage, e.g. for agriculture).
- Beware: “claim-made” vs. “occurrence-based”
  - “claims-made” covers time period in which claim is made
  - “occurrence-based” covers time period when release occurred

# State Disclosure and Reporting Requirements

- Petroleum Storage Systems (Chapter 62-761, F.A.C.)
- Contaminated Site Cleanup (Chapter 62-780, F.A.C.)
  - Also includes identification of an imminent threat; and
  - Initial notice of contamination beyond property boundaries

# Wetlands and Water

## Federal

- § 404 Clean Water Act
  - Coastal and Inland Wetlands

## State

- State Environmental Resource Permits
  - Permit Transfers
- FDEP and WMDs
- Sovereign Submerged Lands

# Recommended Resources

- *Environmental Aspects of Real Estate and Commercial Transactions* (American Bar Association, 4<sup>th</sup> ed. 2011 Witkin, James B., ed.)
- 59 Am. Jur. Trials 231. Contractual Indemnifications and Releases From Environmental Liability.
- Environmental Transactions and Brownfields Committee Newsletter, June 2013, ABA Section of Environment, Energy, and Resources.
- Real Estate Transactions – Structure and Analysis with Forms. Westlaw Database. (Updated April 2013).
- Schwenke, Roger D. *Environmental Issues in a Real Estate Transaction*. RPCT FL-CLE 12-1 (The Florida Bar, 2011).

# Any Questions?

Raymond A. Brown Esq MS MBA  
(225) 910-6873  
ranthonybrown@gmail.com



# ACQUISITION PROCESS



# **PROJECT MANAGEMENT**

**Small Business Education Series**  
**EDA UNIVERSITY CENTER FOR ECONOMIC**  
**DEVELOPMENT**

**Southern University**

**Eric Porter - ComNet, LLC**

**ComNet**

# Why Do Projects Fail?

**Lack of Planning**

**Lack of Clear Roles & Responsibilities**

**Lack of Change Management**

**Poor Budgeting**

**Poor Scheduling**

**ComNet**

# Topics Agenda

- Introduction
- What is a Project Manager
- Planning the Project
- Project Scheduling
- Project Financial Plan
- Leading the Project Team
- Managing your Clients
- Managing your Clients
- Managing Quality and Risks
- Time Management & Communications
- Controlling the Project
- Getting Out of Trouble

**ComNet**

# Traits of the Best PMs

as Defined by a Major Client

1. Follows through
2. Good Listener
3. Proactive
4. On top of every aspect of the job
5. Leads by example
6. Good Communicator
7. Backs decisions of team members
8. Organized
9. Handles multiple priorities well
10. Technically proficient
11. Holds people accountable
12. Delegates well

**ComNet**

# The Most Successful PMs

- **Manages the proposal effort**
- **Prepares the fee budget**
- **Participates in fee negotiation**
- **Participates in team selection**
- **Gets non-performers removed**
- **Controls technical direction**
- **Controls budget & schedule**
- **Maintains rapport with client**
- **Directs fee collection efforts**
- **Accountable for success or failure**
- **Little involvement in marketing**
- **Get fee budgets from others**
- **Accepts whatever is negotiated**
- **Relies on department heads for staffing**
- **Blames department heads for poor performers**
- **Delegates tech. matters to dept. heads**
- **Monitors budget and schedule**
- **Reports status to client**
- **Lets accounting handle collections**
- **Keeps records of who is responsible.**

**ComNet**

# How Principals Work with Strong PMs

Issue	Project Manager	Principal
Fee Proposals	Prepares	Approves
Fee Negotiation	Participates	Directs
Team Selection	Requests	Assigns
Removing Non-Performers	Recommends	Approves
Technical Decisions	Controls	Recommends
Client Relations	Maintains	Oversees
Future Work	Secures	Approves
Accountability	Maintains	Rewards

**ComNet**

# Roles of the Project Management

## Traditional Roles

- Planning
- Scheduling
- Organizing
- Directing
- Controlling
- Technical

## Marketing Roles

- Expand the Scope of Work
- Get the Client Back
- Actively Secure Referrals
- Close the Deal
- Sell All your Firm's Services
- Passive Marketing/Client touches

## Financial Roles

- Earn the Profit
- Bill the Client
- Secure Payment

**ComNet**

# Passive Marketing/Touching Clients

- Forward an article about a client's business
- Forward info on a new legislation affecting them
- Send a book about strategies in their business
- All phone calls equal one touch
- Send clippings on other projects or industry trends
- Send a handy tool or checklist that makes their job easier
- Thank you notes
- Lunches and Breakfasts
- Company Newsletters

**ComNet**



# Tally of Cross-Selling Opportunities

Client	Opportunity	Sales Lead	Prob of Success	Gross Revenue	Weighted Revenue
GA DOT	Enviro Feas	DFR	50%	\$50,000	\$25,000
FL DOT	Bridge Inspect	LRJ	75%	\$550,000	\$410,000
Jax DPW	Paving Recycle	MJU	33%	\$75,000	\$25,000
Orl Water	GIS	JEF	30%	\$100,000	\$30,000
Pens DPW	GIS	JEF	50%	\$100,000	\$50,000
Jax Aviat	Security Assess	PIK	40%	\$50,000	\$20,000
			TOTALS	\$925,000	\$560,000

**ComNet**

# Accounts Receivables Plan-Contracting

- **Push hard for net 30-day clauses in contracts**
- **Avoid complicated billing and reporting procedures**
  - Offer discounts for standard formats with no backup
- **Bill directly to Client rather than through a prime**
- **Job Opening forms shall be completed as soon as the contract/invoicing conditions are known**
- **Special billing requirements must be fully explained to accounting**

**ComNet**

# Accounts Receivables Chase Plan - Invoicing

- **Obtain a full explanation of billing procedure from the Project Manager**
- **Invoices for large accounts should be prepared before those for small accounts**
- **Project Managers shall review invoices within one and one-half days of receipt**
- **Corrections and adjustments shall be minimized and clear instructions shall be minimized and clear instructions shall be given to Accounting**

**ComNet**

# PM's Top 20 Excuses for Project Failure

1. The project team was full of incompetents.
2. I didn't have enough time.
3. The client kept making changes.
4. The budget was unrealistic.
5. I couldn't get enough help.
6. Working for the client is impossible!
7. I couldn't get the information I needed from accounting.
8. The schedule was unrealistic.
9. Everyone kept charging to the job.
10. \_\_\_\_\_ was taken off the job at the worst possible time.
12. The designers wouldn't stop designing.
13. The contractor didn't understand the job.
14. This job was unique.
15. The building department is full of idiots.
16. Principals kept charging to the job.
17. The subs would not cooperate.
18. The word processing people kept getting pulled off my job.
19. \_\_\_\_\_ quit and left me holding the bag.
20. The CADD operations didn't know what

**ComNet**

# Project Manager Sins

4. Letting the job get into trouble
3. Not Knowing it's in trouble
2. Knowing it's in trouble and not asking for help
1. Hiding the fact that it's in trouble

**ComNet**

# Elements of a Project Mgt Plan

- **Goals & Objectives**
- **Scope Of Work**
- **Schedule**
- **Financial Plan**
- **Team Organization, Resources, Responsibilities**
- **Quality Control Process**
- **Change Management Process**
- **Communication Plan**
- **Contingency/Risk Management Plan**

**ComNet**

# Communication Plan

Date:

Job:

Project:

Communication Element	Participants	Frequency	Media	Setting

**ComNet**

# Contact List

Date:  
Job #:  
Project:

<b>Client Participants</b>	<b>Responsibility</b>	<b>Phone</b>	<b>Fax</b>	<b>E-mail</b>
<b>Designer Participants</b>	<b>Responsibility</b>	<b>Phone</b>	<b>Fax</b>	<b>E-mail</b>
<b>Subcontractor Participants</b>	<b>Responsibility</b>	<b>Phone</b>	<b>Fax</b>	<b>E-mail</b>

**ComNet**



# Project Management Plan

## Short Form

<b>General</b>		
Date:	Issue No:	Prepared By:
Approved By/Title:		
Project Name:		
Client:		
Project Location:		
Type of Contract:		Budget:
Project No:		Project Manager:
Client Manager:		Tech. Director
<b>Client (Organization Chart Attached)</b>		
Contact:		Title:
Phone:		Fax:
Mail Address		Courier Address:
<b>Project Description (Scope of Work Attached)</b>		
<b>Project Objectives (These are specific and measureable)</b>		

# Project Management Plan

## Short Form

	<b>Deliverables, Milestone And</b>	<b>Schedule (Schedule</b>	<b>Attached)</b>
NO	Deliverable/Milestone	Date	Remarks
	<b>SUBCONTRACTORS</b>		
	Name:		
	Contact:	Title:	
	Scope of Work:		
	Budget \$:	Type of Contract:	Phone:
	Fax:	Mail Address:	E-mail:
	<b>SUBCONTRACTORS</b>		
	Name:		
	Contact:	Title:	
	Scope of Work:		
	Budget \$:	Type of Contract:	Phone:
	Fax:	Mail Address:	E-mail:

# Project Management Plan

## Short Form

	<b>Signature Authority</b>	
Document	SIGN. AUTHORITY (Name/Title)	Remarks
Letters to Client		
Transmittals to Client		
Internal Document		
Draft Documents		
Final Document Issues		
Travel Requests		
Progress Reports		

**Recipients of PM Plan (Including Dates)**




# Reasons for Scheduling

- **Get Projects Done on Time**
- **Cash Flow Plan**
  - Accelerates Payments
  - Facilitates Client Financing
- **Personal Time Planning**
- **Demonstration of Resource Requirements**
- **Effective Communication**
  - Client
  - Team
  - Management

**ComNet**

# Characteristics of a Good Schedule

- **Easily Communicated**
- **Flexible – Easy to Update and Change**
- **Has Commitment of Project Team**
- **Shows Task Interrelationships**
- **Kept on a Calendar Basis**
- **Forces Early Deadlines**
- **Includes Review and Correction Time**
- **Allows for Slippage**
- **Has Office-Wide Correlation**
- **Allows for Activities Beyond Contractual Due Date**
- **Graphic Presentation**



# What is CPM Scheduling?

## CPM Equations

- Shortest path thru the schedule logic
- Critical Path Tasks have “Zero Float”
- If any critical task finishes late, the project will finish late

**Early Finish = Early Start + Duration**

**Late Start = Early Start + Total Float**

**Late Finish = Late Start + Duration**

**Late Finish = Early Finish + Total Float**

**ComNet**

# CPM Glossary of Terms

- **Duration**: Length of time to complete a task
- **Early Start**: Earliest date that a task can begin
- **Early Finish**: Earliest date that a task can be completed
- **Late Start**: Latest date a task can start without impacting overall project completion
- **Late Finish**: Latest date a task can be completed without impacting overall project completion

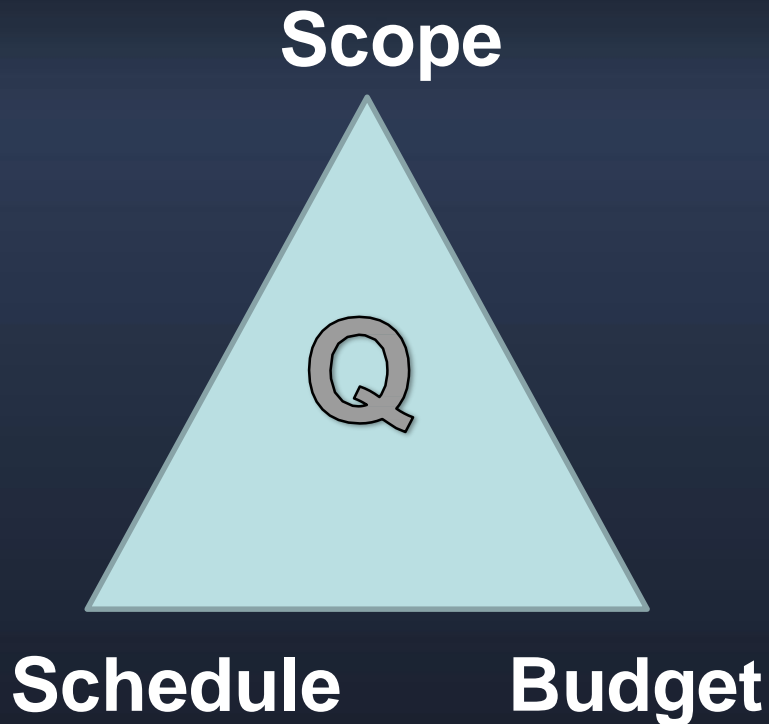


# Common Pitfalls in Schedules

- **Not allowing time for internal reviews & corrections**
- **Starting tasks before required prerequisites are complete**
- **Failure to consider availability**
- **Failure to delineate client responsibilities**
- **Excessive complexity**
- **Lack of contingency planning**
- **Failure to include activities beyond contract due date**
- **Failure to identify activities beyond your control**
- **Forgetting the “Soft Tasks”**

**ComNet**

# SUCCESSFUL PROJECT CHART



What is the Definition  
of a Successful  
Project?

**ComNet**

# Budget Method #4 Staffing Level Budgeting

- **Project Duration = 6 weeks**
  - **Principal @ ¼ time = 60 hours**
  - **Project Manager @ ½ time = 120 hours**
  - **Project Architect @ full time = 240 hours**
  - **Technical Support @ ½ time = 120 hours**
  - **Administrative Support @ ½ = 120 hours**
  - Total Labor = 660 hours**

**Labor Budget = 660 hrs @ \$70/hr = \$46,200**  
**Expenses @ 10% = 4,620**  
**Total Budget = \$50,820**

**ComNet**

# What are Project Write – offs?

- **Jobs in budget trouble**
- **Job with potential quality/liability problems**
- **Charges to jobs w/o contracts**
- **Delays in getting charges keyed into accounting**
- **Delays in getting charges billed**
- **Late payment**
- **Jobs with unusually high risks**

**Project Cost that  
are not:**

- **Billed to a client**
- **Paid by a client**

**ComNet**

# Why Teams Fail

- No Clear Vision
- Lack of Team Purpose
- Poor Team Behavior
- Team Behavior
- Personal Agendas
- Focus on Personalities
- Unwilling to Participate
- Lack of Feedback
- Value Conflicts

**ComNet**

# Characteristics of Effective Teams

- **Collective AND Individual Accountability**
- **“Atmosphere” is relaxed**
- **Lots of discussion**
- **Objectives well understood**
- **Members listen to each other**
- **Most decisions by consensus**
- **Constructive disagreements**
- **Criticism is comfortable**
- **Clear assignments made & accepted**
- **Leadership shifts from time to time**

**ComNet**

# Project Manager Responsibilities

**(L) = Leadership**

**(M) = Management**

**ComNet**

# Ten Steps to Better Delegation

1. **Select the right person**
2. **Provide all the available information**
3. **Ask what additional information is needed**
4. **Clearly define the product you expect**
5. **Agree on the proper**
6. **Agree on a completion date**
7. **Agree on a level of effort**
8. **Establish control mechanisms (MBWA & MBAQ)**
9. **Expect the product to be 30% different; 10% wrong**
10. **Give credit; take blame**

**ComNet**



# The Assistant Project Manager

- **Official or Unofficial?**
- **Performs specific PM tasks**
- **Pinch hits during PM's absence**
- **Allow PM to handle more jobs**
- **Accelerates development of new PMs**
  - **Builds a relationship with a targeted client contact**
  - **Suggest a value added at a client meeting**
  - **Attend client meetings to observe dynamics**
  - **Prepare project close-out and lessons-learned**

**ComNet**

# Personality Traits

## Driver (Control Taker)

Pushy  
Severe  
Tough Minded  
Dominating  
Harsh  
Determined  
Requiring  
Thorough  
Decisive  
Efficient

## Analytic (Data Collector)

Critical  
Indecisive  
Stuffy  
Exacting  
Moralistic  
Industrious  
Persistent  
Serious  
Vigilant  
Orderly

## Expressive (Emotional)

Manipulative  
Excitable  
Undisciplined  
Reacting  
Promotional  
Personable  
Stimulating  
Enthusiastic  
Dramatic  
Gregarious

## Amiable (Friendly)

Conforming  
Retiring  
Pliable  
Dependent  
Awkward  
Supportive  
Respectful  
Wiling  
Dependable  
Agreeable

**ComNet**

# Battling “Indifference”

- **Managing your Client**
- **Superior Client Service**
- **Keeping Relationships Fresh**
- **Proactive Communication**

**ComNet**

# Critical Success Factors In Managing Your Client

## Leadership

- Know your client
- Understand your client's business
- Be an equal partner
- Foster trust
- Demonstrate credibility
- Anticipate – Don't React

## Management

- Maintain focus
- Be committed
- Communicate effectively
- Be prepared
- Be persistent when you need input

**NO SURPRISES !!!!!**

**ComNet**

# Presenting Bad News – Spin Control

- **Get bad news out as early as possible**
- **Make sure clients hear it from you first**
- **Take blame immediately**
- **Present alternatives**
- **“Your first loss is your last loss”**

**ComNet**

# SOUND ADVICE

When vendors, consultants, and contractors asked President of Intel Corporation how they can get more work from the giant chip manufacturer, he told them:

“Go out and learn how to make chips.  
Then come back and help us do it  
better.”

**ComNet**

# How Well Do You Know Your Client?

- Who does your client report to?
- Why are they organized the way they are?
- What are their strategic drivers?
- Where do the decision makers sit?
- What do they value and expect in their relationship with you?
- What do they read?
- What is their career path?
- What are their outside interests?
- What hassles can you remove from their life?

**ComNet**

# How Satisfied Are Your Clients?

- **Solicit feedback (1 page survey)**
- **Send clients a piece of paper marked “How Can We Do Better?”**
  - Include the pen and postage paid envelope
- **Ask clients to keep a sheet entitled “Things Consultants Do That Bug Me”**
- **Collect, Summarize, Share, Do It Again !!!!**

**Keeping Client Happy = Keeping Clients**

**ComNet**



# The 5 Be's to Superior Client Service

- **Be Accessible:** easy to be contacted
- **Responsive:** adapt to client needs
- **Be a Closer:** do what you say you will do
- **Be Quick to Correct:** bad news doesn't get better with age
- **Be Passionate:** it's contagious

**ComNet**

# How Do You Kill a Client Relationship?

- Assume there are no problems in the relationship
- Don't listen
- Rotate staff
- Take a client's repeat business for granted
- Leave issues unresolved
- Be defensive
- Don't call unless you have an RFP
- Don't call unless you have a job number

Are you guilty of any of these ?

**ComNet**

# Proactive Client Communications

## All Client Interaction

- You initiate
- Same day and time
- Decide on schedule at kickoff meeting
- You and your client mark the dates/times on your appointment calendars

## Written Progress Reports

- Summary of work done last period
- Forecast of activities for next period
- Scope changes/Value Added to Date
- Budget status/Deliverable status
- Schedule status/Percent Complete
- Input needed from client
- Other issues/concerns

**ComNet**

# Time Management and Communications

- Meetings
- Telephone
- Interruptions
- Electronic Communications
- Written Communications
- Prioritizing

What Would You Do with an Extra 2 Hours per Day?



**ComNet**

# Making Meetings More Effective

- Eliminate the Meeting
- Eliminate Your Attendance
- Start Meetings on Time
- “Stand-up” Meetings
- Consider Time of Day
- Effective Agendas
- “Action” Minutes

*Remember the Golden Rule:  
Praise in Public Criticize in Private*

- Don't use peer pressure to log-roll conclusions
- Don't hold meetings outside normal business hours
- Kill regular meeting when they no longer serve their purpose

**ComNet**

# Managing the Telephone

- **Answering the phone**
- **Grouping your calls**
- **Holding calls**
- **Getting off the phone**

**ComNet**

# Electronic Communications

## Voicemail

- **Change your voicemail message everyday**
- **Tell callers how to reach a human being.**
- **Leave short messages**

## E-mail

- **Don't use all caps.**
- **Don't spread off-color humor.**
- **Do your part to halt e-mail clutter.**
- **After 3 exchanges, reach out and touch someone!**
- **Purge messages periodically.**
- **Remember: e-mail is just like written correspondence expect it's easier for people to spread it around.**

**ComNet**

# Sample Accounting Reports

- **Division Time Analysis**
- **Percent Chargeable**
- **Detail Verification**
- **Invalid Transaction Report**
- **Division Aging Report**
- **Active Projects w/ completion dates w/in 30 Days**
- **Unauthorized Expenditure Detail Report**
- **Active Projects w/ unauthorized items**
- **Authorization Listing**
- **Items Made Non-Billable during Period X**
- **Revenue Write-offs During Period X**
- **Unbilled Receivable/Undistributed Revenue – Audit**
- **Unbilled Receivable/Undistributed Cost Aging**
- **Manager's Project Status**
- **Operating Statement**
- **Budget & Expense Report**
- **Budget & Expense Exception**
- **Near-Term Financial Action**

**ComNet**



# Instructions

- Using the information available, quantify the following:
  1. What is the overall schedule status?
  2. What is the overall budget status?
  3. Are there any problems on this project?
  4. Is there any good news?

**ComNet**

# Seven Steps to Managing a Crisis

1. Don't react immediately – **THINK-THINK-IT'S NOT ILEGAL YET**
2. Define the problem (not just the symptoms)
3. Identify all the alternatives
4. Don't assess blame
5. Select the alternative(s) you believe will work
6. Take positive, authoritative action
7. When the dust settles, assess the results

**ComNet**

# Design Considerations for Construction

- **Policy of single statement**
- **Minimum design necessary to get project built**
  - **Without excess cost growth during construction**
- **There is NO hierarchy of documents**
- **Drawings DO NOT need to stand on their own merit**
- **DO NOT allow GCs to break-up bid sets for distribution to subs**

**ComNet**

# Going to the Client for More Money

- Plan early.
- Establish the change order procedure up front.
- Get immediate concurrence from the client of changes.
- Keep good documentation
- Limit small changes (aka, scope creep)
- **Never** agree to do extra work without authorization.
- When in doubt, ask for the money!

**ComNet**

# Making Money on Construction Service

- Average profits from Construction Admin (CA) are 40% of design profits
- One-third of firms make more on CA than on design
- These firms perform more services:
  - Construction management
  - Resident A/E
  - Equipment procurement
  - Claims Administration
- They also do it smarter:
  - Allocate at least 20% of effort of CA
  - Avoid vague scopes (e.g. “periodic site visits”)
  - Minimize use of office personnel for field activities
  - Wait till contractor is selected before negotiating CA fee

**ComNet**

# Wrapping up the Project

- **The last 10% vs. the first 10%**
- **The importance of a planned approach**
- **Evaluating the need to make changes**
- **Making changes efficiently**
- **Final documentation**
- **Learning from the experts (contractors)**
- **Project Completion Analysis (Post-Mortem)**

**ComNet**

# WINNEBAGO CO REJUVENATION PROJECT



**ComNet**



# WINNSBORO AIRPORT

Form BC-101						
State No. H.010049		INSPECTOR'S DAILY REPORT				
Project No.	135803.80-Rehabilitate Runway 18/36 Lighting - Winnsboro			Day & Date	Wednesday September 10, 2014	
Weather	Ptly. Cldy. & Warm		Temperature:	High 96	Low	70
Work Day		Time Work Started	7:30 AM	Stopped	4:30 PM	Hours Worked 9
Contractor's Forces:	Supt.			Foreman	1	
Operators	1	Skilled Labor	3	Unskilled		Others
Engineering Personnel:		Tommy Duke				
Contractor's Equipment on Project						
Number & Type		Operating	Not Oper.	Reason Not Operating		
<i>Ouachita Electrical Contractor, LLC</i>						
Ford F-250 Crew Truck w/ Tool Trailer		1				
Case CX80 Excavator		1				
CAT Rubber Tire Backhoe		1				
John Deere Tractor w/ Blade		1				
Ditch Witch Trencher		1				
DETAILS OF DAILY OPERATIONS						
<u>Ouachita Electrical Contractor (Prime Contractor)</u>				<u>Barricade's &amp; Runway Closure's in Place.</u>		
Poured 5 Cubic Yard's of 4000 PSI of Fiber Reinforced Concrete for PAPI Light Pads East of Runway C/L.						
Excavated, Graded & Constructed Concrete Form's for Threshold Light Pads North (16) End of Runway.						
<u>Summary Of Quantities:</u>						
					Tommy Duke Inspector	
Visitors:	Allen Taylor, La. DOTD Aviation Section					

ComNet



# WINNSBORO AIRPORT REJUVENATION PROJECT



**ComNet**

# WINNSBORO AIRPORT REJUVENATION PROJECT



**ComNet**

# WINNSBORO AIRPORT REJUVENATION PROJECT

Form BC-101

State No. H.010049

## INSPECTOR'S DAILY REPORT

Project No. 135803.80-Rehabilitate Runway 18/36 Lighting - Winnsboro Day & Date Thursday September 11, 2014

Weather Ptly. Cldy. & Warm Temperature: High 96 Low 70

Work Day \_\_\_\_\_ Time Work Started 7:30 AM Stopped 4:30 PM Hours Worked 9

Contractor's Forces: Supt. \_\_\_\_\_ Foreman 1

Operators 1 Skilled Labor 3 Unskilled \_\_\_\_\_ Others \_\_\_\_\_

Engineering Personnel: Tommy Duke

### Contractor's Equipment on Project

Number & Type	Operating	Not Oper.	Reason Not Operating
<i>Duachita Electrical Contractor, LLC</i>			
Ford F-250 Crew Truck w/ Tool Trailer	1		
Case CX80 Excavator	1		
CAT Rubber Tire Backhoe	1		
John Deere Tractor w/ Blade	1		
Ditch Witch Trencher	1		

### DETAILS OF DAILY OPERATIONS

**Duachita Electrical Contractor (Prime Contractor)**

***Barricade's & Runway Closure's in Place***

Poured 7 Cubic Yard's of 4000 PSI of Fiber Reinforced Concrete for Threshold Light Pads North (16) End of Runway.

Pulled Concrete Form's, Backfilled & Dressed around PAPI Pad's East of Runway C/L.

Summary Of Quantities:

*Tommy Duke*  
Inspector

Visitors: \_\_\_\_\_



# WINNSBORO AIRPORT REJUVENATION PROJECT

Form BC-101						
State No. H.010049		<b>INSPECTOR'S DAILY REPORT</b>				
Project No.	135803.80-Rehabilitate Runway 18/36 Lighting - Winnsboro			Day & Date	Thursday October 2, 2014	
Weather	Cldy. w/ P.M. Shower's		Temperature:	High	94	Low
Work Day		Time Work Started	7:30 AM	Stopped	3:30 PM	Hours Worked
Contractor's Forces:	Supt.			Foreman	1	<b>8 - (Onsite Work Time)</b>
Operators		Skilled Labor	2	Unskilled		<b>Does Not Reflect Chargeable Travel Time</b>
						Others

Engineering Personnel: **Tommy Duke**

Contractor's Equipment on Project			
Number & Type	Operating	Not Oper.	Reason Not Operating
<i>Quachita Electrical Contractor, LLC</i>			
Ford F-250 Crew Truck w/ Tool Trailer	1		
Case CX80 Excavator	1		
JCB Rubber Tire Backhoe	1		
John Deere Tractor w/ Blade	1		
Ford Tractor w/ Tiller	1		
Ford Tractor w/ Trencher	1		
Air Compressor	1		
Big Red Mack Dump Truck	1		

### DETAILS OF DAILY OPERATIONS

**Quachita Electrical Contractor (Prime Contractor)**

Working on Beacon Rehabilitation, Cleaning Up & Hauling off Excess Dirt and Debris from Jobsite to Location(s) specified by City Public Work's Director.

***NOTE: Contractor waiting on Entergy for Electrical Hook-Up & Plumber for Natural Gas Supply to Emergency Generator.***

Summary Of Quantities:

	<i>Tommy Duke</i>
	Inspector

# CHARTER PROJECT

PROJECT WEEKLY PROGRESS: September 8, 2015 (8/31/15 - 9/8/15)	
<b>Project Description:</b> Interior Renovation Charter Academy - New Orleans, LA	Milestone
<b>Prepared By:</b> Lily Flynn	<b>Resident Project Inspector:</b>
<b>Comnet Project No.:</b>	<b>Project Admin:</b> Eric Porter
<b>Contract No.:</b> N/A	<b>Construction Manager:</b> Lily Flynn
<b>Original Contract Amount:</b> N/A	<b>Contractor:</b> Comnet, LLC
	<b>Current Contract Amount:</b> N/A

Contract Time Summary as of September 8, 2015	
Original Days:	54 Days (Not including change orders)
Weather Days:	0
Days Granted by Client:	N/A
Days Granted by S.A. or Claim:	N/A
Total Contract Days:	54 Days
Days Used:	N/A
Days Remaining:	N/A
Pending Days:	N/A
Contract Start Date:	August 8, 2015 (Notice to proceed)
Contract Sch'd Completion Date:	September 30, 2015
Actual Construction Start Date	August 8, 2015

Project Summary as of September, 2015	
Progress	
Contract Time Used: (August 8th, 2015 (Notice to Proceed)	32 Days out of 54 Days

1. **Controlling Items of Work:** N/A

2. **Submittals:** N/A

3. **Unresolved Issues:** Roofing repairs - DAMAGE TO REPAIRED CEILINGS WILL CONTINUE TO REOCCUR AS LONG AS THE ROOF IS NOT REPAIRED. ANY CEILING THAT HAS BEEN REPAIRED WILL CONTINUE TO HAVE ISSUES AS LONG AS ROOF IS NOT REPAIRED.

The ceiling in Room 205 was repaired twice. Needs approval to repair a third time. - CHANGE ORDER - STILL WAITING APPROVAL

\* **Cafeteria** - The switch for the two sets of 3 recessed cans light fixtures is missing a knob and has to be replaced. - CHANGE ORDER - STILL WAITING ON APPROVAL

\* **Cafeteria** - Per Ms Robichoux - Replace missing wood frame around the door to the cafeteria' office, replace missing latch and install new door knob with a key. - THIS IS A CHANGE ORDER - AWAITING APPROVAL TO PROCEED. STILL WAITING ON APPROVAL TO PROCEED

\* **Kitchen** - Per Ms Robichoux -Replace 5 light covers on the 2' x 4' fluorescent ceiling mounted light fixtures - CHANGE ORDER -Awaiting approval to proceed. STILL WAITING ON APPROVAL TO PROCEED

\* **Room 219** A/C unit contactor was replaced by Forest Air, LLC. CHANGE ORDER.

# XAVIER PROJECT



Dens Glass being applied over Hat Channel

## PHOTOS



Vapor Barrier being installed over Dens Glass



Lath installed over vapor barrier and ready for plaster application



Bollasters on W & N Elevation being prepped and primed for painting



Painted Bollasters

ComNet

# STARBUCKS



**ComNet**



# STARBUCKS



**ComNet**



# CHICK-FIL-A PROJECT



**ComNet**

# CHICK-FIL-A PROJECT



**ComNet**



# CHICK-FIL-A PROJECT



**ComNet**

# CHICK-FIL-A PROJECT



**ComNet**



# CHICK-FIL-A PROJECT



**ComNet**

# CHICK-FIL-A PROJECT



**ComNet**



# FINISHED PROJECT



Pick Up  
MOBILE • CARRY OUT • CATERING

CARES  
Chick-fil-CO

ComNet

# XAVIER PROJECT

Form BC-101							
Xavier University Center - Chick-Fil-A			Project Manager Report				
Project No.	Xavier CFA Project Management Weekly Report			Day & Date	Week Ending 08-11-2018		
Weather	rain		Temperature:	High	90	Low	77
Work Day	Monday - Friday	Time Work Started	7:00 AM	Stopped	4:00 PM	Hours Worked	8.5
Contractor's Forces:	Supt.	Ken French		Foreman			
Operators	Subcontractors	Skilled	2	Unskilled	4	Others	3
Engineering Personnel:	n/a						
<b>Contractor's Equipment on Project</b>							
<b>Number &amp; Type</b>		<b>Operating</b>	<b># of Operators</b>	<b>Scope of Work</b>			
Select Demolition		Subs	8	Remove walls- Remove Floor tile - Completed.			
Jackhammer-Sawer-Snipper		Plumbmer	4	Xray concrete - locating electrics		Busting concrete	
Electrical Services		Electrician	3	Remove & Replace & Relocate		Circuit boards	
Plumbing Services		Plumber	1	Plumbing layout			
<b>DETAILS OF DAILY OPERATIONS</b>							
<b>Shrader &amp; Martinez Construction - Sadoma, AZ - General Contract</b>							
<p><b>1. Select Demolition:</b> The subcontractor removed all walls and removed all floor tiles and disposed up it via dumpster load. Task completed 8-8-18</p> <p><b>2. Electrical Services:</b> Identify wiring to secure safety, relocate existing electrical panel and begin a sixteen day rough-in process.</p> <p><b>3. Concrete Removal:</b> Locate the greae trap, locate the electrical lines underneath the concrete via an X-Ray contractor and start the cutting of the concrete. When concrete is opened, mark all underground conduit layout via "red" markings. Also add electrical and gas "lock-out tag-out" hangers in areas where applicable.</p> <p><b>Plumbing:</b> Plumbing underground and rough-in will take place after concrete is removed. Then concrete will be re-poured.</p> <p><b>Framing:</b> The subcontractor brought metal studs for framing purposes. Until all concrete is removed and plumbing &amp; electrical install and re-poured framing will not take place; thereby, causing a delay in framing.</p>							
<b>Summary Of Quantities:</b>							
Electrical materials onsite							
Plumbing materials onsite							
Framig metal studs and no evidence of accoustal ceiling tile onsite.							
Precip. = .55							
				Eric Porter - ComNet, LLC Project Manager			





# XAVIER PROJECT

9/10/2018							
<b>Xavier University Center - Chick-Fil-A</b>				<b>Project Manager Report</b>			
Project No.	<b>Xavier CFA Project Management Weekly Report</b>			Day & Date	<b>Week Ending 9-8-2018</b>		
Weather	<b>Sunny</b>		Temperature:	High	87	Low	77
Work Day	<b>Monday - Friday</b>	Time Work Started	<b>6:30 A.M.</b>	Stopped	<b>3:30 P.M.</b>	Hours Worked	<b>9</b>
Contractor's Forces:	Supt.	<b>Ken French</b>		Foreman			
Operators	<b>Subcontractors</b>	<b>Skilled</b>	<b>3</b>	Unskilled	<b>3</b>	Others	<b>3</b>
Engineering Personnel:	<b>None</b>						
<b>Contractor's Equipment on Project</b>							
<b>Number &amp; Type</b>	<b>Operating</b>	<b># of Operators</b>			<b>Scope of Work</b>		
Concrete Bursting & Halu-Off	<b>Subs</b>	<b>3</b>	Haul-Off	Busted concrete	Outside	Container	
Electrical Services	Electrician	<b>4</b>	Re-wire and install panels		Re-wire runs	install new panel	
Concrete Re-Pour	Concrete Sub	<b>2</b>	Install re-bar and mesh				
Plumbing Services	Plumber	<b>1</b>	Oversee concrete pour				
<b>DETAILS OF DAILY OPERATIONS</b>							
<b>Shrader &amp; Martinez Construction - Sadoma, AZ - General Contract</b>							
<b>1. Job Shut-Down:</b> Due to Labor Day on Sept 3, 2018, the job was shut-down.							
<b>2. Electrical Services:</b> The electricians were on hand to install the new panels and re-wiring runs through newly installed conduits in the ceiling. The electricians requested a power shut-down of the freight elevator for 9-7-2018. We coordinated with Bruce Hamilton of Building Services. Mr. Hamilton advised that Otis Elevator required an indemnification signature form to be executed by the electrician; however, the general contractor executed the form and signed it. Otis Elevator shutdown the power at 8:A.M. until 12-NOON. This allowed the electricians to make room on the new panel. The new service panel will be in compliance with the instructions given by David Silva, the electrical engineer. The service panels will be moved from the eastern room to the western site. It will be labeled where in the future it will be easy to identify circuits and locations.							
<b>3. Concrete Sub:</b> The concrete subcontractor began forming the areas of the concrete floor that was busted and removed to the rear building where the contractor has a dumpster. The concrete subcontractor began and completed forming, adding rebar, sand and wrap. The pour was done the weekend of Sept 8, 2018. The concrete sub used redymix and mixed it onsite opposed to bringing out a pump truck. It will take 2 days to cure.							
<b>4. Disaster Preparedness:</b> The university shut-down all school operations on Tuesday, September 4, due to the possibility of a Hurricane. The contractors were notified to secure all areas of the work site from Bruce Hamilton and Harold Vincent.							
<b>5. Framing:</b> Framing is scheduled to began on Monday, September 10, 2018.							
<b>Quantities Onsite:</b>							
<b>Quantities Onsite:</b>							
34	Electrical Materials are on site.						
35	Plumbing Materials are not onsite for grease trap lay-in						
36	Framing:	Materials onsite.					
37	<b>Precip. = .55</b>				Eric Porter - ComNet, LLC		
38					<b>Project Manager</b>		
39	Visitors:	Subcontractors.					
40	<b>University Officials:</b> Harold Vincent with facilities, Dr. Verett visited on 8-24-2018 and Ed Phillips, Sr. VP of Fiscal was on site, daily.						

# XAVIER PROJECT

ComNet, LLC



ComNet, LLC

4811 Harding Boulevard  
Baton Rouge, Louisiana 70816  
Office (225) 205-6562  
Email: [comnetllc@yahoo.com](mailto:comnetllc@yahoo.com)  
Website: [www.comnetllc.net](http://www.comnetllc.net)

Site Project Name. Chick-Fil-A / Project No. 0001

Location: Xavier University – University Center Food Court Area

PROJECT WEEKLY PROGRESS:	
Projection Description: <b>Chick - Fil – A Restaurant</b>	Project Manager: <b>Eric Porter</b>
Prepared By: <b>Eric Porter</b>	Project Admin:
Project No: <b>Chick-Fil-A</b>	General Contractor:
Contract No:	General Contractor Superintendent: <b>Ken French</b>
Original Contract Amount:	Current Contract Amount:

Contract Time Summary as of : <u>Week Ending 10-20-2018</u>	
Original Days:	95
Weather Days:	0
Days Granted by Client:	13
Days Granted by S.A. or Claim:	n/a
Total Contract Days:	108
Days Used:	59
Days Remaining:	35
Pending Days:	n/a
Contract Start Date:	07-31-2018
Contract <del>Sch'd</del> Completion Date:	Scheduled: November 14, 2018.

Progress Summary as of : <u>10-20-2018</u>	
Scheduled Progress:	62%
Actual Progress:	64%
Contract Time Used:	71%

1. **Controlling Items of Work:** Electrical Cut-Over, Drywall Installation, ceiling grid and ceiling tile, serving area and millwork preparation. Floor & wall tile installation. Location of transformer to old locker room. Wall Duct for grease traps onsite.
2. **Submittals:** Contractor has all project submittals. No remaining outstanding submittals. Contractor has no concerns as it relates to procurement items at this point in time. Contractor is providing adequate lead times from their sub-contractors to meet their deadline dates. A supplemental design with the change in design for

ComNet

# XAVIER PROJECT

the wall duct grease traps system has to go to Safety & Permits as well as the Louisiana State Fire Marshall for review and approval.

3. **Unresolved Issues:** Red stamped fire marshal plans onsite. These are needed prior to the Louisiana State Fire Marshal's inspection. Fire Marshal inspection not scheduled as of week ending 10-13-2018. The architect submitted the design change for the wall duct grease trap system the week of 10-20-2018. No inspection from the state fire marshal has been scheduled prior to installation of wall duct grease system.

ComNet, LLC



Project Number: \_\_\_\_\_

Weekly Progress Report

Date: 10-20-2018

## Discussion of Work In Progress:

The week of October 13, 2018, electrical subcontractor was tasked to run feeders as wires were in the box. This caused a schedule with Central Plant to grant a shutdown of the entire UC building in order re-tie the wires to the building's main box. The shutdown was granted and scheduled for Thursday, the 11<sup>th</sup> of October at 10:45 PM. On site for the cut-over were the campus security to secure the building, the Central Plant representative on the night shift, the subcontractor and the general contractor. This process was to take the system down for four hours. During the process of the cut-over, it discovered that the electrical subcontractor had never installed the breaker. The Central Plant did not know the breaker had not been installed as well as the GC. The process of cutting over all the wiring was successful; however, it will require another tie-in to the main electrical panel room scheduled for a later date the week of 10-20-2018. On 10-19-2018, the general contractor requested another shutdown to finally re-tie the electrical systems to the main grid. This was scheduled for 10-21-2018 at 11:30 P.M. **THE ELECTRICAL CUT-OVER DID IN FACT HAPPEN ON 10-21-2018 AT 11:30 PM AND IT WAS SUCCESSFUL.** The transformer arrived on 10-3-2018. It was installed this past week in the old locker room in the back of the cafeteria.

The grease ducts for the hood arrived onsite on 10-9-2018. The general contractor was waiting on approval from the state fire marshal reviewer. The review was successful and the general contractor received approval to install the wall ducts grease traps on 10-21-2018. They are installing the system. The general contractor was cautioned to call for a field fire marshal inspector to review the hanging of those ducts in the hallway. The general contractor advised that he will be leaving at the end of today, 10-22-2018 for the rest of the week and will be scheduling a fire marshal inspection on next week when he comes back to the job.

This project manager will be looking-in on the jobsite in the absence of the general contractor. Bruce Hamilton will also look in on the project as a representative of the university on Thursday, during the week of 10-27-2018.

Visitors on site this week was ~~Kerwon~~ Byrd, the university chief engineer. He met with the project manager and the general contractor and he had concerns about the wall duct grease trap installation as well as why wasn't the design changed plans was not submitted to the fire marshal. **WEEK OF 10-13-2018. GOING FORWARD, THE SUPERINTENDENT WILL ASK FOR PROPER IDENTIFICATION WITH JOB SITE VISITORS SO THAT PROPER REPRESENTATION WILL BE NOTED.**

The drywall is practically 80% complete. The Millwork base and fire rated plastic panels installation was rescheduled until after floor tile are completed. The Coolers and freezers were scheduled to be delivered on 10-19-2018.

ComNet

**NOTE:**

Subsequently to the original Project Management Status Report for week ending 10-13-2018, Marion Bracy sent an email to this project manager informing that there was a fire in the construction waste dumpster on 10-11-2018, and it was not on the original project management report. After inquiring about the subject at hand from the general contractor's superintendent, we learned of the fire. The fire was discovered by the electrical contractor's two employees around 7:15 a.m. Those two employees attempted to subdue the un-billowing fire and also was joined by the university police department and Mr. ~~Kerwin~~ Byrd, the central plant chief engineer & colleague. It was determined to call the NOFD to completely contain the fire. Per Mr. Bracy, an ongoing investigation is in progress by the university police department.

- A. **Two Week Look Ahead:** The light fixtures and sinks are to be installed. The Sprinkler diffusers & cabinets will be installed. Paint will begin as well. The HVAC will be finished and the cabinets will start installation as well as floor tiles.
  - B. After the hanging of drywall, the tape, float & paint the walls are on schedule. The ceiling grid and ceiling tile installation was re-scheduled unital after the electrical cutover & grease hoods are installed. The Millwork base will be installed and ready for final installation within two weeks. The transformer will be installed.
  - C. **Plan Questions:** Does the GC have the original Fire Marshall stamped approved plans onsite prior to the Fire Marshall inspection. As of 10-5-2018, answer to that is yes.
  - D. **Work Times:** 6:00 A.M. to 2:30 P.M., first shift. Then 2:30 to 10:30, second shift.
  - E. **Obstacles:** none
  - F. **Safety:** The general contractor holds a safety meeting with his sub-contractors weekly.
4. **Visitors:** Representatives from The Cineplex Menu Board company & Marion Bracy from the University.
  5. **Public Relations:** The university has concerns with the Franchise and students. A student meeting is schedule for the evening of 9-24-2018.
  6. **Schedule:** The project is on schedule for finishing on November 14, 2018.

**ComNet**

# XAVIER PROJECT

Figure 1: Floors cured, metal stud framing, electrical rough-ins in place, plumbing installed. Materials onsite: transformer, drywall and ceiling grids.

ComNet, LLC



Project Name: Chick-Fil-A

Weekly Progress Report  
Date: 10-20-2018

ComNet, LLC

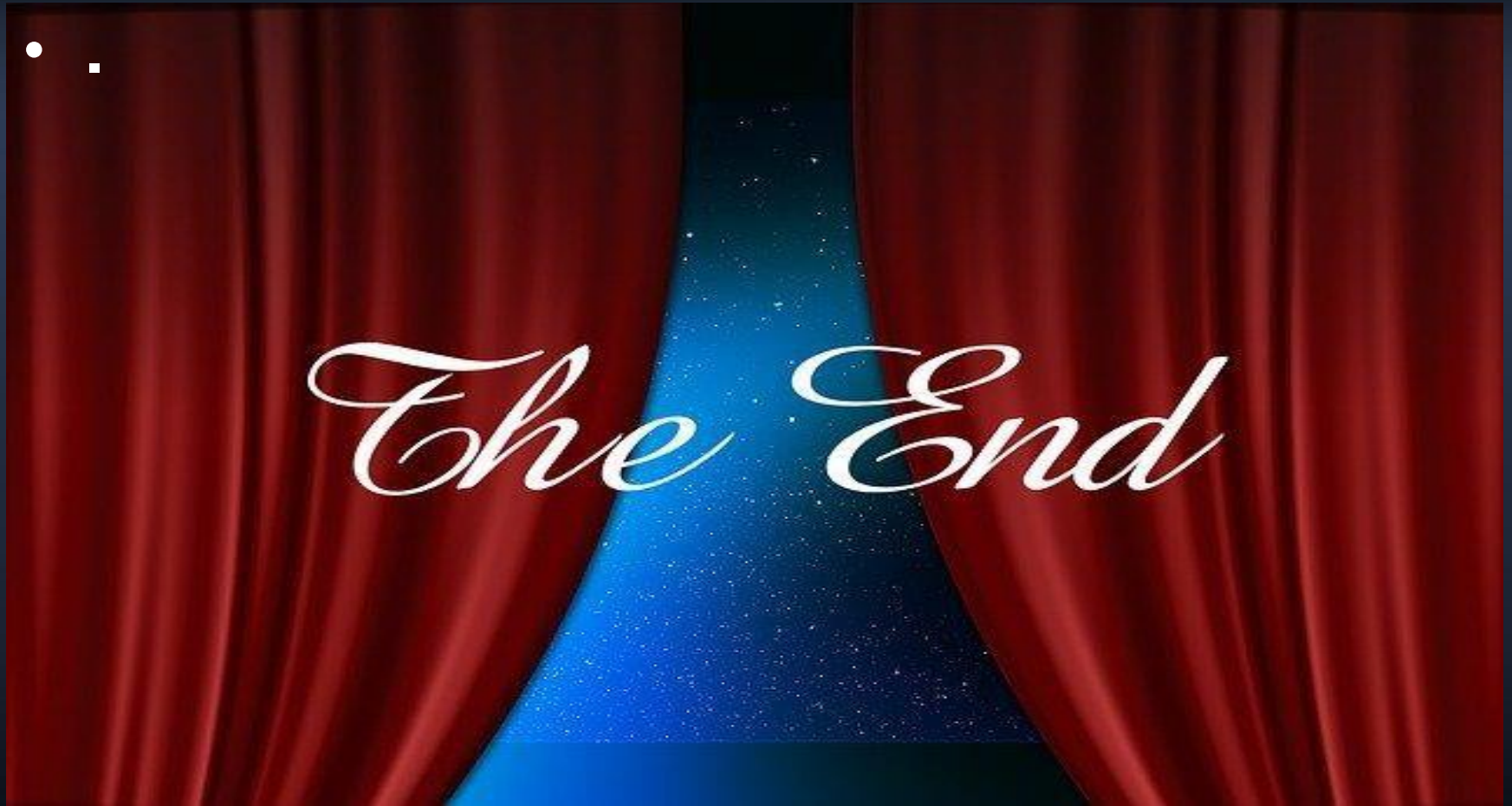


Project Number: \_\_\_\_\_

Weekly Progress Report  
Date: \_\_\_\_\_

**ComNet**

# Project Close-Out Form



**ComNet**



**PROJECT WEEKLY PROGRESS REPORT**

**Project Description:** Building Envelope Repairs  
**Xavier South Building - Xavier University of Louisiana**  
**Prepared By:** Lily Flynn  
**Holly & Smith Architects Project No.:** 13024  
**Contract No.:** N/A  
**Original Contract Amount:** N/A

**Resident Project Inspector:**  
**Project Admin:** Clay Slagle  
**Construction Manager:** Lily Flynn  
**Contractor:** Kevin West - McInerney & Associates  
**Current Contract Amount:** N/A

Client:	Grant
Days Gr. Inted:	5
Total contract amount:	0
Contractor:	Kevin West - McInerney & Associates
Contract No.:	N/A
Original Contract Amount:	N/A
Contract Start Date:	May 15, 2014
Contract Completion Date:	June 20, 2014

**2. Submittals:** N/A

**Unresolved Issues:** Restrooms wall tile replacement in Rooms 635, 427, 325 & 216 is still pending  
 Defective IG Units in Rooms 405/406 (2), 444 (1), 445 (1) - Contractor still waiting on replacement glass to arrive.  
 2 additional defective IG Units have been found on the 4th Floor (making it a total of 6)

**Items of Work:** N/A

- 415 windows have been replaced. Out of the 415 windows 32 are still awaiting installation of final glass.
- Contractor finished working on the reconstruction of the exterior plaster. Thornco will follow and apply plaster.
- Contractor will get banding paint once Thornco is finished installing plaster.
- Contractor will resume working evening on the interior, painting and installing window sills.
- Contractor had Small Large Missile Insulated glass (IG) units installed on the East Elevation in rooms 104 (2), 105, 106, 107, 108, 204 (2), 204/205 (1), 205 (3), 308, 309, 310, 311 & 312.
- Contractor had Large Missile IG units installed on the tripple window in Rooms 203 and 22A.
- 415 windows have been taken out; 415 windows have been installed and 368 windows have been completed.
- Contractor had all walls needing plaster repaired measured and provided Lily Flynn with the square footage information. Lily Flynn put together a report that shows damaged plaster square footage per room, severity of damaged as well as photographs showing damaged walls. This report was submitted to Volkert.