

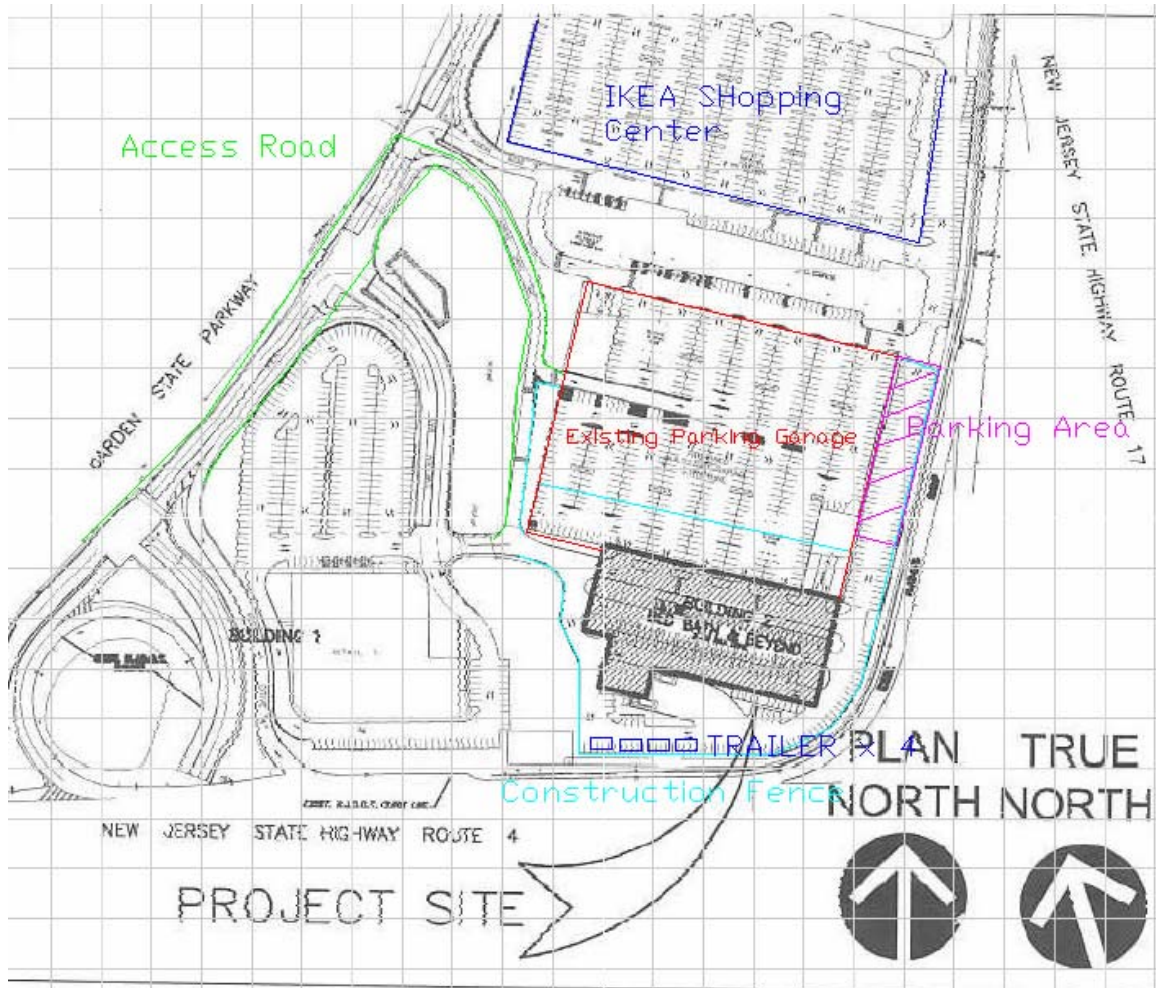
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Bed Bath & Beyond/  
Christmas Tree Shops  
300 Ikea Drive  
Paramus, New Jersey

# Technical Assignment 1

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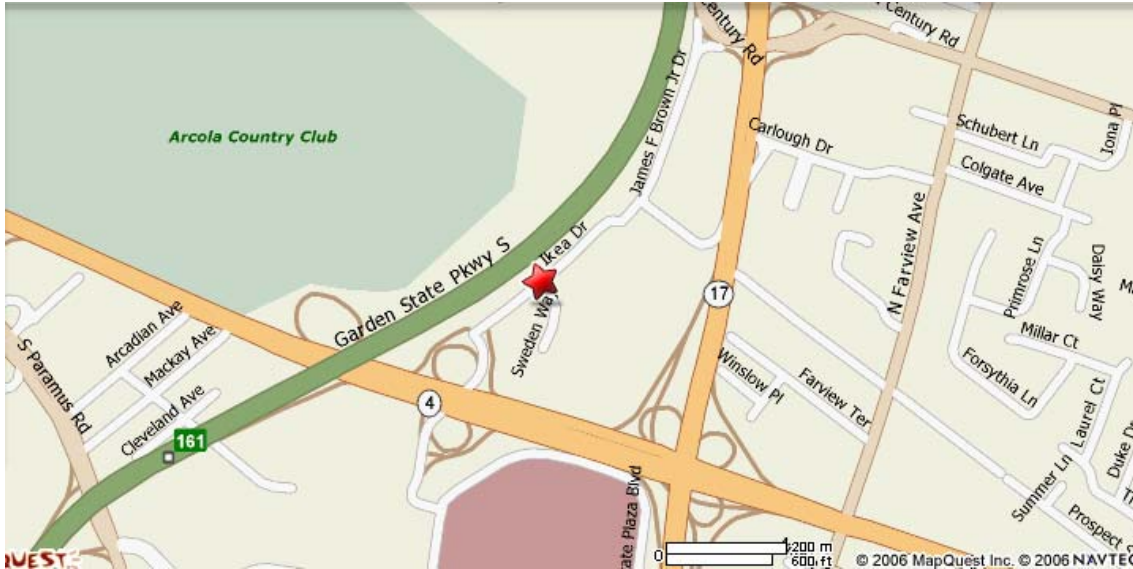
# Site Plan



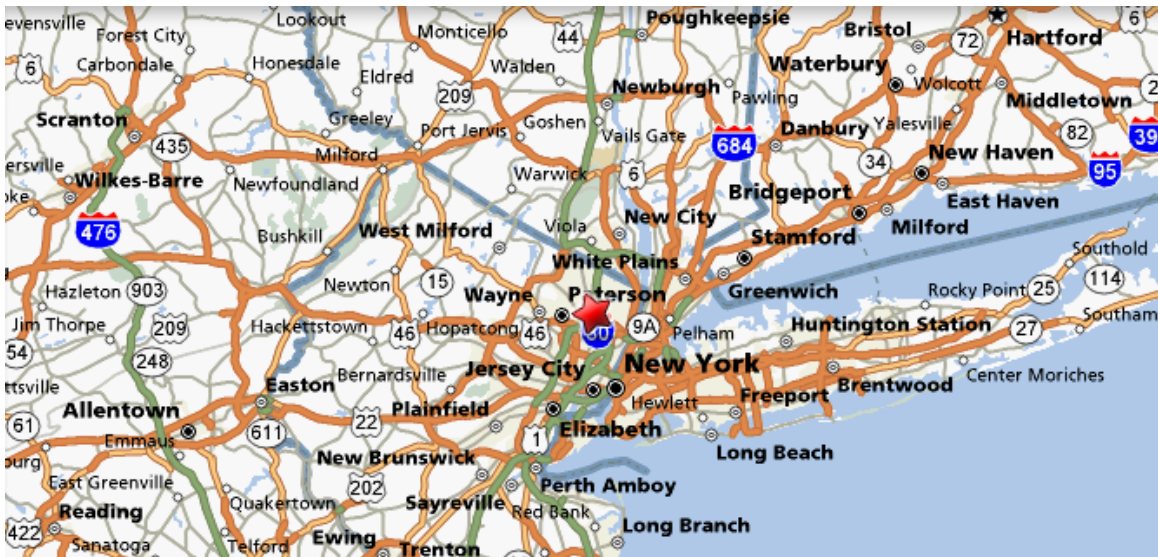
- The Site has plenty of available parking and is very flexible as to where workers can park.
- Fencing was placed inside of the parking garage too fence off the areas needing demolition work
- Access road from Garden State Parkway to Ikea Drive
- Building height 3 stories (72 feet)

Bed Bath & Beyond / Christmas Tree Shops  
Paramus, New Jersey

## Vicinity Maps



*Map of local highway system in Paramus, NJ. Star indicates project location*



*Map of Northern New Jersey and near by areas. Star indicates the location of Paramus, NJ*

Bed Bath & Beyond / Christmas Tree Shops  
Paramus, New Jersey

## Local Conditions

### North-Eastern Construction

Paramus is in North-Eastern New Jersey just barely across the river from New York City. Similarly to New York City, Union labor is frequent in these parts. Steel framed structures with concrete slabs are very often preferred as structural features. As in many of the more urbanized areas the placement of a crane onsite is difficult. Fortunately the site offers a variety of beneficial features for construction, such as: excess room around the perimeter of the building to place trailers, dumpsters, and cranes as needed. The site allows for multiple trailers which were utilized during the projects duration. Often this is not the case in this area though. Many sites are very congested due to the very urban setting of New Jersey near the New York City area. Paramus itself has many urban features such as a multitude of closely placed commercial buildings.

### Parking

There are typically a variety of parking structures in these areas, although parking in urbanized areas tend to be a very costly event, which can add costs to the general conditions price of the project. Near the actual site there is previous parking structures for nearby shopping centers.

### Waste Management

New Jersey happens to have recycling programs in place and a multitude of waste disposal locations. Typically in this area waste does not need to be transported too far to be disposed of. Up to date tipping fees can be found <http://www.state.nj.us/dep/dshw/lrm/>. Currently the fee is 90 dollars per ton of garbage.

### Soil Conditions

Soil in this area tends to consist of dense clays, crushed stone or gravel, and dense sands.

## Client Information

### The Company

Bed, Bath & Beyond has been a prominent retail company throughout the last decade and more. They've been growing immensely from 1992, when they had \$216 million in sales, to 2005 when they reached \$5.81 billion. They've increased in the number of stores from 38 Bed Bath & Beyond stores in 1992 to 809 stores in 2005. Additionally 29 Christmas Tree Shops were built between June, 2003, when they acquired the Christmas Tree Shops, and the end of 2005. The company Ranked #1 Home Store by HFN for 2005 and is well known throughout the U.S. With intentions to build over 80 more stores in 2006 the company continues to look for further growth. This is the primary reason for the construction of the shopping center in Paramus, NJ.

## **The Goal**

Bed Bath & Beyond Executives saw Christmas Tree Shops as a means to expand and “cross-fertilize” products. This particular building showcases both of the stores under the same roof. Christmas Tree Shops, being originally from Massachusetts prior to being bought out, has not been built as widely throughout New Jersey as Bed, Bath & Beyond stores thus this provides for a great expansion of the companies presence.

## **Expectations**

Being an experienced owner there is of course high expectations for the construction and performance of the building. Budgets must be maintained and building completion must be timely, because time is money in the retail industry. Due to failure to meet these standards the original general contractor did not finish the project and in order to finish within the allowed schedule, Schimenti Construction Company took over as a Construction Manager to manage the remaining phases of the building.

## **Getting the owner involved**

Important sequencing issues for the owner in the schedule are when can the building be finished substantially to allow for furnishing and when can the construction be completed entirely to allow for occupancy. This will determine when the owner can get involved in the project and start placing merchandise into the store and also when the owner can have their “grand opening” to begin the profitable portion of their endeavor.

## **The Key to Success**

The important factors for a successful project in the owner’s eyes in this situation are budget, schedule, and quality. When building new stores in a volume this large, as a company like Bed, Bath & Beyond does, the cost per project is magnified by having many projects. Therefore their annual construction budget can be easily blown with individual projects going over budget. The schedule in the retail industry is always of great importance. Finishing late can lead to a delayed grand opening date and the store is only profitable if it is open to customers and ready to sell the merchandise. And finally quality is an issue the owner is always concerned with. They are putting their company logo on the building and this requires a building capable of reflecting their standards as a company. No company wants to put their name on a building that doesn’t reflect high standards and quality products.

## **Project Delivery**

### **Design**

The project design began with Bed Beth & Beyond hiring CASCO to do the entire design of the building. This included, but is not limited to: architectural, structural, mechanical and electrical designs. Please refer to the following project organization chart

## **Bidding**

The entire project was put out in a competitive bidding process to hire a general contractor. Labor is designated as Local Union labor. The GC would be responsible for all construction aspects and hiring of all subcontractors to complete the project, with the exception of required subcontractors for certain specialty trades such as automated doors, control systems, and audio systems. These subs were pre-selected, but the GC was responsible for paying them. Insurance requirements for the GC were: \$500,000 for workmen's compensation, \$1,000,000 per occurrence for general liability, motor vehicle for \$1,000,000, and an umbrella of \$10,000,000. General Contractors were invited to bid on the project as the owner saw fit and hired based on their bid and foreseen quality of work. A balance of cost and quality were the deciding factors in choosing a General Contractor for the project. The contract was awarded as a lump sum and the project begun without the services of Schimenti Construction Company.

Schimenti was not involved previously due to insufficient time to bid the project. Although the project was the right scope and location for them, Schimenti's current situation wouldn't allow the resources to comfortably estimate the project and meet the bid deadline. The initial general contractor however failed to complete the project. In efforts to complete the project by their scheduled completion date, Bed Bath & Beyond hired Schimenti as a Construction Manager to finish off the remaining work.

## **Construction**

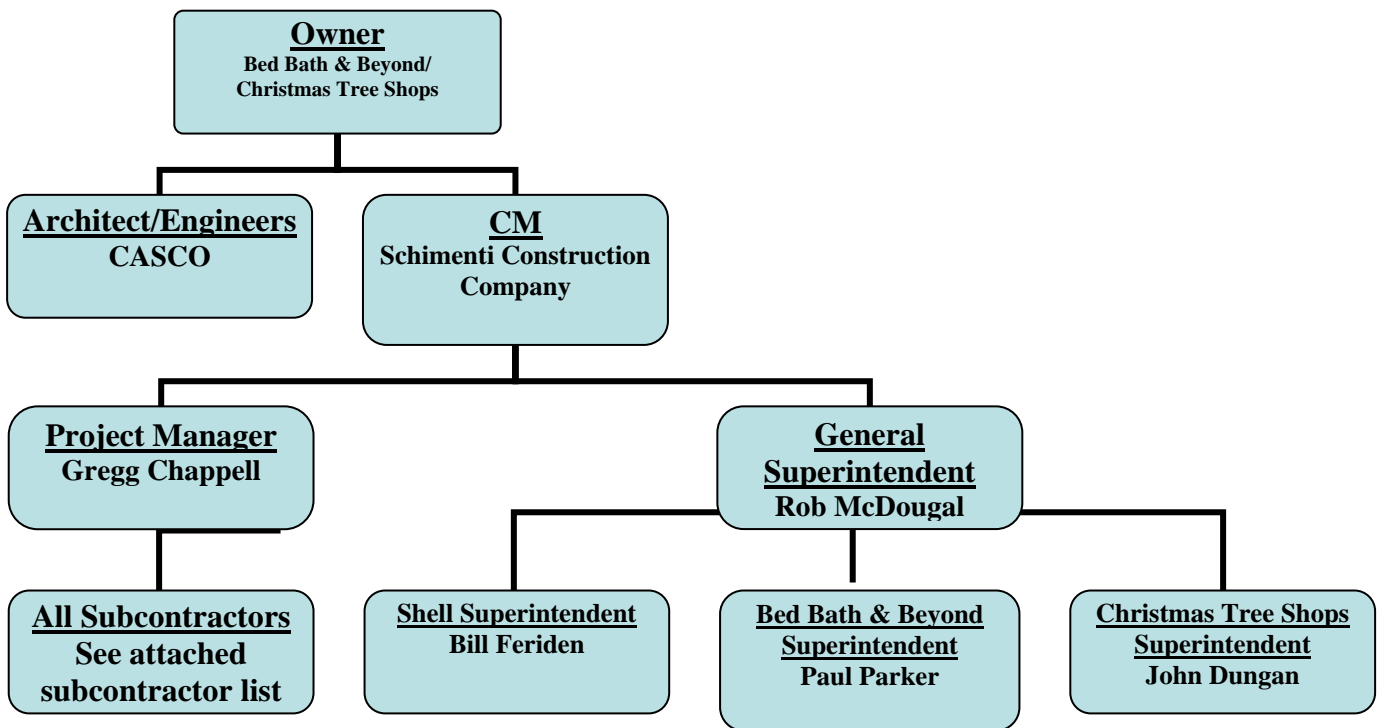
The project was originally broken into two phases. The first phase was the structural trades including: site work, piles, concrete foundations and structural steel. These trades were primarily assumed contracts from the failed General Contractor. The second phase was the remaining construction of the shell, base building, tenant spaces (Bed Bath & Beyond and Christmas Tree Shops) and the parking garage renovation associated with the construction of the third floor garden. The second phase was the portion that Schimenti Construction managed.

## **Contracts**

Contracts were paid to subcontractors as a lump sum to complete their trades by the designated dates on the schedule. I believe lump sums were used due to the fact it's easier to manage a budget when you know how much you are going to pay, barring any unforeseen change orders. It's also often preferred by many subs. In the case of the payment to Schimenti, a cost plus fee contract made the most sense. Due to the unique nature of the situation the project had long been started and subcontractors were on site working already. With the project not being run from the beginning by Schimenti a cost plus fee was proper payment considering the risks involved and unknown costs to complete the unfinished work.



# Project Organization Chart



**Note: Contract descriptions included in Project Delivery segment**

## Staffing Plan

Schimenti Construction Company staffed this project a little differently than many of the projects I've experienced with them. Mike Hanrahan, Director of Project Management, oversees all of the projects as a specific Project Manager manages the project and its subs. The assigned PM was Gregg Chappell. I believe he was selected for this job due to his strong experience with large projects as well as an accomplished background in construction. This project proposed many challenges and unique situations, so the selection of a competent PM was essential. Of course current workloads and forecasted work loads were surely taken into account with this selection as well. Typically one superintendent works on each project and remains on the site during construction while the PM works from the office. On this project a General Superintendent was used with three separate superintendents working under him. The General Superintendent was Rob McDougal, who also happens to be Schimenti's Operations Manager, and one of the most experienced employees in the company. The three superintendents working with him were Bill Feriden, responsible for the shell work of the building, Paul Parker responsible for the Bed Bath & Beyond tenant space and John Dungan responsible for the Christmas Tree Shops tenant space. I believe this approach was taken due to previous problems the owner had on the project and desire to keep the remaining project running smooth. This method insured a well staffed and functional project team that was capable of speeding up the project without being detrimental to the quality of the finished product. Lori Heckman plays the roll of administrative assistant to the project manager to facilitate office activities. Anthony Loguercio, director of field operations plays a roll in the staffing of personnel and procurement of materials for the project. There are also several accountants working on the project. Please refer to the following staffing chart to see the organization of all these key personnel.



# Staffing Chart

