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"Hawaii's roofing industry is still on top of its game, where it belongs," Tim Lyons of the Roofing Contractors Association of Hawaii tells us in this issue as we feature the annual RCAH Top Roofing Awards. Our coverage includes a look at each of the eight winners in their categories.

Additionally, Beachside Roofing's Scot Jimenez offers an exclusive interview with Contributing Editor Don Chapman.

We also take a look "Inside the ABC" with insights from Jonathan Young, Hawaii chapter president of the Associated Builders and Contractors.

Some point to mixed-use residential and commercial construction as the future of the Islands' development. According to our report, strengthening the attraction of mixed-use construction is the coming transit-oriented development along the 20-mile rail route on Oahu.

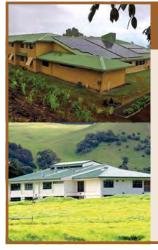
Local legal experts tell us that new permitting procedures, the surge in interest for P3 projects and worker liability are among the legal issues to keep an eye on in 2019.

Hawaii's demolition and recycling businesses share their secret for success. Be sure to read our report inside on what it takes to succeed in the industry in the Islands.

During his career he's worn a lot of hats—construction manager, development consultant, labor negotiator—and in this issue Lance Wilhelm offers his thoughts on Hawaii's housing, rail and leadership.

A hui hou,

David Putnum david@tradepublishing.com



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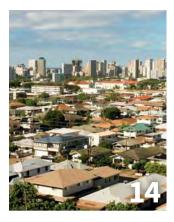
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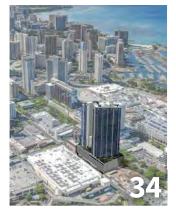
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Scot Jimenez, president of Beachside Roofing Photo by Nathalie Walker Design by Ursula A. Silva

#### **COMING IN MARCH**

Building Industry Hawaii reports on opportunities through Training & Apprenticeships. We also take a look at Residential Construction and profile some of Hawaii's leading Women in Construction. And we report on Finance, Bonding & Insurance.



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If you'd like your organization's event to be considered for Datebook, contact brett@tradepublishing.com a minimum of two months prior to your event.

#### **FEBRUARY 1**

#### Deadline: 2019 Kukulu Hale Awards Letter of Intent

Letters of intent for project entries in NAIOP Hawaii's 2019 Kukulu Hale Awards must be postmarked by Feb. 1. Entries can include new or renovated commercial real estate projects, including those in the public and nonprofit sectors. Entries must be located in Hawaii and completed between Jan. 31, 2016 and Jan. 31, 2019. Entry portfolios due on March 1. Awards presented on May 3 at the Royal Hawaiian Hotel.

For entry forms and information, contact Barbie Rosario at 864-7983, or barbie@naiophawaii.org or visit www.naiophawaii.org.

#### FEBRUARY 9, 23; MARCH 9

## AIA Architectural Walking Tour of Honolulu

On every second and fourth Saturday of the month, the American Institute of Architects Honolulu Chapter (AIA Honolulu) hosts walking tours of Honolulu's architectural landmarks. Tour groups must be 4-12 people.

9-11:30 a.m. AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. Go to aiahonolulu.org or call 628-7243 to RSVP with payment in advance and for more information. Fee: \$15 per person.

#### FEBRUARY 11-14

# OSHA 511-OS&H Standards for General Industry

Offered by the Building Industry Association of Hawaii (BIA-Hawaii) and UC-San Diego's OSHA Training Institute. Four-day course covers general industry standards, policies and procedures, with a special focus on those areas cited by OSHA as the most hazardous. All materials provided on the first day of class. Various credits available.

8 a.m.-4 p.m. (daily). CTC-Pacific, 94-487 Akoki St., Waipahu. Register online at osha.ucsd.edu or via oshatraining@ucsd.edu. For more info, go to biahawaii.org, or call (800) 358-9206. Fee: \$765. No refunds after Jan. 28.

# FEBRUARY 21 NAWIC General Membership Meeting: 'Hawaiian Architect by AIA'

Hawaii's architects and AIA Honolulu are in the spotlight at this National Association of Women in Construction dinner meeting and forum. 5 p.m. (networking); 5:30 (dinner); 6 p.m. (meeting). AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. To register and for more information, go to nawic114@yahoo.com or nawic-honolulu.org. Dinner fee \$40.



#### **FEBRUARY 13**

# YAF Pau Hana: Servco Home & Appliance Showroom

Get to know your peers and view Servco's top products at AIA Honolulu's Young Architects Forum. YAF Honolulu welcomes professionals who are nearly licensed, newly licensed and out to 10 years of licensure.

5:30-7 p.m. 2841 Pukoloa St. For information and registration, go to aiahonolulu.org.

#### **FEBRUARY 13**

# Identifying Trouble Areas in Residential Buildings & Permitting

A BIA-Hawaii workshop for seasoned and novice realtors. Two leading, licensed GCs cover basic building construction, ADUs, permitting basics and more. Counts for four DCCA 2019-2020 biennium continuing education credits.

9 a.m.-1:30 p.m. CTC-Pacific, 94-487 Akoki St., Waipahu. Register at biahawaii.org or with Barbara Nishikawa at 629-7505 or bln@biahawaii.org. Fee: BIA members \$100; nonmembers \$150.

#### **FEBRUARY 13**

## 2019 Build Hawaii Awards: Final Deadline

Feb. 13 is the last day for projects completed in 2018 to compete in the

General Contractors Association of Hawaii 2019 Build Hawaii Awards, which are open to all GCA of Hawaii member general contractors and specialty contractors in good standing. The awards banquet will be held on April 27.

Download entry forms at gcahawaii.org, or contact Gladys Hagemann at gladys@gcahawaii.org or 833-1681 ext. 12. Submit entry packet and fees (\$350 per project) at the GCA office by 3:30 p.m.

#### **FEBRUARY 16, 23**

#### Leadership (PMDP Module 5)

Presented by GCA of Hawaii and the Associated General Contractors of America. This Project Manager Development Program is designed for novice (less than two years' experience), newly-hired and team-based project managers. "Leadership" shows how to lead as well as manage, negotiation techniques, teambuilding and more. Certificate available.

8 a.m.-4 p.m. (daily). GCA Conference Room, 1065 Ahua St. Register by Feb. 1 at gca@gcahawaii. org or gcahawaii.org, or contact Judee at 833-1681 ext. 14 or via judee@ gcahawaii.org. Fee: GCA of Hawaii members \$395; nonmembers \$495.

#### **FEBRUARY 27**

# Safety Manager/Coordinator Training (CSIP)

BIA-Hawaii's Construction Safety

& Injury Prevention (CSIP) Program is for workers, safety staff and owners as well as those supervisors and/or project leaders (e.g., a Collateral Duty Safety Officer) who are responsible for a company's safety program. Includes HIOSH compliance, hazard identification, injury prevention, OSHA inspections and more.

8 a.m.-2 p.m. CTC Pacific, 94-487 Akoki St., Waipahu. Register at biahawaii.org. For more information and registration, contact Barbara Nishikawa at 629-7505 or bln@biahawaii.org. BIA-Hawaii members \$195; nonmembers \$295.

#### **FEBRUARY 27**

#### AGC WebEd: OSHA Final Rule-Respirable Crystalline Silica

Presented by GCA of Hawaii and the Associated General Contractors of America. WebEd online course covers respirable crystalline silica definition, OSHA's exposure prevention elements, construction and general industry/ maritime mandates, control measures and more.

9-10 a.m. Go to gcahawaii.org for online registration. Free.

#### **FEBRUARY 28**

## BIA-Hawaii Networking Night: Pacific Source

Network with your peers, enjoy light refreshments and see Hawaii's

latest building products at a leading distributor's showroom.

5:30-7:30 p.m. Pacific Source, 180 Sand Island Access Rd. To register and for more information, go to biahawaii. org or contact Ben Juliano at baj@ biahawaii.org. BIA-Hawaii members free; nonmembers \$20.

#### **MARCH 4-7**

#### OSHA 5400-Trainer Course in OS&H Standards for the Maritime Industry

Presented by BIA-Hawaii and UC-San Diego's OSHA Training Institute. OSHA's 10- and 30-hour Outreach Training Program provides qualifications for safety trainers in the maritime industry. Academic/industry prerequisites. Various credits available. No online class enrollment.

8 a.m.-4 p.m. (daily). CTC-Pacific, 94-487 Akoki St., Waipahu. Go to osha.ucsd.edu or oshatraining@ucsd. edu for more information. Register at biahawaii.org or call (800) 358-9206. Fee: \$795. No refunds after Feb. 18.

#### MARCH 8, 9, 15, 16, 22

#### Construction Safety Hazard Awareness Training for Contractors Course

Designed specifically for contractors. GCA of Hawaii's 40-hour course provides the additional certification for a Site Safety & Health Officer (SSHO) as stated in the NAVFAC UFGS 1.6.1.1.1, and covers the major revisions to the EM385-1-1. Industry and/or academic prerequisites.

7:30 a.m.-4 p.m. (daily). GCA Conference Room, 1065 Ahua St. To register by March 1, email Gladys at gladys@gcahawaii.org or call 833-1681. Fee: GCA members \$500; nonmembers \$750. No refunds after March 1. Replacements accepted.

#### **MARCH 11-14**

# OSHA 510 - OS&H Standards for the Construction Industry

Presented by BIA-Hawaii and UC-San Diego's OSHA Training Institute. Four-day training covers OSHA Construction Standards, safety and health principles and the most hazardous construction areas. Various credits available.

8 a.m.-4 p.m. (daily). CTC Pacific, 94-487 Akoki St., Waipahu. Register at osha.ucsd.edu. For more information, go to biahawaii.org, call (800) 358-9206 or visit oshatraining@ucsd. edu. Fee: \$765. No refunds after Feb. 25.

#### MARCH 12

#### Build a Better Bowl (Stew Challenge) Legislative Event

BIA-Hawaii hosts Hawaii's legislators and best grinds at Café Julia. Prepare and share your team's recipe or finest dish, and talk story with your 2019 representatives.

5:30-8 p.m. Cafe Julia, YWCA Downtown, 1040 Richards St. Register at biahawaii.org or with Ben Juliano at baj@biahawaii.org. Fee: \$25 per person.

#### MARCH 12-14

# Construction Quality Management (CQM)

Offered through BIA-Hawaii. This U.S. Army Corps of Engineers (USACE) three-day class for credentialed CQ managers is limited to four attendees per company per course. Cerificate issued after completing course; valid for five years.

Noon-4 p.m. (daily). CTC-Pacific, 94-487 Akoki St., Waipahu. Register at biahawaii.org. For more information, contact Barbara Nishikawa at 629-7505 or BLN@biahawaii.org. Fee: BIA-Hawaii members \$95; nonmembers \$125.

# FEBRUARY 4, 6, 7, 8, 25 **Disaster Response & Preparedness Training**

Training on Maui, Oahu, Hawaii Island and Kauai by the Building Industry Association of Hawaii (BIA-Hawaii) show first responders and civilians how to manage health and safety hazards during a disaster and recovery. Presented by Tracy Lawson of Lawson & Associates.

8 a.m.-noon (daily).

On Maui (Feb. 4): Maui Business Resource Center-Maui Mall, 70 E. Kaahumanu Ave., #B-9, Kahului.

On Oahu (Feb. 6): CTC Pacific, 94-487 Akoki St., Waipahu.

On Hawaii Island (Feb. 7-Hilo): Hawaii Community College-Hilo, 200 W. Kawili St., Hilo.

On Hawaii Island (Feb. 8-Kona): Natural Energy Laboratory of Hawaii Authority-Room #119, 73-987 Makako Bay Dr., Kailua-Kona.

On Kauai (Feb. 25): Kauai Community College, 3-1901 Kaumualii Hwy., Rm. OCET 105, Lihue.

To register, contact Barbara Nishikawa at 629-7505 or bln@biahawaii.org. Free.

# Hawaii's Ambassador of Painting

Joe Ferrara diversifies and 'stays ahead of technology' while building his business, Consolidated Painting



oe Ferrara of Consolidated Painting LLC is following a family tradition, and it goes even

further back than working for his grandfather's New York painting company in high school and college. A while back, Joe took the 23andMe DNA test, and wasn't surprised to



Joe Ferrara

find his lineage is 80 percent Italian and Mediterranean. But he was taken aback to learn he carries a small percentage of Neanderthal ancestry.

But it made sense in a way, too, he says. "Who invented painting? It was cavemen!"

Indeed, scientists say that by about 40,000 B.C., roughly the time humanoids were beginning to migrate north from Africa, Neanderthals were using paint made from soot, earth and animal fat to decorate their cave homes. These concoctioneers may have been Earth's original mad scientists, starting a noble profession across the construction trade sciences long before there were white lab coats.

Joe and his granddad kept it going, mixing their own paints.

"He made paint from scratch," Joe says. "You didn't go to Sherwin-Williams. Pops was old-fashioned. He mixed his own colors, mixed powder with linseed oil. White lead came in what looked like a half-gallon can, and it weighed 25 pounds. It was put into the paint to give it durability and prevent mildew growth. ... Lead's been gone at least 30 years now."

Among his granddad's bigger paint projects were the famed Loew's and RKO Theaters.

After high school, Joe enlisted in the Marine Corps and ended up with the 1st Force Recon Marine Company.

"I was in Vietnam before Vietnam

became Vietnam," he says. "I was in Laos, Cambodia, Thailand, Vietnam. Boots on the ground. Unofficially. I was also involved in the Cuban Missile Crisis."

He got out after five years with the rank of Sergeant E5. Using the GI Bill, he earned a business degree from New York University, and almost immediately set out for Hawaii.

"I was stationed here in the Corps, and when I got out came back here to live. But people with business degrees were getting paid pennies; you couldn't survive on it. I met a guy who was a painting contractor, and he asked if I could paint. I said I can paint but have no documentation. So I came in as an apprentice and still made more money than I would going into a management position with the hotels. It was going to be a temporary position, and here it is 60 years later, I'm still at it.

"I started out here at the bottom, learned a trade, worked for Honolulu Painting Co. for many years, became an assistant superintendent for industrial coatings. Also worked for D. Zelinsky and Sons. Those were the thrilling days of yesteryear. And then I retired."

But he stayed close to the business as training coordinator for the painting industry of Hawaii, running the program for journeyman and apprentices.

"I was 55, and after I took care of everything at the house, you know, you get bored," he says. "My wife said go do something. So I started a small painting company. That was 21 years ago. It's not really small anymore. We've had as many as 60 people working for us at one time."

Recent projects include the CONRAC, the new consolidated rental car center at the Kahului airport on Maui.

"One of our biggest projects," Joe says. "We've done some of the hotels, a lot of work with Hawaiian Dredging and the other major contractors."

Joe's granddad would be amazed at how the painting business, and his grandson, have evolved over the years.

"We're very diversified," he says. "We're not a typical painting company. The only thing we don't paint is individual homes. We do multi-dwelling AOAO complexes. We do hotels' exterior, interior, highrise exterior, interior. We are in the

# **Big Dates in Painting History**

- 32,000 B.C. Neanderthals paint Spanish caves.
- 31,000 B.C. Egyptian painters mix ground glass or semiprecious stones, lead, dirt or animal blood with oil or fat.
- 1200 A.D. English house painters form guilds to protect trade secrets and set craft standards.
- 1600 New technology revolutionizes house paint. With mixed social results. The Pilgrims believed a colorful home expressed vanity and an excess of happiness. When a preacher in the Charlestown colony painted the inside of his house in 1630, he was subsequently accused of the crime of sacrilege.
- 1866 Sherwin-Williams markets the first pre-mixed paint in a can.
  - -ShearerPainting.com

special coatings industry, we do exterior deck coatings, interior protective deck coatings. We work on wastewater treatment plants, we bid water tanks. So we're very diversified. We do everything from the dirtiest work, wastewater treatment, to fine finishes in some of the Ala Moana Center high-end stores."

But his emphasis is on "special coatings. We were doing a small

material up 300 to 400 feet high," such as when they put the most recent sealant coverage on the Blaisdell Arena's white spaceship roof.

At an age when many men are long retired, Joe is still going strong—the Mililani resident is also an avid kayaker, snorkeler and hiker.

For many years he also has been a mainstay for the Associated Builders and Contractors of Hawaii Inc., a merit

Joe Ferrara (right) with Jeff Waiblinger and a few of the awards they've won at Consolidated Painting.

amount of that work, and what we found is that the competition is less in that area, so we expanded. If I bid regular painting, I'm bidding against 15 to 20 contractors. If I bid special coatings, I'm bidding against only two or three. And the past 10 years, the construction pie has gotten smaller, so we wanted to get a bigger piece of a small pie. So we've diversified."

Asked if Consolidated Painting has a guiding principle, Joe is quick to reply: "Stay ahead of technology so we can be competitive in the industry. Some people are still bucket and brush. We put a lot of money into equipment to stay competitive. The coating industry is constantly changing, so we continue constantly upgrading, training our people to stay ahead of technology."

Applications have changed, too, from the days of paint brushes, and even the breakthrough invention of rollers. He wishes his granddad could see his crew "spraying 55 gallons of

shop organization. He has served several terms as chairman of ABC Hawaii's executive committee, including in 2018.

"I'm not slowing down. I love the challenge. I enjoy doing what I do—I've never regretted going to work in the morning," he says. "What I enjoy is you take something that is ugly, or worn out, and when you get done, it's brand new and looking good again, you know want I'm saying? I like that sense of accomplishment."

But he is gradually turning over more of the day-to-day stuff to Jeff Waiblinger, who has been with the company for 20 years and served as project manager for the Maui CONRAC.

"But I'll be keeping an eye on the big picture," Joe says.

He'll also remain an ambassador for painting as a profession.

"I give back to the industry—I sit on the state apprenticeship board, always been involved in apprentice training. I believe that's the future.

"As an encouragement to young people, and I say this to all the apprentices, I worked my way up from an apprentice to a company owner. I think young people should understand that just because you come in at a lower level, it doesn't mean you're going to stay there. If you learn the technology of the trade, and be open to new technology, you can move on and have a very self-sustaining career.

"We have a hard time bringing young people in, and the sad part is it's a trade where we train you, we pay for your education. It costs about \$1,000 a semester to send an apprentice to school. They attend classes two nights a week. It's hands-on plus classroom—as they're going to school, they're working and getting paid. So you have no debt for your schooling.

"And all we ask is come in and give me an honest day's work, and we'll give you a nice career where you can support your family very well."

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# **2018 Agency Contract Awards Hit New High**

The record-setting pace of construction contracts awarded by government agencies cooled during the month of December, but 2018 still turned out to be the best year for Hawaii contractors.

The 12-month total volume of \$1,948,503,078 eclipsed the previous record of \$1.6 billion in 2016.

December awards from five agencies totaling \$11,664,417—approximately a third of the monthly volume of \$34,729,273 last year—included 11 awards to 10 general contractors.

The largest project, worth

\$5,162,084, was awarded by the Department of Accounting and General Services to Kapolei-based Abhe & Svoboda Inc. for health and safety improvements at Aloha Stadium, Phase 5.

Grace Pacific LLC landed the nextlargest award of \$3,030,303 for work on the temporary container storage yard at Kalaeloa Barbers Point Harbor.

The highest-volume months for agency construction awards during 2018 were May, \$436 million; November, \$348 million; and January, \$235 million.

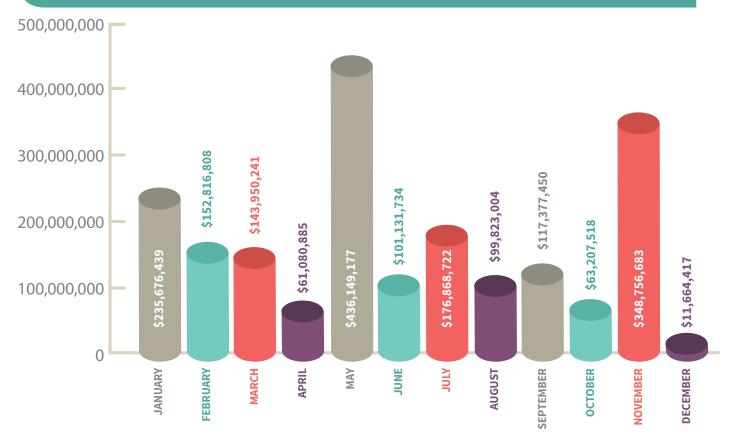
#### **AWARDS BY AREA**

Oahu .....\$11,664,417

#### AWARDS BY AGENCY

\$5	,162,084
3	,597,380
1	,304,700
	.989,573
	.610,680
\$11	,664,417
	\$5 1

#### **2018: MONTH BY MONTH**



#### Oahu

Abhe & Svoboda Inc. .....\$5,162,084 Aloha Stadium, Health and Safety Improvements, Phase 5

Grace Pacific LLC. .....3,030,303 Temporary Container Storage Yard, Kalaeloa Barbers Point Harbor Paul's Electrical Contracting LLC ..... 1,304,700 Diamond Head State Monument, Traffic Control Improvements

United General Contracting Inc. .........801,573 Kailua High School, Miscellaneous R&M FY16

Sea Engineering Inc. ..... 567,077 Substructure Repairs at Piers 8 and 10, Honolulu Harbor

Society Contracting LLC......389,980 Webster Hall, Interior Painting, University of Hawaii at Manoa

Akamai Roofing Inc. .....185,000 Roof Replacement at Stan Sheriff Center Ticket Office, UH-Manoa

EBJ Construction Inc. .....141,850 Mililani High School, Bldg. F, Locker Room Title IX Improvements

EBJ Construction Inc. ...... 35,700

Spalding Hall, Renovation Rooms 453A, 454, 454A and 454B, UH-Manoa

Jacob Electric LLC ......31,900 Kuhio Elementary C7-C8 Electrical Improvments

John GS Services ...... 14,250 Aiea High School, Bldg. G, Locker Room Title IX Improvements

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#### **LOW BIDS**

The companies below submitted the low bids in December for the work detailed. Submitting the lowest bid is not a guarantee of being awarded the job. However, it is a strong indication of future work, and subcontractors can plan accordingly.

All Pool & Spa Inc	281,500
Salt Lake District Park, Swimming Pool Improvements	S

#### 

#### Kauai\_

Earthworks Pacific Inc	527,940
Gas Management System Modifications at Halehaka	Landfill,
Libra	

#### Mau

Hawaiian Dredging Construction Co. Inc
Keonekai Road, Drainline Replacement

#### **DECEMBER'S TOP 10 CONTRACTORS**

1. Abhe & Svoboda Inc. (1)	\$5,162,084
2. Grace Pacific LLC (1)	
3. Paul's Electrical Contracting LLC (1)	1,304,700
4. United General Contracting Inc. (1)	801,573
5. Sea Engineering Inc. (1)	567,077
6. Society Contracting LLC (1)	389,980
7. Akamai Roofing Inc. (1)	185,000
9. EBJ Construction Inc. (2)	177,550
9. Jacob Electric LLC (1)	31,900
10. John GS Services (1)	

Information is summarized from the Contractors Awarded section of BIDService Weekly, compiled by Research Editor Alfonso R. Rivera.



Hickam Elementary School, Miscellaneous R&M FY14

# Link-Belt Crane Dealer for Hawaii & the Pacific Islands





ory's Roofing & Waterproofing Inc. captured firstplace honors in three commercial categories at the Roofing Contractors Association of Hawaii's sixth annual Top Roofing Awards.

The RCAH awards recognize notable roofing jobs in eight categories from around the state in 2018, and the winners were honored on Jan. 19 at

the Hale Koa Hotel.

"This year's Top Roofing Awards showcases some of the best roofs installed from throughout the state," says Tim Lyons, executive director of the RCAH. "Some of our nominees had never entered before and found themselves on the winning side of the contest.

Tim Lyons

"Our congratulations go out to them, their employees, their suppliers and the manufacturers for all working together to make a great product of which the entire industry can be proud."

Judges for the RCAH awards included James Kurata of the Department of Land and Natural Resources; Howard

Wiig of the Hawaii State Energy Office, DBEDT; Jim Reinhardt of Architectural Diagnostics Ltd.; Mike Leong of Kapili Roofing; and Barry Redmayne of Trade Publishing Co.

Lyons says Hawaii's roofing business should remain steady through 2019.

"Hawaii's roofing industry is still on top of its game, where it belongs," he says. "The good news is that our members are doing well, products are performing as intended and employees seem to happy.

"The bad news is that this kind of upscale economy sometimes leads others to think they can make it in this 'easy' industry. It will be down the road when warranties expire and finances dry up that we will have a survival-of-the-fittest contest appear.

"But for now things are great, and consumers, general contractors, architects and owners can count on getting

great products, installed expertly and with skill."

This year's Top Roofing awards winners are: For more information on the Roofing Contractors Association of Hawaii, go to www.rcah.org/ or call 537-1224.



"We contracted with Commercial Roofing and Waterproofing to remove the old and install new concrete roofing tile system on the Cannon Activities Center here on our campus. This building is one of our largest buildings on campus with a roof that is very high. The biggest challenge and concern for this project was the safety of our students, faculty, staff and visitors. This building was in use the entire time of the re-roofing project, with heavy pedestrian traffic. Because of the excellent professionalism and the safety awareness of the staff and employees of CRW, we had no incidents with any of our patrons. It has been a pleasure to work with CRW and we would highly recommend them to anyone for future roofing projects."

Billy Casey Jr., Design & Construction Manager BYU Hawaii Facilities Management, (Retired)

#### **ABOUT THE PROJECT**

BYU's Cannon Activities Center was the largest tile re-roof on campus. As the sports auditorium, the interior is almost as large as a football field with rafters 240 feet in length. Due to the size of this project, special methods were implemented to get the job done safely and efficiently. A total of 730 squares of concrete tile roofing were removed and replaced.

#### PAST PROJECTS FOR STEEP SLOPE TILE ROOFING

- Punahou School
- Eaton Square
- Hilton Waikiki
- Embassy Suites
- Sheraton Poipu
- Fairmont Kea Lani
- City Hall
- CSWo Kapolei
- Kalapawai Café
- Kamehameha Schools







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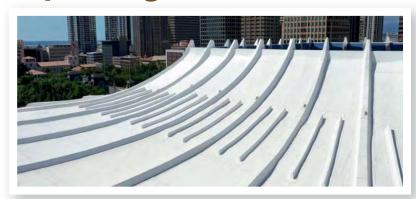


# LOW SLOPE SINGLE PLY

FIRST PLACE: Commercial • PROJECT: State Capitol Building • FOREMAN: Delbert Mercado

# Tory's Roofing & Waterproofing Inc.

The scope of the project required Tory's to install new Carlisle PVC roofing membrane, supplied by Hawaii Supply, with dens deck board over the existing concrete roof deck. Says Tory's: "The project was on a tight schedule and needed to be completed in phases to not disrupt state business sessions." A challenge was in the roof's "shape, curves and design." Tory's says it required "lots of pre-construction detail as well as installation precision."



# STEEP SLOPE TILE ROOF

FIRST PLACE: Commercial • PROJECT: Hawaii Okinawa Plaza • FOREMAN: Jessie Purganan

## Tory's Roofing & Waterproofing Inc.

Tory's work on this project in Waipio with GC S&M Sakamoto Inc. included installing new peel-and-stick underlayment and new Boral red one-piece S tile on a 6/12 pitch slope plywood decking. The project's uniqueness, Tory's notes, was dealing with change orders from the owner and contractor after the start of the job. "In the end, we were able to meet all of the requests by the owner and general contractor."



# STEEP SLOPE SHINGLE/SHAKE ROOF

FIRST PLACE: Commercial • PROJECT: The Willow's • FOREMAN: Jessie Purganan

# Tory's Roofing & Waterproofing Inc.

Tory's reroofed five buildings—banquet hall, wedding chapel, administration, bar and a special dining room—and each had different shapes and materials. Tory's installed all five roofs, a total of more than 24,500 square feet, with Shakes AB Fiberglass Shingles provided by Hawaii Supply. The work, says Tory's "had to be completed all while the restaurant reminded in business. ... There also was a 100-year-old monkeypod tree that grew through the bar roof and was causing leaking to the roof. We needed to coordinate with an arborist to come in and trim the branch of the tree that was causing the leak."





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# LOW SLOPE FLUID APPLIED

FIRST PLACE: Commercial • PROJECT: Ali'i Tower • FOREMAN: Nalu Kahanaoi

# Honolulu Roofing Co. Inc.

Honolulu Roofing installed a Neptune Coatings Wetsuit 2-component bituminous high-grade rubber membrane over the existing urethane coating on the main roof of the Ali'i Tower at Hilton Hawaiian Village. With materials from Roofline Supply and Delivery, the 24,000-square-foot area required the use of a 160-foot hoist with platform "to transport debris down and materials up." Honolulu Roofing says it was tasked to "scrape, bag, transport and dispose of 60 tons of red cinder and white coral" from the existing roof.



# LOW SLOPE MODIFIED BITUMEN

FIRST PLACE: Commercial • PROJECT: Tapa Tower • FOREMAN: Nalu Kahanaoi

### Honolulu Roofing Co. Inc.

Honolulu Roofing re-roofed the Tapa Tower's lower roofs (*mauka* and *makai*) at Hilton Hawaiian Village. Honolulu Roofing says it used two scaffolds to gain access to the 9,000-square-foot area "through the kitchen." The crew removed the existing roofing, disposing of 25 tons of red cinder and white coral," and mechanically fastened the modified bitumen system from Roofline Supply and Delivery.



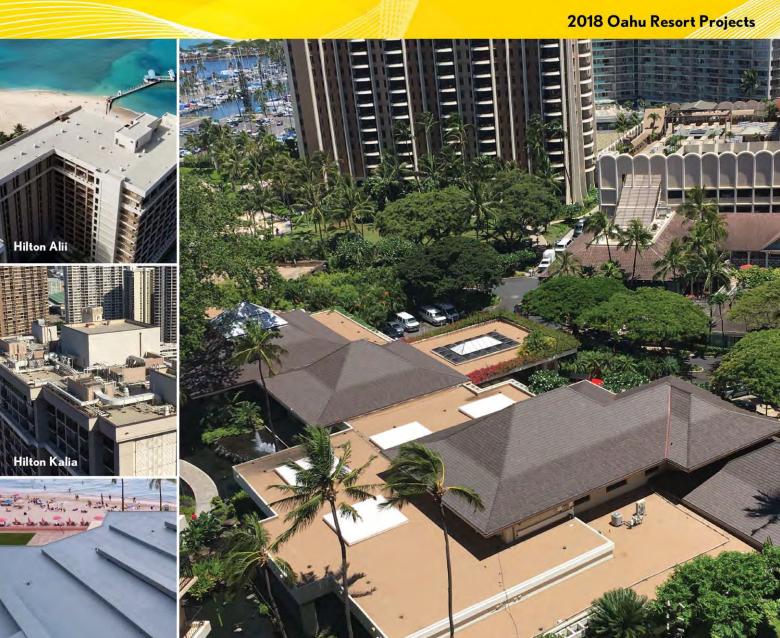
# STEEP SLOPE METAL ROOF

FIRST PLACE: Residential • PROJECT: Kaneohe • FOREMAN: Rick King

# **King's Roofing**

King's Roofing installed aluminum standing seam roofing to this house on Holoio Street. The materials by Old Country Millwork were provided by ABC Supply. All 14-inch, sand green panels were "hand-crimped at the pitch change to create one continuous panel from top to bottom," says King's Roofing. "Each tapered panel was hand-bent."





Honolulu Roofing Company, Inc. is one of the fastest growing unionized roofing contractors in the state of Hawaii with excellent capabilities to handle large-scale new construction and renovation projects with a niche in specialty installations across the federal, state, commercial and private sectors.

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# STEEP SLOPE METAL ROOFING

FIRST PLACE: Commercial • PROJECT: Kamehameha Schools Bishop Chapel

FOREMAN: Shannon Gibbons

# **A Team Pacific Roofing**

Working with general contractor Swinerton Builders on Kamehameha School's Bishop Chapel on the Kapalama campus, A Team Pacific replaced the copper roof and gutters on the project that featured a "stunningly steep slope ... on a culturally important building." A Team Pacific installed 20-ounce, full-length copper standing seam/batten seam and flat seam roof, gutters and accessories. The firm says while installing the roof, which had a "16/12 pitch off the side of a mountain," the crew encountered "harsh winds and a decent amount of rain days. It took a flexible crew and plenty of planning to accommodate this unique project."



# STEEP SLOPE SHINGLE/SHAKE ROOF

FIRST PLACE: Residential • PROJECT: Historical Cottage • FOREMAN: Guadalupe Lopez

# **Kokua Roofing**





This job, a cedar shingle re-roof of a Diamond Head-area home built in 1932, offered special challenges that ultimately required ABC Supply "delivering small loads as the storage area was tight," says Kokua Roofing. The cottage roof had a

20/12 pitch, overhanging 60 feet above the ocean on the back side of the house, Kokua Roofing notes, adding that an employee was stationed "in the ocean to monitor any flying debris." During the work, Hurricane-turned-Tropical Storm Lane arrived. Copper flashing and 16-inch cedar shingles were installed.

# Congratulations to All Top Job Entrants

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# **HAWAII ROOFERS** BRACE FOR NEW CODE

Energy-related regulations expected to drive up prices

awaii's roofing contractors expect the cost of roofing to rise as much as 30 percent when the new 2015 International Energy Conservation Code (2015 IECC) takes effect on March 31.

The new energy code covers all types of residential and commercial projects, along with new roofs and re-roofs.

"Universally, roofing contractors expect prices to re-roof residences will go up by 20 to 30 percent, a huge increase to an already 'big ticket' item," says Tim Lyons, executive director of the Roofing Contractors

Association of Hawaii (RCAH). "Advocates say, 'too bad.' It is

Tim Lyons

the cost of saving energy and for saving our future. We are not so sure the average consumer will agree when they see the price tag."

Larry Young, vice president/

PME of Commercial Roofing & Waterproofing Hawaii Inc., agrees that the new code's "main impact will be the increase in costs. In order to meet the new energy codes, projects

require the integration of more energy-efficient roofing materials, insulation, reflective barriers, etc. Additional products inevitably increase the overall

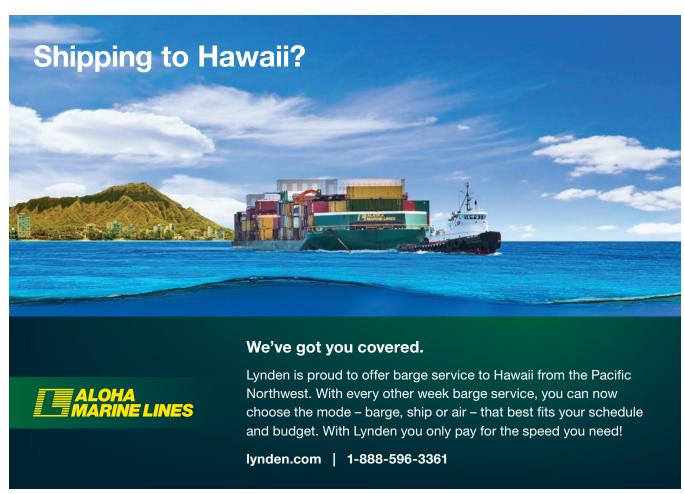


Larry Young

cost of roofing projects.

"Budgeting and planning for this in advance will be important for building owners and managers to take into consideration," he adds.

For example, the new code requires that for roof replacements or alterations the work must include additional





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energy-efficient components. These include adding EnergyStar-compliant roof covering, radiant barrier, attic ventilation via solar fans or ridge or gable ventilation.

"Generally, the roofing industry has been putting into practice the new energy building codes prior to them going into statewide effect," Young says. "Every county also has its own requirements. Kauai is already in effect.

"With the goal of integrating these codes to help our buildings be more energy-efficient and thus reducing the energy being consumed by the buildings, we are glad to see our industry progressing."

Lyons has said the RCAH plans to offer training on the new regulations for its members after the codes go into effect.

"For now,
property owners
should be wary
of roofers
offering low
pricing."
—Tim Lyons

"The unfortunate part is," he says, "as with any new regulation, the upto-date, concerned roofing contractors will be aware and include the costs of the new system in their proposals, while those that don't pay attention will continue their same old ways and be able to offer cheaper jobs which may be enticing.

"Those cheaper proposals should be looked at carefully, especially as we approach the effective date."

For now, property owners should be wary of roofers offering low pricing, he says.

"Some (roofers) will take the attitude that the pricier requirements are not in effect so why include the costs, while the most ethical and professional roofing contractors will include these requirements as if they are already part of the code, or at least as an option," Lyons says. "So the customer can be aware and choose."

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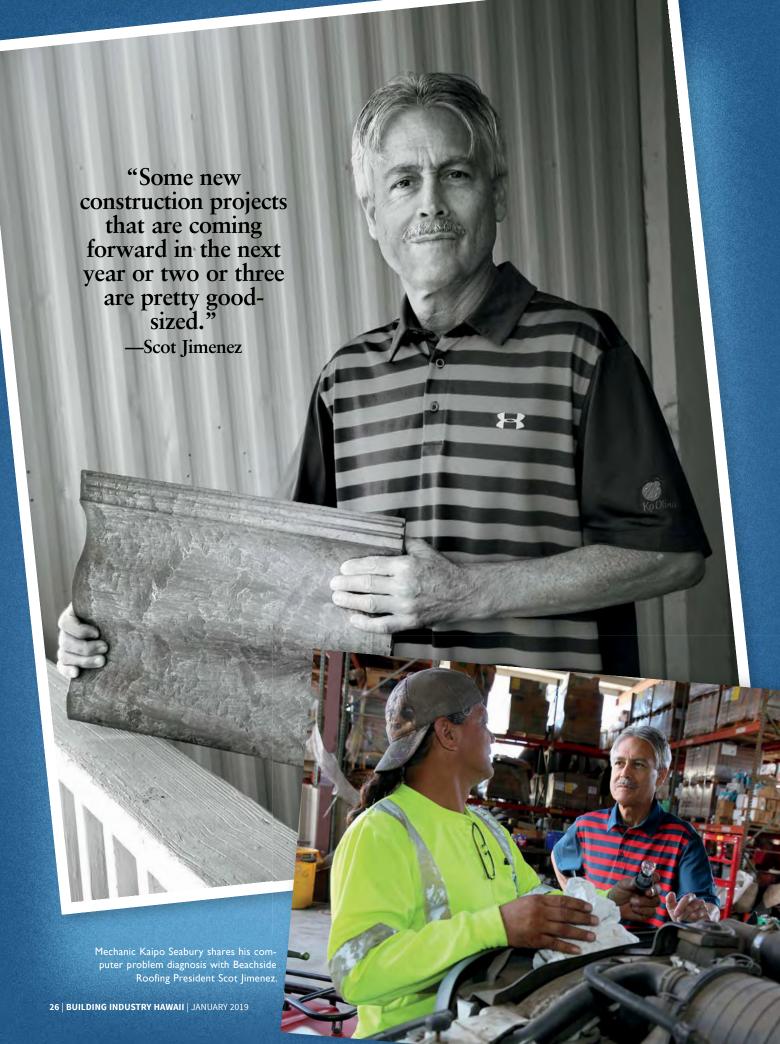
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# ROOT JIMENEZ: ROOTET for Tife

#### Decades of 'good service, good work, good install' built Beachside into one of Hawaii's leading roofing companies

BY DON CHAPMAN
PHOTOS BY NATHALIE WALKER

s a young boy in Southern California, Scot Jimenez didn't dream of a life up on the roof. But once he climbed his first ladder during one teenage summer, he was pretty much a roofer for life.

"I started in my 10th-grade summer; went to work for the uncle of

a friend of mine, started doing a few basic types of roofing. I started to like it and stayed with it," says Jimenez, president of Beachside Roofing LLC, one of Hawaii's biggest roofers.

Recent Beachside projects include a tile re-roofing of the Kauai County Building in Lihue. On Maui, Beachside recently finished the new consolidated rental car center at the Kahului airport (CONRAC), with Honolulu next. Jimenez also mentions other Beachside projects such as Park Lane, Ritz-Carlton Residences' twin towers in Waikiki and Anaha and Waiea towers.

That's now. But such highend success was not a foregone

conclusion when he was starting. But by the time he graduated from Newport Harbor High School, the son of a grocery store manager who had worked his way up from bag boy knew where his career path lay.

"It was good money, good exercise, good to be outdoors, good to be able to learn a variety of different roofing systems," Jimenez says from Beachside's Kalaeloa headquarters. "It definitely was independent. You're away from everything, you're up high and you're moving from job to job—variety."

In 1977 he "came to Hawaii, went straight to Kauai. A friend of mine, his two brothers were already on Kauai. There wasn't a whole lot of work at that time, so we did a lot of diving and surfing and hiking, every day for two years. Even the days we worked, we'd go surfing afterward. Hiking, diving, surfing, it was a pretty good life.

"But unless you're independently wealthy, at some point you have to decide to take care of the other part of life—where do you want to be down the road, where do you want to live?

So we decided to put more effort into work, and to buy a house."

Mission accomplished.

In 1984, he and a partner started Beachside Roofing. The business rapidly grew, and within three years the partner dropped out to devote more time to his young family.

"Suddenly it was all mine, not by choice," Jimenez says. "We were doing light commercial, residential, a little bit of a mix. That's how the territory was at the time—not a lot of any one thing."

Jimenez survived hurricanes Iwa (1982) and Iniki (1991), and was part of rebuilding the Garden Island.

"Iwa was light-duty. Iniki was the big one," he says. "It was pretty interesting, you had a mix of people who'd never dealt with that before. You have some people who deal with emergencies OK, and some people don't deal with it OK. And then as it goes longer, they don't deal with it any better. There were a lot of emotions.

"It was complicated. First, there was a lot of current work in progress, and that got interfered with, it still needs to be finished up. Then there's

the previous customers you worked with before who now want to negotiate repair work. There was quite a bit to deal with.

"A lot of things were occurring at the time. No. 1, materials were not available. Two, people were OK until it rained. Once water came in, there was more of a panic. And then you get materials coming but they couldn't be released right away. And then logistics to get your materials to a site, without water, electricity, telephone. A lot of logistics issues."

Jimenez saw what happened to many roofers who hurried to Kauai



Scot Jimenez and supervisor Walter Walker evaluate drain mats.



from off-island after the hurricanes.

"A lot of people ended up coming over from other islands to do work, and they didn't make money," he says. "You had insurance companies that held back money. You had insurance companies that didn't agree on pricing. And you had people coming over who needed to be independently self-sufficient cash-flow wise, otherwise they got hurt. And then, if they had extra costs because of logistics, all of a sudden they're losing money or, if they're lucky, just breaking even."

Scot Jimenez displays a copper standing seam, a metal roofing composite.

By 1994, a decade after starting Beachside, the company was doing work on Oahu. The breakthrough project was the Bank of Hawaii building in Kapolei.

"We started doing selective commercial work, and then a little bit more, until we were steady," Jimenez says. "Same thing on Maui. Today we have crews and an office on Kauai, an office on Maui, and then a little one on the Big Island."

Gradually, Beachside began to branch out.

"Primarily we're doing commercial roofing and waterproofing,"
Jimenez says. "But we do a small amount of residential custom homes.
Licensing-wise, we're licensed to do roofing, waterproofing, painting, sheet metal, general contractor, abatement and demolition. We have a specialty

division that does abatement, asbestos removal and light demolition. And then we have a little division that does service work. And then incidental work—might do incidental sheet metal work, incidental gutter work, custom work, and we do deck and parking garage coatings. And then we do below-grade waterproofing."

Asked about his most challenging projects, Jimenez says that every building presents its own challenges.

"But re-roofing usually has the biggest challenges," he says. "New ones have challenges, but not like an existing building. Like when we did the Hyatt on Kauai. Criteria was 100 percent occupancy, nobody leaves. Logistics were there's a lot of foliage and landscaping that was in the way, and we had to navigate through that and then replace it. We had to deal with the dust flying over the pool area. And we had a schedule that had to be met or pay a heavy penalty. That was one of the most challenging."

Looking ahead, Jimenez is optimistic about Hawaii's construction industry.

"Some new construction projects that are coming forward in the next year or two or three are pretty goodsized," he says.

"A lot of them are still in the pricing phases and some are getting released at different levels. For example, ground released for water-proofing while they're still working on the next level of pricing as the building goes up. Go back 30 years ago, you would have a drawing and everybody would bid the entire project, complete.

"Today, you might have a drawing or concept. But they're still working on the details—they know about the ground level, so that gets released, but the rooms and the roof aren't there yet. It can go in phases. The groundwork gets started as pricing is still being done for the rest of the project. It might go package two, package three, package four. It used to be we might price a job two or three times. Now we price it six or seven times."

Busy as Beachside is, Jimenez says, "we don't bid everything, we don't do everything. We found our niche. What we do, we try to do it well—good service, good work, good install and make sure it's long-term."

# IT'S LIKE A HARD HAT FOR THE HALE



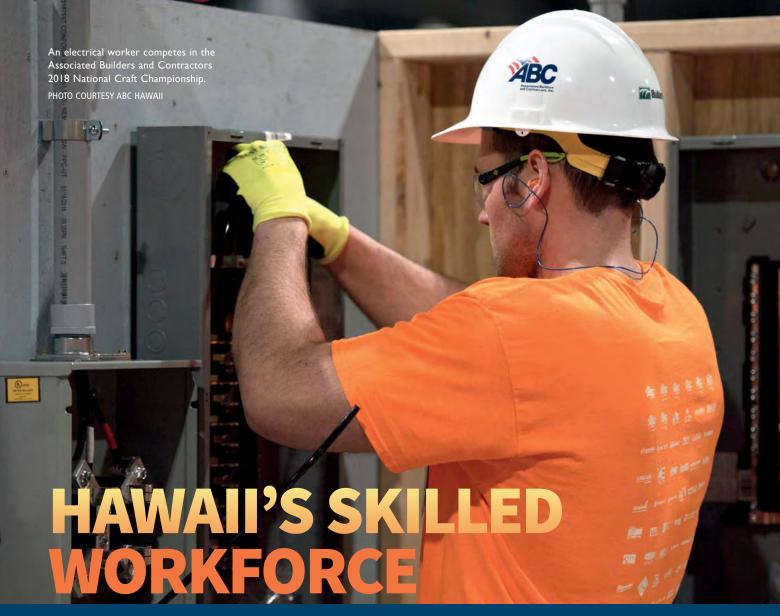
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ABC Hawaii graduates meet national building industry standards

BY BRETT ALEXANDER-ESTES

ight now, on job sites throughout Hawaii, many project managers are scrambling to find the workers they need.

"The greatest concern we had (last year) was the shortage of a skilled labor force," says Jonathan Young, president and CEO of the Associated Builders and Contractors - Hawaii Chapter (ABC Hawaii), a merit shop building association.

Mainland workers are hard to come by, too. According to an Associated Builders and Contractors analysis of December data released by the U.S. Bureau of Labor Statistics, U.S. construction employment expanded by 280,000 year-over-year, an increase of 4 percent. "The shortage ... is expected to get even worse as insufficient workers (are) joining the skilled construction trades," Young says.

#### **Job-Site Ready**

ABC Hawaii produces a new cadre of experienced and highly skilled



Stephen Strong

workers every summer. In 2021, Stephen Strong, currently enrolled in ABC Hawaii's five-year plumbing course, will likely be one of them.

"The state of Hawaii requires

10,000 hours to get a (plumbing)

journeyman's license," says Strong, who is earning his hours at an ABC Hawaii apprenticeship with M.

Torigoe Plumbing Inc., a Honolulu contractor.

Strong "is my worker. Right now he's a third-year apprentice," says Maurice Torigoe, the company's president, adding



Maurice Torigoe

that Strong usually puts in 40 hours a week or more.

After work, Strong heads for ABC Hawaii on Dillingham Boulevard, where he tackles textbook or related training.

# ABC Hawaii's 30th Anniversary



Representing 65.6% of all of the State of Hawaii licensed contractors, the Associated Builders and Contractors Hawaii Chapter has been serving Hawaii's merit shop contractors with 30-years of service and would like to extend a warm felt 'Mahalo and **Congratulations'** to our dedicated members for their years of continued membership! They know a good thing when they see it and we are proud to have them as members. Without the continued support of all our valued members, the voice of the merit shop contractor's philosophy in the state of Hawaii would only be a whisper.

#### Mahalo to all the ABC Hawaii membership for all your years of dedication and belief!

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Triton Marine Construction Corp. Ultimate Electric LLC United Electric, LLC

VP Electric LLC XR Electric LLC Yamada Paint Contracting, Inc.

Yama'z Painting Service LLC Yap's Electric Co.



2018 ABC Excellence in Construction award-winners PHOTO COURTESY ASSOCIATED BUILDERS AND CONTRACTORS INC.

"Everything in the book, you learn it," Strong says. "All of the classwork is the safety stuff, going over different types of materials, different types of valves, how a water heater works.

"And then, my actual job, I'm implementing those things, fixing a water heater or changing a busted pipe. So what you're learning in the classroom has direct application to what you're doing in the field."

#### **Nationally Accredited**

The National Center for Construction Education and Research directs Strong's training and that of other ABC Hawaii apprentices, who range between 300-450 annually. NCCER's curriculum covers more than 70 different trade areas, including ABC Hawaii's five training programs in plumbing, electrical, painting,

carpentry and roofing.

"ABC Hawaii and all ABC chapters across the U.S.A. utilize the NCCER curriculum(s)," says Ken Wilson, ABC Hawaii's education director.

"This allows the individual student to take his training and be recognized nationwide."

"NCCER is the nationally recognized credentialing and certification body for the industry. It is beyond a shadow of a doubt a superior program,

-Ken Wilson

a recognized program, and a nationwide program that teaches the standardized curriculum to all the students.



"This allows the individual student Ken Wilson to take his training and be recognized nationwide, instead of just locally, as other constructions entities do."

According to Daryl S. Arita, coowner of Arita-Poulson General Contracting, a leading Hawaii builder, ABC Hawaii's apprenticeship training enhances "the overall quality of the onsite trade performance execution."

#### **Building to Code**

Training is revised "continuously to provide all trades with the most recent

# ABC Hawaii's High Five

"The greatest benefits of ABC Hawaii Jonathan Young membership is our training program," says ABC Hawaii President and CEO Jonathan Young. ABC Hawaii offers five nationally accredited training and apprenticeship programs in:

- Plumbing
- Electrical
- Painting
- Carpentry
- Roofing





2018 ABC Construction Management Competition PHOTO COURTESY ASSOCIATED BUILDERS AND CONTRACTORS INC.

code updates," Wilson says. "So our programs and curriculum are taught in compliance with the most updated NEC and UPC codes"—including Hawaii's new energy code and the new building and structural codes on the way.

ABC Hawaii also offers "continuing education for licensed electricians, known as the Electrical 240 Program," says Jeffrey Durham, vice president of CC Engineering & Construction Inc. and chair and trustee of the ABC/CEF 2018 Hawaii Trustees/Executive Board. This is required for Hawaii

"What you're learning in the classroom has direct application to what you're doing in the field."

#### —Stephen Strong

electricians to maintain a current license, he adds. "We anticipate doing the same for plumbers in 2019 as well," Wilson says.

That will come in handy for Strong once he completes his hours, passes the state licensing exam and starts working as a journeyman plumber.

"\$42.50 an hour, I think it is. That's the state law," Strong says. "A lot of people are retiring from the trades. There aren't a lot of us to replace them."

### **ABC Hawaii Benefits**

ABC Hawaii's member contractors enjoy many valuable benefits, says Jeffrey Durham, vice president of CC Engineering & Construction Inc. and chair and trustee of the ABC/CEF 2018 Hawaii Trustees/Executive Board. These include:

- Membership discounts, including those from ABC Hawaii's National Business Partners offering discounts on vehicles from Dodge, General Motors and Nissan. Discounts are also available on phone plans from Verizon, says Durham. "Additionally, we have strategic partners who offer insurance plans, equipment rentals and even temporary workers."
- Networking opportunities. "ABC offers our members the opportunity to socialize with other contractors through various events such as golf outings, Vegas nights and other functions," Durham says. "These are not only social events, but also offer the chance to meet other contractors and associates, and increase your base of generals and subcontractors when bidding on new work."
- Safety programs and products.
   "ABC Hawaii offers safety-oriented training for our members in many areas," says Durham.
   These include CPR, AED (automated external defibrillator), First

Aid, OSHA Classes (multiple areas) and ABC's Safety Training



Jeffrey Durham

Evaluation Program, which "allows you to track, rate and improve your current company safety program," Durham says. "Beyond improving your current program, it can increase your bottom line by decreasing your worker compensation insurance rate through lowering your accident rate."

- MeritChoice insurance programs.
- Business development tools.
- Legislative and regulatory representation.
- Industry publications and communication resources.
- Leadership opportunities. "ABC Hawaii is always looking for and encouraging its members to become more involved in our organization by attending our monthly board meetings, joining committees and becoming involved in the leadership positions that help direct and run our chapter," Durham says, adding that some ABC Hawaii leadership positions offer advancement to the national level.



Plumbing instructor Maurice Torigoe (center) explains rough-in steps for sewer, waste and vent piping.

PHOTO COURTESY ABC HAWAII





The ongoing Ward Village project is the result of that focus on global best practices. "The area was already a major shopping district," he says. "We wanted to have retail and commercial offerings available to both the general public and those who live in the area."

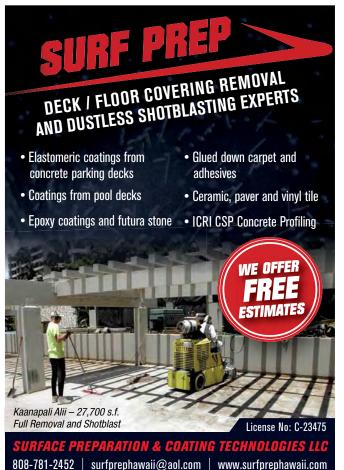


Race Randle

As part of the goal of building community, Randle says his company has

been working with the Hawaii Community Development Authority (HCDA) to implement the organization's master plan for Kakaako.

"What should give industry stakeholders and observers confidence in the current outlook for commercial construction in Hawaii is the wide variety of projects happening across the state." —Duane Shimogawa





Lilia Waikiki by Brookfield Properties will be a mixed-use apartment tower featuring 455 residential units and more than 43,000 square feet of retail space.

RENDERING COURTESY BROOKFIELD PROPERTIES

"The goal is to create a neighborhood that has services such as salons, urgent care services and a grocery store," he says. "We brought in Hawaii's flagship Whole Foods Market in response to community feedback expressing the need for a grocery and then a pharmacy. These were our priorities, and later on we'll be opening a Longs Drugs/ CVS on Halekauwila."

#### **Mixed-use Construction**

The commitment to mixed-use construction is especially evident in Howard Hughes' upcoming Ko'ula, a 41-story, 570-unit residential tower set to break ground this year. The entire ground floor is reserved for commercial space, with the lobby and other residential services to be located on the second floor.



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The Howard Hughes Corp. isn't the only company embracing mixed-use commercial construction. In Waikiki, Brookfield Properties is planning Lilia Waikiki, a 285-foot mixed-use apartment tower featuring 455 market-rate and affordable rental units. The first two floors of the property will house a full-service grocery store operated by Sullivan Family of Cos., owners of Foodland and Food Pantry. The grocery, The Market at Waikiki, will anchor more than 43,000 square feet of retail space. Lilia Waikiki is expected to begin construction this summer and be completed in mid-2021.

Avalon Development was recently granted a permit by the City & County of Honolulu for Sky Ala Moana, a \$510 million mixed-use

high-rise project.

"Sky Ala Moana is a transitoriented development project that will



Duane Shimogawa

add much-needed housing and economic activity to the burgeoning Ala Moana area," says Duane Shimogawa, a real estate analyst at Avalon. "Plans for Sky Ala Moana include 390 market-

rate condos, 300 condo-hotel units and 84 affordable for-sale residences, along with about 17,500 square feet of commercial space."

Shimogawa says rail transit has been "the principal reason for the increase in mixed-use projects" in Honolulu. "There are probably no better areas that demonstrate this than the Kakaako and Ala Moana/ Kapiolani areas.

"These areas have benefited from strong public/private partnerships that have answered the need for housing and commercial projects near rail transit stations. Additionally, to build a true community, like for instance at The Howard Hughes Corp.'s Ward Village in Kakaako, there needs to be ample mixed-use projects as you currently see in that popular, trendy neighborhood."

#### **Room for Growth**

Other projects for Avalon include a for-lease Enterprise Center in Kapolei built by Honolulu Builders. Shimogawa says that project "is slated to be followed by another similar



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Shioi Construction Inc. completed work on Kilauea Lighthouse Village, an approximately 47,000 square foot mixed-use town center on Kauai.

RENDERING COURTESY KILAUEA LIGHTHOUSE VILLAGE

project after its Enterprise Center witnessed remarkable interest." The second project will be a warehouse for smaller tenants and will feature two buildings of about 40,000 square feet apiece, with the largest tenant space at 5,000 square feet and the majority ranging from 1,500 square feet to 2,500 square feet.

Avalon also is developing a warehouse on behalf of Robinson Estates Trust. "This Waipahu warehouse, which is located near a rail transit station in the area, is the first-ever new ground-up development by the Trust," Shimogawa says.

According to Shimogawa, there is plenty of room for growth when it comes to industrial commercial construction, thanks to "extremely low inventory of quality warehouse spaces anywhere on Oahu, and even on some parts of the Neighbor Islands. Avalon's industrial parks in Kapolei have received strong interest and have been welcomed sights to those businesses looking for quality warehouse spaces or buildings. Expect continued growth and interest in industrial-type commercial construction now and in the future."

## On the Neighbor Isles

The Neighbor Islands are also



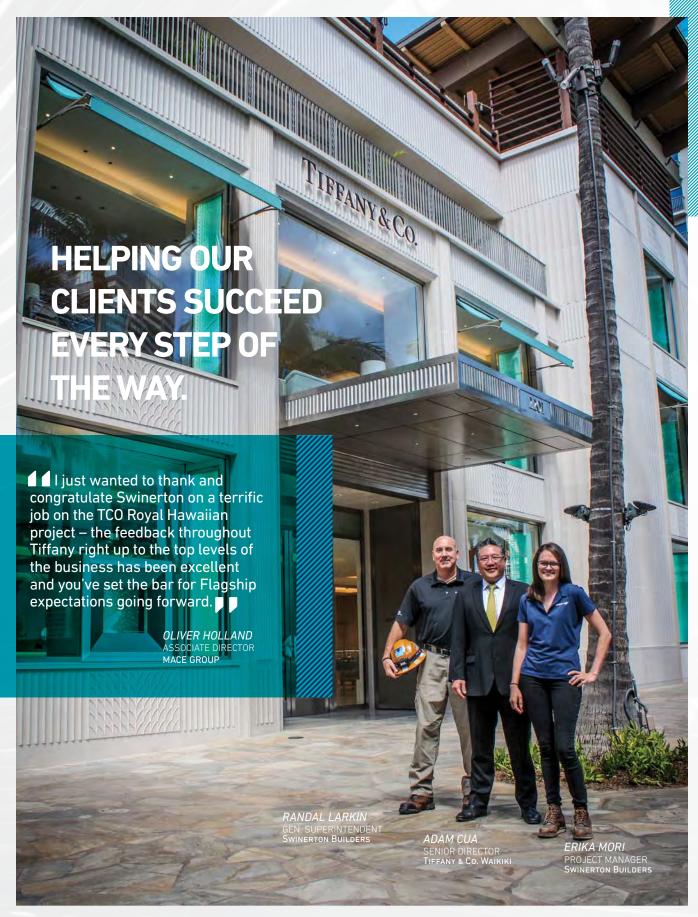
# "Investors and owners of commercial properties are still looking for ways to improve on their current investments or add more properties to their respective portfolios."

—Duane Shimogawa

home to some major commercial construction projects. On Kauai, Shioi Construction Inc. just wrapped work on Kilauea Lighthouse Village, an approximately 47,000-square-foot mixed-use town center development situated 1.5 miles from the Kilauea Point Lighthouse and Kilauea Point National Wildlife Refuge. Kilauea Lighthouse Village will be anchored by The Market at Kilauea, which is owned by the Sullivan Family of

Companies.

The Queen Liliuokalani Trust is planning to develop a nearly 70-acre mixed-use project in Kailua-Kona on the Big Island that would include 300 residential units, 220 rooms in two hotels, a 50,000-square-foot community performance facility and 470,000 square feet of commercial space. Work is expected to begin either this year or in 2020.









Alexander & Baldwin's 52,000-square-foot Lau Hala Shops in Kailua recently opened. PHOTO COURTESY ALEXANDER & BALDWIN



#### A New Life

Some commercial construction is less about starting from scratch, and more about breathing new life into existing structures. An example would be Alexander & Baldwin's 52,000-square-foot Lau Hala Shops in Kailua, a new retail center at the former site of Macy's.

"We believe we have a responsibility to serve as a partner to the

communities we serve," Francisco Gutierrez, senior vice president of development at Alexander & Baldwin, wrote in Construction Preview 2019. "So when we decided to



Francisco Gutierrez

redevelop the old Macy's building in Kailua into a new retail center, it was important to us to ensure the project would respect the history of the area, be designed with sustainability in

mind and enhance the surrounding community."

Gutierrez says Alexander & Baldwin worked with general contractor Armstrong Builders "to transform the old department store into an inviting gathering space" for the Kailua community.

"Our development team started with deciding to employ adaptive re-use and renovate the existing building, a longtime fixture in Kailua Town. The original structure was well-made, and remained structurally sound after 65 years," he says. "The final design embraces the building's history by preserving its brickwork and modernist lines while creating commercial space for 10 retail and restaurant tenants."

Old lighting, water fixtures and environmental control systems were replaced with modern, energy-efficient equipment. New windows in the lobby and second floor were added to bring in more natural light to spaces

that were once completely enclosed.

#### A Good Year

With the rise of mixed-use commercial and residential construction and new projects spurred by transitoriented development, Shimogawa says "2019 should be a steady year for commercial construction" in Hawaii.

"What should give industry stakeholders and observers confidence in the current outlook for commercial construction in Hawaii is the wide variety of projects happening across the state," he says. "Investors and owners of commercial properties are still looking for ways to improve on their current investments or add more properties to their respective portfolios.

"The bottom line is that Hawaii remains a solid place for commercial investors, both big and small, local or offshore. To that end, there should be continued work for the construction industry in this sector, now and into the near future."



# ANEW ERA: The Trend Toward Urbanism

Construction manager and development consultant
Lance Wilhelm calls for more *kaula* in the building industry

BY DON CHAPMAN PHOTOS BY LEAH FRIEL

hen Lance Wilhelm graduated from Kamehameha Schools in 1983, he headed off to the University of Hawaii at Manoa School of Communications with classmates Robert Kekaula, Ron Mizutani and Bill Mossman, each of whom would go on to have stellar media careers—Kekaula and Mizutani in TV news while Mossman today is the editor of *MidWeek*.

experience required' and 'entry level.' So I interviewed there, got really lucky and got hired."

Thus began what would become an impressive construction career. He rose to become Kiewit's senior vice president in Hawaii and served a term as president of the General Contractors Association—in large part because in his initial Kiewit interview he answered "yes" when asked if he knew how to use a fax machine.

"You can bring projects along quicker if we're all in the same room, on the same level, on the same page, talking the same language.
... That's a very Hawaiian way of thinking and way of being."

"That's what we produced, three of our better journalists," Wilhelm says. "I thought I was going to go into advertising/marketing, but I ended up in construction, kind of by accident."

Call it a simple twist of fate.

"Frankly, I just needed a job," he says. "I worked at a printing company for a couple of years, Action Press, long since closed, did some graphic design. I was a young father, we needed to get something more stable. This was a long time ago, you still answered ads in the paper—no Monster.com. I answered an ad for Kiewit, a company I knew nothing about, but it had the two most important phrases I was looking for, 'no

"I could also use a computer," he says. "That was a big deal, high-tech. Few of the project managers knew how to operate a computer. This was like 1989."

Today he runs his own company, The Wilhelm Group, a full-service development consultancy and construction management firm founded two years ago. He also serves on the board of Kamehameha Schools, chairs GCA's legislative committee and cochairs labor committees and helps negotiate contracts with trade unions.

"I consider organized labor to be friends," he says.

In addition, he serves on the boards of the YMCA, Hawaii Pacific

University and Island Pacific Academy.

It's worth a look at what led him to these positions of high responsibility, and where a man who tries to look 100 years into the future is going.

### **Building a Career**

"I was lucky," Wilhelm says from his Bishop Street offices. "Kiewit spent a lot of time with me and taught me a lot—how to read a set of plans and what it meant, understand costs and how to apply, manage and how to estimate—all the things you need to know to work in construction. I learned a lot of that on the job, hanging out with the right people, asking a lot of questions, probably sticking my nose where it didn't belong a little bit. That's how I got into construction."

One of his early projects involved the two small tunnels on the Kaneohe side of the H-3 "back before there was an H-3. That was a fascinating job. It's called a cut-and-cover tunnel—I've never seen another one done around here. Basically, we took the mountain top off, built the tunnels then put the mountain back, as opposed to drilling through the way most tunnels are built. It's in a place where the soil isn't that stable, so you really couldn't do a boring."

He helped build two golf courses in Ewa Beach, Hawaii International Country Club and Hawaii Prince, but "I did mostly roads and bridges for 15 years or so, then moved up to a clerk's job, learned estimating, learned how to run a project on my own, then took on more of an oversight role. Also did a lot of hospital work, military work,



planning stages to come up with a cost structure," he says. "And then we participated in design-development as well as estimating, so we could provide input into how the design is coming together. It's a giant project, about \$700 million."

### **Relying on Hawaii's Culture**

Regardless of the project, Wilhelm brings to it nuances of the Hawaiian culture fostered at Kamehameha.

"It's been my experience," he says, "that projects that work the best are where the owner-developer gets what they want—on time, on budget with the quality they want—and the contractor earns a reasonable and appropriate fee and he comes out whole, and all the subs are happy and

everybody is safe. ... I don't know of any projects where the relationships are poor and the project came out well.

"So my philosophy is to find ways to bring teams closer together. I want the designer and the ownerdeveloper and the contractor to have good working relationships. And part of the challenge is they don't speak the same language. Even when they agree, it sometimes sounds like they disagree because they don't have the same vocabulary. So part of our job, because we do understand the vocabulary in each of those circles, is to translate and keep them together, and advocate for regular, close, face-to-face meetings, not conference calls, because people don't build relationships over the phone.

"People don't build relationships by email or text. You have to be there in person, so we advocate for that, to bring people together. You can bring projects along quicker if we're all in the same room, on the same level, on the same page, talking the same language. That's a big part of what we do and why we do it.

"I believe that's a very Hawaiian way of thinking and way of being. We, as a people, don't separate ourselves. Our networks and relationships are strong. That is necessitated by being an island people. As a fisherman, you might not grow taro, but you have a relationship with the farmer, you need him and he needs you. You build these bonds that grow over time for the benefit of the greater community.

# Wilhelm on Rail, and the High Cost of Housing

# **Thoughts on challenges confronting Hawaii**

### **ESTIMATING: ART OR SCIENCE?**

"Oh, there's a tremendous amount of art to it. And it's a dynamic field. So the cost factor, especially in vertical construction, if you're going to build a building today, and you want to hire a general contractor, the GC will perform 15 to 20 percent of the work himself, 80 percent he'll go to sub-contractors for, whether it be electrical, mechanical, glazing, roofing, you name it. And Hawaii's market is not a large one, so when times are good it's not generally GCs who are too busy, it's the subs. So the cost can vary widely for one piece of work, not necessarily influenced by the design itself, but by timing, market conditions, tariffs, other factors that are not related to how many square feet of glass is in the building, but other dynamic market factors.

"One of the benefits we have is that we are active in the market, so we're in communication with architects and designers and the general construction community, so we have a good sense of where things are today and where they're headed. Generally, when we're doing estimates, it's not work that will happen today, but work that will happen two years from now. And so we have to project into the future what we know about the market and conditions, and come up with a realistic estimate for the developer or owner."

Looking ahead comes naturally to Wilhelm, who says of his job as a Kamehameha trustee: "Your perspective cannot be near-term. It has to be 100 years out."

#### **HOUSING**

"Huge challenge here. It comes down to some finite resources. There's only so much land. Outside of the Big Island, *Ke Akua* (God) is not building us any new land. And

we're a long way from just about every modern building product, so anything that comes this way costs us money. Escalation of labor costs is entirely tethered to the cost of living, so it's a constantly upward ratcheting system you can't ever ratchet down. Wages go up, construction costs go up.

"A good rule of thumb, generally, construction is half labor, half material, with a little in the middle for margin, fees, safety. But by and large, the two major components are cost of labor and materials. If labor goes up every year 2 or 3 percent, cost of living goes up and guys need to make a living to survive. Cost of materials are pretty stable, if not upwards ticking. It's hard to imagine the cost of construction going down. So if the cost of construction keeps going up, and the value of the underlying land continues to rise, it's hard to imagine a system that would drive housing costs down.

"How do we do that? It's a big problem, a big challenge for all of us. There are a lot of novel ideas, from the repurposing of properties from existing structures. There's some interesting thinking around modular construction. If you can modularly build a building, so more work can happen elsewhere and there's less transfer of materials broken up in pieces, but rather already put together, maybe we can drive some costs down. But we have to be mindful of the tradeoff. In theory, you could build entire buildings modularly, just ship over containers and drop the pieces into place, but you're going to cut out a lot of local labor, and that's going to hurt guys who install toilets and hang drywall. You can't do these things in a vacuum.

"It's going to be a thing where the private sector and government and non-profits come together—and even

"We see connectedness as important, crucial in fact for success. So our company theme and logo is all around the kaula, the rope. I paddled canoes growing up and was always fascinated at how the kupuna could lash the canoe together. It's just rope, but it was solid and tight, and it was necessary because if it came loose, you huli (capsize) and bad things happen. In my mind, the way we try to keep people together is for the stability of the canoe and the safety of the voyage. That's what we try to do.

"Kaula connotates closeness and proximity; coconut fibers, individual fibers wound up to make strength. The *kaula* is only *pono* when the individual fibers are wrapped tightly together."



Lance Wilhelm and Jesse Dowsett, director of management services for The Wilhelm Group, review plans.

institutions like Kamehameha, housing is not necessarily in our swim lane but we can't be ignorant to it, and we're not. We're trying to play an appropriate role.

"Identifying the problem is not the same as finding a solution."

Condos, he believes, are the future:

"It's still a more affordable option. And there is a trend toward urbanism, not just in Hawaii. Single-family homes, your own picket fence out in the suburbs, that is not necessarily what young people have in their heads when they think about their future. They're more inclined to live in higher-density places. Public transportation is part of what they see in their future. They want a more urban lifestyle, proximity to entertainment and community. That trend is likely to continue for some time. High density means more condos, closer together. And it lowers the cost—I can deliver a unit in a high-rise cheaper than I can individual homes. Economics support it.

"More importantly, the younger generation's lifestyle expectations are supporting it. I do believe there will be more of that. But we have to find a sweet spot from the upper end to the lower end of the scale. ... There's tremendous demand on the middle to the lower end of the scale." Rail, he says, is central to all that.

#### RAII

"It has to happen. We as a community need it to happen. Transit can do things for us in terms of helping to guide and shape how our community develops over the next 50 years. We talked about condominiums and higher-density living. A lot of that is made possible because of mass transit, the way you can build projects. One of the ways to reduce costs, frankly, is to reduce the amount of parking you have to build. But the only way to do that responsibly is to give

people who will live there an alternative to cars. Transit helps provide that. And technology—bike sharing, car sharing, Uber, Lyft-is changing the way people move themselves around. And as an efficiency is gained as those things take hold, you're not going to need as many cars and won't need as much parking, and that will help us drive the cost of condominiums down.

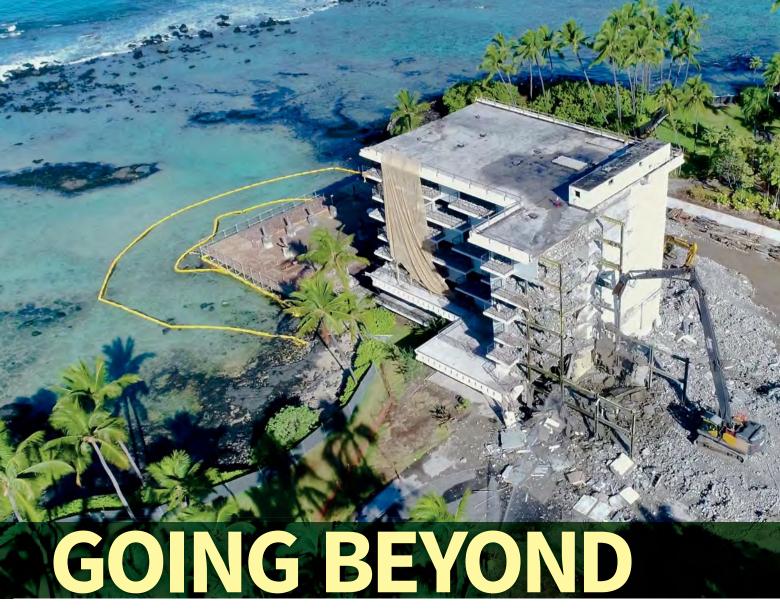
"Transit is necessary, whether you're pro transit or anti transit."

#### **LEADERSHIP**

"I think every day about the best advice I ever got. The CEO of Kiewit, when they promoted me to senior vice president, he happened to be on Maui and had me fly over to meet. He gave me all kinds of advice. But the one thing he told me I will never forget, he said you didn't wake up any smarter this morning than when you went to bed last night. So just because you get a new title doesn't mean you know anything. So ask for help. Basically, try to stay humble. I never forgot that. I usually wake up the same knucklehead I was the night before. I don't pretend to have all the answers."

#### HAWAII'S BUILDING INDUSTRY

"The building industry is very close-knit, and the older I get and the more time I spend in it, I think there is a tremendous advantage for Hawaii. There are other markets, communities, where competition is fierce, and that drives behaviors that are not healthy for a community. Now the competition here is fierce on any given job, but there is a collegialness about it. I consider other contractors some of my best friends. We work together on community issues, as hard as we compete. That's part of what makes Hawaii the special place it is. It's unique to us. I hope we never lose that."



# Today's demolition and recycling industry demands greater attention to Hawaii's environment and public safety

BY BRANDON BOSWORTH

lexibility has emerged as the key to success for the leading businesses in Hawaii's demolition and recycling industry.

"We have found that it pays to be flexible in a limited geographical area like Hawaii. As such, we have set our sights on projects with a scope broader than just demolition, encompassing everything from environmental services, decommissioning, and even site clearing," says Darin Leibelt, Hawaii regional manager for Northwest Demolition & Dismantling.

That flexibility applies to both the company's customers as well as the

work they do.

"For us, demolition in Hawaii favors the private sector," Leibelt says. "There are always some federal and state jobs bidding, as well as some other

non-typical markets that we perform that are not related to demolition, such as revetment repair and UXO (unexploded ordnance) munitions remediation, to name a couple."

The nature of demoli-

tions and recycling requires flexibility as well.

"There are more qualifications required to just get on a job site, says Mike Leary, president and CEO of Island Demo Inc. "For example,

OSHA (Occupational Safety and Health Administration) has their regulations, and the owners have their own requirements." According to Leary, some items that companies working a demolitions project need to have include an Injury and Illness Prevention Program (IIPP), OSHA Form 300 (Log of Work-Related Injuries and Illnesses), job hazard analyses and data sheets for any chemicals used in the process.

The names and certifications of those working on the project also have to be provided. "It takes a long time," Leary says, "because it's site-specific. You have to figure out who's going to



Darin Leibelt





work on the job."

Finding workers can be a challenge. "Demolition is labor intensive," Leary says. "People have to be willing to work hard, and some can't pass a qualifications test. You have to train your workers, assign a new guy with an old guy. A new guy can't just go tear down a wall."

Leary says he finds 90 percent of his workers via referrals. "A friend tells a friend about us." Most crew members are in their early 20s up to early 30s. "They receive on-the-job training," he says. "Once they have a broad knowledge of the tools and techniques used, they move on. Demolitions is a good introductory-level

job to enter the construction industry."

### **Hazards and Safety**

Safety in demo and recycling is an ongoing concern.

"The tools we use can hurt you," Leary says, adding that the materials found in some of the buildings pose dangers as well. "For certain buildings, you really have to look for hazardous materials," he says, "such as asbestos, lead and mercury."

"One of the biggest costs and environmental challenges for us specifically in Hawaii relates to concrete recycling and lead content in paint," Leibelt says. "Concrete containing leadbased paint (LBP) is not allowed to be crushed and reused, and therefore must be disposed in a permitted landfill. If the concrete is to be recycled, the paint has to be abated at significant cost. There are a lot of concrete structures in Hawaii built before 1980 with LBP and, therefore, can be expensive to demolish."

Specialized projects offer their own hazards. "A couple of our most recent projects involve hazardous environments that require the use of specialized equipment, such as excavators with ballistic armoring and remote-controlled operation," Leibelt says. "One project includes the excavation of a WWII-era Navy landfill with the potential

for discovery of munitions of explosive concern (MEC). The other project involves the demolition of industrial structures adjacent to a 2,000-foot-deep sinkhole."

To deal with situations such as these, Leibelt says it was necessary to create a safe zone "by which our operators can complete their work." To accomplish this, "Jewell Manufacturing installed remote systems on a specialized fleet of our excavators, enabling operators to sit comfortably at a safe distance, watching monitors as they control 60-ton machines via radio or industrial Bluetooth controls."

As Honolulu's urban landscape changes, many



Reused rock found at the Makali'i at Wailea project site being used to build walls. PHOTO COURTESY GOODFELLOW BROS.

older buildings are being gutted or demolished. This can be challenging when the buildings are in busy neighborhoods.

"We did the demo work for Outrigger Hotels for the Trump International Hotel in Waikiki," Leary says. "This was in a high-density area, but we had no major problems or lawsuits. You have to understand the best demolition practices so you have a low impact on the area. We employed police officers to help manage the situation."

Working in congested

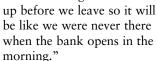
is "certified for the removal of lead and remediation of lead."

"We work on major

projects in
Waikiki, such as
the Halekulani
and Waikiki Parc
Hotel," says
Alan Hornstein,
owner and president of Lenox
Metals LLC. "We
worked on the

International Market Place renovation, and were able to recycle all of the thousands of tons of metal. We had to work at night, work in Waikiki, "as other hotels go through change-outs."

This month, Island Demo starts work on the First Hawaiian Bank in Pearl City. "The bank will stay open," Leary says. "We'll do as much as we can at night and clean



Even seemingly out-of-

"Due to the seven-story structure's location on land and extending over water, Northwest Demolition & Dismantling was required to take calculated, engineered steps to comply with several permitting agencies and firm deadlines for overwater work.

"The land-based demolition employed the use of a high-reach excavator to bring the structure down safely and effectively. On the more challenging side, the over-water work utilized remote-controlled demolition robots, which not only met the engineered weight capacity of the floors, but allowed for a controlled demolition, which prevented any demolition debris from entering the ocean habitat.



# "We try to recycle as much as possible to keep materials out of Hawaii's landfills."

—Darin Leibelt

Waikiki is nothing new for Island Demo. The company has demolished several buildings on busy streets such as Kuhio Avenue, including one that once housed the SWAT Gun Club indoor shooting range. Luckily, Leary says he

because Waikiki has several ordinances related to noise and construction. Instead of working normal days, we usually worked from about 11 p.m. until 4 a.m. to keep disturbances down."

He anticipates more

the-way demolition projects can pose unique challenges.

"We recently finished a challenging demolition project as a subcontractor to Kiewit Building Group—the Keauhou Beach Hotel in Kailua-Kona," Leibelt says.

### **Salvage and Recycle**

Demolitions are only half of the story. The other half is recycling.

"We try to recycle everything," Leary says. "As we tear something down, we put the demolished materials in isolated cases and transfer them for recycling. Our base yard in Mapunapuna is Hawaii's only licensed construction and demolition (C&D) transfer station."

"We try to recycle as much as possible to keep materials out of Hawaii's landfills," Leibelt says. "Concrete is typically crushed on-site with the intention of being able to be reused as fill for new construction, or it is hauled to permitted recycling facilities such as West Oahu Aggregate or Grace Pacific. Almost all steel and nonferrous metals are salvaged. Green waste is hauled to recyclers such as Hawaiian Earth Products.

"Of course, these practices are not only good for the environment, but also reduce the overall cost of the project."

Not all recyclable materials on a construction site come from old, demolished buildings. On Maui, Goodfellow Bros, was able

to recycle the blue rock found on the Makali'i at Wailea project site. Blue rock is the type of rock most favored for rock-wall building in Hawaii, and this discovery turned out to be

a boon for Goodfellow as well as its client, Armstrong Development.

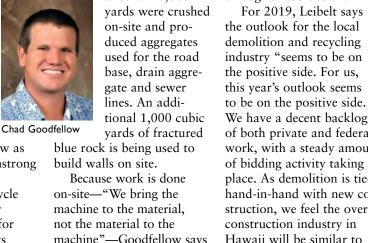
"Being able to recycle rock that was already there was a win-win for both companies," says CEO Chad Goodfellow, since "there were already plans for blue rock walls at Makali'i."

Goodfellow Bros. brought in its own equipment and crushed 36,000 cubic yards of cut rock and soil. Eventually, 18,000 vards were used for fill and

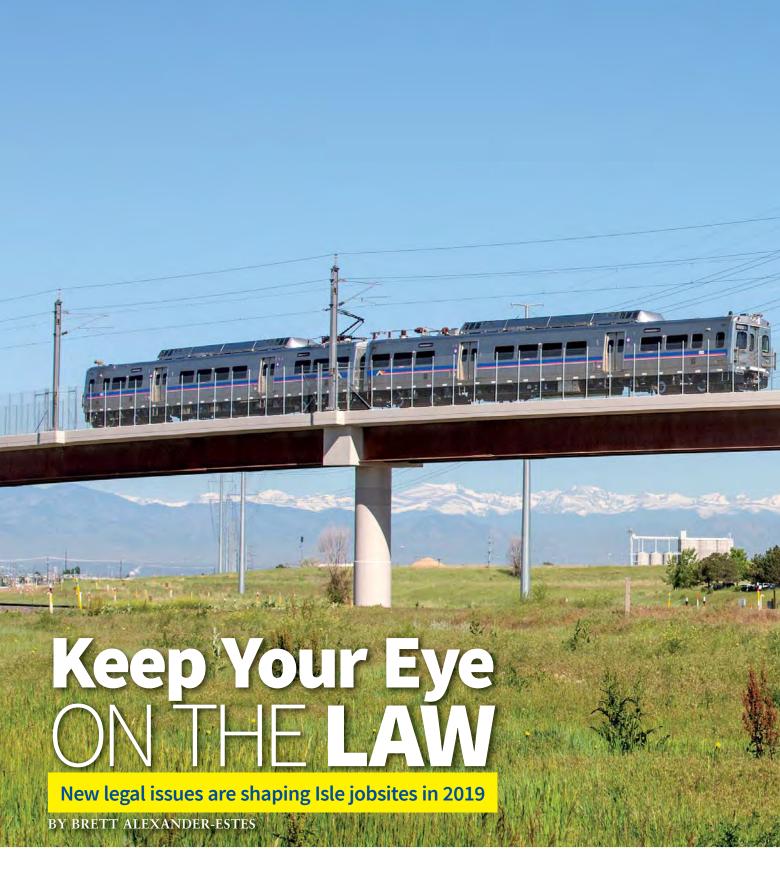
another 10,000 on-site and produced aggregates used for the road base, drain aggregate and sewer lines. An additional 1,000 cubic yards of fractured

machine"—Goodfellow says a tremendous amount of time, money and energy was saved. "It would have taken at least 800 truckloads to remove all that rock from the property," he says. "We probably saved about 10,000 gallons of fuel. From a safety standpoint, we kept all those big haulers from driving through a resort town."

this year's outlook seems to be on the positive side. We have a decent backlog of both private and federal work, with a steady amount of bidding activity taking place. As demolition is tied hand-in-hand with new construction, we feel the overall Hawaii will be similar to 2018."







awaii builders are keeping abreast of OSHA's evolving silica rules, but should also keep an eye on other legal developments in Hawaii's construction industry.

These include new laws needed for

public-private partnerships, Bill 64, decisions in two recent construction cases—and, of course, the clauses in their own contracts.

## **No Legal Framework**

"We have been hearing a lot about

'P3s'—Public Private Partnerships where the government cannot afford to carry out construction, so it looks to get private industry to kick in," says Scott I. Batterman, an attorney and partner at Clay Chapman Iwamura Pulice & Nervell, a Hawaii



law firm. "We have not seen what these contracts are going to look like, nor how they will be accommodated in public procurement laws."

Portions of the Honolulu Authority for Rapid Transportation (HART) rail line and transit-oriented development (TOD) are among recently proposed P3 projects.

"These projects are coming," Batterman says, "and people need to be thinking about the legislation to accommodate them, the contract forms to structure them, and how to allocate risk."

## **New Permit Approvals**

Bill 64, passed in November to help spur residential development, may do so at other sectors' expense.

"While the General Contractors

Association of Hawaii applauds both the mayor and the City Council for looking at ways to expedite and streamline the permitting process, we did express concern that the new law



Michael R. Yadao

could give priority for approvals of building permits to one- and twofamily residential dwellings over other building permits, including commercial, industrial and other multi-unit

"It should serve
as a caution
to general
contractors
to make sure
that their
subcontractors
are licensed."
—Jeffrey M.
Osterkamp

# Mechanic's and Materialman's Liens Cases Filed, 2016-2018\*

CIRCUIT	2016	2017	2018	TOTAL
First (Oahu)	58	66	29	153
Second (Maui)	13	3	10	26
Third (Hawaii Island)	7	17	11	35
Fifth (Kauai)	3	4	6	13
Statewide	81	90	56	227

<sup>\*</sup>Based on a preliminary review of Hawaii court records

residential building permit requests," says Michael R. Yadao, the GCA's director of government relations.

"Rather than giving priority to one segment over another, GCA continues to advocate for a revisiting of the entire system in an effort to allow for the proper processing of all building permits in an efficient manner.

"We will monitor the implementation of Bill 64 and its effects on the industry, and look forward to working with the Department (of Planning & Permitting) on streamlining the construction delivery process."

# **Indirect Liability**

Citing a recent federal decision for the Fifth Circuit (Mississippi, Louisiana, Texas), the National Safety Council reports "OSHA can issue citations to general contractors who fail to control hazardous conditions at multi-employer worksites, even if those conditions do not directly affect their own employees."

As a result, states The American Equity Underwriters Inc., "OSHA can now issue Multi-Employer Worksite citations to both general contractors and its subcontractors" in many Southern states. Should a similar dispute arise in Hawaii, OSHA and local courts may look to the Fifth Circuit's ruling.

### **Double Jeopardy**

U.S. Pipelining LLC v. Johnson Controls Inc., a recent federal decision, allows an unlicensed subcontractor to bring a civil action for nonpayment against a licensed general contractor.

U.S. Pipelining
"is not binding
on Hawaii state
courts, but general
contractors need
to be aware of
it"—and especially,
the licensing status
of their subs, says



Jeffrey M. Osterkamp

Jeffrey M. Osterkamp, an attorney and partner at Cades Schutte LLP, a Hawaii law firm.



OSHA can issue citations to general contractors who fail to control hazardous conditions at multiemployer worksites, even if those conditions do not directly affect their own employees.

"The designer ... should consider a custom or a manuscript policy that covers the GC."

—Kenneth Kasdan

"It's conceivable that a general contractor could, on the one hand, be liable to an owner for damages relating to an unlicensed subcontractor's work, but on the other hand, would not be able to recover against the subcontractor for the same issues," Osterkamp says.

"U.S. Pipelining is a confusing decision, and it's hard to tell what the ultimate implications might be. But at a minimum, it should serve as a caution to general contractors to make sure that their subcontractors are licensed."

### **Accident or Design?**

The thin line between design/

# **Material Facts**

Ocean air destroys most construction materials, says Kenneth Kasdan, senior partner



Kenneth Kasdan

at Kasdan
LippSmith
LLLC, a Hawaii
law firm, so
designers and
builders "must
appreciate
that Hawaii's
environment is
corrosive, and

design and build accordingly."

When assigning fault for the failure of metal materials in a Hawaii project, he says, the following considerations are critical:

- Was a more durable stainless steel available, but a cheaper galvanized material chosen to lower costs?
- Was a more durable stainless steel even considered?
- Even if galvanized steel was to be used, did the designer select a high grade of galvanic protection, or was price the controlling aspect?

"Ultimately, when determining if there is a claim in addition to warranty claims," he says, "it may come down to questions over whether the construction professionals specified, used, installed, or caused the installation of proper materials."

build and design/assist projects, says Batterman, can also create legal problems.

When the contractor "is providing significant input, but not the sole input, who then is actually responsible for a failure to perform?" In these cases, Batterman says, how a contract structures responsibility and insurance is critical.

"Many General Liability policies do not cover claims for designer-type errors, while general contractors do not always have the type of Errors & Omissions policies which do cover design errors," he says.

Kenneth Kasdan, senior partner at Kasdan LippSmith LLLC, a Hawaii law firm, says the designer in a design/build arrangement "should not rely solely upon the standard commercial general liability (CGL) policy, but rather, should consider a custom or a manuscript policy that covers the GC for design services as well as construction operations and completed operation coverage, typically triggered by completion dates."

### **Set Project Scope**

To provide adequate protection, a construction contract should, at a minimum, contain "basic provisions on the contractor's specific scope of work and the process for determining how to resolve disputes over whether the contractor complied with its scope," says Osterkamp.

"It's also very helpful for a contract to provide a specific process—such as mandatory face-to-face discussions and review of the issue by a neutral party—in order to try to head off disputes before they reach a court or arbitrator."

# **Don't Void Your Contract**

"A very large percentage of contractors doing residential work do not contain certain clauses and infor-



Scott I. Batterman

mation required by Hawaii Law and Contractors License Board regulations, which render those contracts void," says Scott I. Batterman, an attorney and

partner at Clay Chapman Iwamura Pulice & Nervell.

If a contract is voided, a contractor

loses "rights to place a mechanic's lien on the project," he says.

Fifty-six mechanic's and materialman's liens were filed statewide in 2018.

Other losses can include:

- Specific formula provisions for overhead and profit
- Fee provisions if a project is cancelled
- A waiver of consequential damages (indirect losses from a breached contract)
- A specific limit on a contractor's liability



Alan Shintani, center, receives the 2019 Outstanding Union Builder of the Year award from the Hawaii Regional Council of Carpenters' Kyle Chock, left, and Ron Taketa.

# **Shintani Selected Union Builder of the Year**

The Hawaii Regional Council of Carpenters selected Alan Shintani as 2019 Outstanding Union Builder of the Year from among 300 signatory contractors

According to the council, Shintani, president of Alan Shintani Inc., was chosen for his contributions to Hawaii's construction industry and the

community, cooperative approach to labor-management relations and demonstrated strong support for unionized construction.

Shintani was presented with the 15th annual award at a reception hosted by Pacific Resource Partnership on Ian. 15 at Oahu Country Club.

"Alan's contributions to Hawaii's

construction community have raised the bar across our industry," says Ron Taketa, executive secretary-treasurer of the Hawaii Regional Council of Carpenters, the state's largest construction union. "Along with his outstanding contributions over more than four decades of service and leadership, Alan is still known for putting in hours in the field, demonstrating his commitment to quality no matter how large or small the task.

"In all that he does, Alan seeks out opportunities to strengthen Hawaii's construction industry and ensure it remains a driving force for Hawaii's future."

Shintani began an apprenticeship with the Hawaii Carpenters Union in 1972, and launched his own contracting firm in 1981. His clients have included the U.S. Army Corps of Engineers, the U.S. Department of Veterans Affairs, the National Security Agency, the FBI and the U.S. Secret Service.

Shintani serves on the Hawaii Building Industry Foundation, the Carpenters Union 401K and Financial Security trust funds and on the board of Pacific Resource Partnership. In 2002, he was named Small Business Person of the Year by the U.S. Small Business Administration.

# **Union Builders of the Year**

The Hawaii Regional Council of Carpenters recently presented its 15th annual Outstanding Union Builder of the Year award,

- The complete list of honorees:
   Alan Shintani of Alan Shintani
  - Jim Ramirez of Hunt Building Companies
  - Henry T. Iida of T. Iida
     Contracting Ltd. and Thomas
     Toma of Tommy S. Toma
     Contractor Inc.
- Gerry Majkut of Hawaiian Dredging Construction Co. Inc.
- Leslie Isemoto of Isemoto Contracting Co.
- George S. Ehara of Swinerton Builders
- Gerard Sakamoto of S&M Sakamoto Inc.

- Vincent Nihipali Sr. of V&C Drywall Contractors Inc.
- Glen Kaneshige of Nordic PCL Construction Inc.
- Lance Wilhelm of Kiewit Infrastructure West Co.
- Russell Young of Albert C. Kobayashi Inc.
- Conrad Murashige of Shioi Construction Inc.
- Bill Wilson of Hawaiian
   Dredging Construction Co. Inc.
- Lito Alcantra of Group Builders Inc.
- Kenneth Sakurai of Coastal Construction Co. Inc.



Kawika McKeague, a senior planner and director of cultural planning at Hawaii design firm G70, helped select the design for the National Native American Veterans Memorial (NNAVM) in Washington, D.C., as a member of an eight-person national design jury.

The NNAVM, on the grounds of the Smithsonian's National Museum of the American Indian, will commemorate American Indians, Alaska Natives and Native Hawaiian veterans who served in the U.S. military with honor and distinction.



"Warriors' Circle of Honor" by Harvey Pratt, a Cheyenne and Arapaho Marine Corps veteran, was chosen from more than 120 design entries. An elevated stainless-steel circle anchors the 30-foot memorial, and creates a "place that honors and offers opportunity for remembrance and reflection upon individuals who gave of themselves and, in some cases, made the ultimate sacrifice for what they believed in, and for what they felt was best for their family and native community," says McKeague, whose family includes three generations of Native Hawaiian servicemen.

Groundbreaking for the memorial is slated for September and opening in late 2020.



HAWAII REGIONAL COUNCIL OF CARPENTERS'

#### 2019 OUTSTANDING UNION BUILDER OF THE YEAR

#### **ALAN SHINTANI** PRESIDENT OF ALAN SHINTANI. INC.

For 15 years, we've recognized our industry leaders who are dedicated to bettering their companies, their profession and their communities. In this milestone year, we are very pleased to recognize 2019 Outstanding Union Builder of the Year Alan Shintani, whose namesake company has been a cornerstone of our local construction industry for over three decades.

Mahalo, Alan, for embodying the values of the Hawaii Regional Council of Carpenters and for building a better Hawaii for future generations.



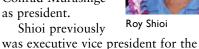
WWW.PRP-HAWAII.COM

# Roy Shioi Named President of Shioi Construction; Murashige to Chair Board

Roy Y. Shioi, a grandson of the founder of Shioi Construction Inc., has been appointed president of the

general contracting firm.

Shioi, whose grandfather Kenneth Shioi started the company in 1948, succeeds Conrad Murashige as president.



company. He has worked for the firm, which has offices in Pearl City and Lihue, for 25 years.

Murashige, who served as president

Murashige, who served as president at Shioi Construction for 34 years, remains with the company as chair of its board of directors and will assist with day-to-day operations.

Murashige says Shioi "is exactly what Shioi Construction needs now, and in the years ahead, as we attract new employees, and grow our legacy in the state of Hawaii."

Shioi also worked as chief estimator

for the company, and specialized in conceptual estimating and budgets as well as negotiated, hard bid and design/build estimates.

"I am honored to lead our company, to be mentored by Conrad, and to work with the many clients and business partners that we serve statewide," Shioi says.

Founded as a family-owned company in 1948, Shioi Construction is now employee-owned and has about 200 employees.



# Young Bros. Inaugurates Second High-Tech Tug

Young Brothers LLC, the state's leading interisland carrier, in January christened the Kapena Raymond Alapai, the second of four new hightech, ocean-going tugboats slated for Hawaii service.

The Kapena Raymond Alapai,

based in Hilo, will aid Young Bros. high-capacity barges and other vessels. According to Young Bros., the new Kapena Raymond Alapai and its sister tugs feature faster transit times as well as greater safety, service reliability, cost control and fuel efficiency.

The Kapena Raymond Alapai, like the other Kapena class tugs, is named after a renowned Young Bros. navigator.

The tug's first Hawaii tow was in late December.



# Construction Set for Guam's \$5.4M School of Engineering Building

Bascon Corp. is scheduled to begin construction this month on the \$5.4 million School of Engineering building at the University of Guam campus in Mangilao.

Designed by David Hurchanik Architect LLC, the structure will be in front of the Agriculture & Life Sciences building. The project is expected to be completed within a year.

The 16,000-square-foot building will provide space for three classrooms, three laboratories—for hydraulics, soil and structure and environmental engineering—a computer lab and faculty office space.

"This is momentous—certainly for the University of Guam, but for all of Guam and all of Micronesia," says UOG President Thomas W. Krise. "Our students will be enabling the development of an area of 3 million square miles and half a million people."

# \$1.3B MWH Slated for Mid-2020

The Hawaii Public Housing Authority, which is redeveloping Mayor Wright Homes with Hunt Companies for a reported \$1.3 billion, will break ground on the new mixed-use complex in mid-2020.

The redeveloped complex will reportedly contain at least three high-rise towers with 2,500 rental units and approximately 80,000 square feet of commercial space on lower levels.

Although Moss is currently listed as project general contractor, Park says "there is currently no agreement in place with Moss."

The HPHA has approved the selection of AHL (formerly Architects Hawaii Ltd.) and Design Partners Inc. for project design.

"AHL is designing the tower element," says Benjamin Park, a planner at the HPHA. "Design Partners Inc. is designing the midrise and retail components." While HPHA has approved the firms' selection, Park says, HPHA "has not been provided with, reviewed or approved the contracts for these firms."

Mid-2020 groundbreaking, Park says, is "subject to plan, entitlements and permit approval, NEPA environmental clearance, legislative GAP funding approval, HUD approval, lender and investor selection/negotiation and documentation."

# Phoenix to Build \$310M Concourse for Southwest Airlines

Construction is expected to begin this year on a new \$310 million Southwest Airlines concourse at Phoenix Sky Harbor International Airport and wrap in early 2022, according to the Phoenix Business Journal.



Work is scheduled to begin this year on a new concourse for Southwest Airlines at the Phoenix Sky Harbor International Airport.

McCarthy Building Cos. has entered into agreements with the Phoenix City Council to provide construction manager-at-risk services for the airport project. McCarthy's services, valued at nearly \$240 million, will include subcontractor procurement, construction, scheduling, quality control and closeout for an eighth concourse for Southwest.

The new concourse will include eight boarding gates, two connector bridges, support facilities, ticketing areas, security checkpoint upgrades and modifications and a baggage claim area.

# **Copenhagen Proposes Nine Islands for Business Space**

Pending approval by its parliament, Denmark is proposing to build nine new artificial islands to expand the industrial district of Copenhagen and attract investment.

According to reports, the new islands would comprise about one-fourth of an



Denmark revealed plans last Ocotober to build an island near Copenhagen's harbor to add space for the city's growing population.

overall development the size of 420 football fields. Construction could begin as early as 2022 and continue until 2040.

The government expects the islands to attract up to 380 new businesses and create 12,000 jobs, adding more than \$8 billion to the economy. One of the nine islands will house a plant converting waste from the capital to biogas, cleaning waste water and storing green energy from windmills. Others will have space for industrial companies.

# Marines Rebuilding Cliff-top Airport

Members of Marine Wing Support Squadron 373 from Miramar Marine Corps Air Station, Calif., were scheduled to begin rotating to Santa Catalina Island in January to redo the runway at a small, cliff-top airport.

The project is being done through the Defense Department's "Innovative Readiness Training" program, according to a report by usni.org.

The aging asphalt runway on the island 50 miles west of Camp Pendleton has "potholes and loose pavement fragments," according to the website AirNav.

The 3,000-foot-long by 75-foot-wide



Catalina Runway 4/22 will be a temporary runway for limited flights until mid-April, when the new concrete runway is expected to receive its first flight.

PHOTO COURTESY CATALINA ISLAND CONSERVANCY

runway will require enough high-quality concrete to cover an area more than five acres in size and four inches deep.

To prepare for the project, Marines built two concrete pads in training areas at East Miramar, including a small project at the San Diego County Sheriff's Department pistol range. Several Seabees with Naval Construction Group 1 and Naval Mobile Construction Battalion 25 from Port Hueneme helped Marines learn the ins-and-outs of working with concrete and rebar. Lt. Col. James Bauch, the squadron's commander, told USNI News.

About 120 Marines and some Seabees will work on the Santa Catalina Island project at any given time.

# **Survey: Construction Salaries Up in 2018**

Paychecks for many construction trades rose in 2018, according to a survey by the National Center for Construction Education and Research.

The NCCER study of more than 130 companies shows average annual salaries for 32 categories of workers, with project managers (\$92,523) and project supervisors (\$88,355) making the most money, reports constructiondive.com.

The next highest salaries went to combo welders (\$71,067), instrumentation technicians (\$70,080), pipe welders (\$69,222), power line workers (\$68,262), industrial electricians (\$67,269), millwrights (\$66,919), tower crane operators (\$66,329) and mobile crane operators (\$66,119). In total, 19 positions earned an average salary of \$60,000 or more.

Since NCCER's previous survey of 2015 salaries, the average annual pay for HVAC technicians has increased the most (20 percent), from \$52,026 in 2015 to \$62,472 in 2018. Sheet metal worker salaries rose 18 percent (\$49,189) from 2015 to 2018 (\$58,160).

Other trades with increases in pay were plumbers (15 percent from \$51,804 to \$59,627) and scaffold builders (12 percent from \$47,166 to \$52,990).

Trades that saw salaries decline between 2015 and 2018 were for tower crane operator, rigger, sprinkler fitter, welder, structural fabricator and heavy equipment operator, according to the study.

The reported earnings do not include overtime, bonuses or incentive pay.

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# **Wheel Loader**

John Deere added three new products to its line of utility wheel loaders. The loaders in the L-Series—524L, 544L and 624L—are available with optional High Lift (HL) and High Lift Plus (HL Plus) selections; there is also a tool carrier option on the 524L and 624L models. The HL Plus option features

hinge pin heights that are 12 to 13 inches higher than current HL pin heights, allowing the operator to dump into higher trucks or wagons. The tool

carrier option provides better centerline visibility to the coupler or forks.

www.deere.com

# Dust Extractor

The Bosch GAS20-17AH Wet/Dry Dust Extractor has a maximum 300 CFM (cubic feet of air per minute) capacity that filters fine



dust, coarse dirt and liquids. The automatic on-board filter-cleaning system activates every 15 seconds to help maintain maximum suction power, and a HEPA filter captures 99.97 percent of particles at 0.3 microns and

larger. The dust extractor is powered by a 17.5-amp motor and is designed for heavy-duty applications, including concrete cutting and surface grinding. The GAS20-17AH has a 17-gallon capacity, with a water-level sensor and drain hose.

WWW.BoralRoot.com

www.boschtools.com

# Rainscreen

DuPont Tyvek DrainVent Rainscreen provides protection against moisture damage in exterior wall systems. It can be installed behind stucco, stone veneer, brick, wood, fiber cement and metal panel systems and prolongs the life of exterior cladding by creating a gap that helps prevent rot, cracking and peeling problems. The rainscreen replaces



the intervening layer required with stucco and stone, while the attached heavy-duty filter fabric prevents mortar and stucco infiltration. Tyvek DrainVent also features a Class A fire rating per ASTM E84, the standard test method for surface burning characteristics of building materials. www.dupont.com

# **Roof Underlayment**

Boral Roofing's MetalSeal is a high-temperature, self-adhering underlayment. Though designed especially for metal roofing, it is suitable for all roof materials in any climate. The underlayment is made from high-strength woven polyester, enabling faster installation and providing all-season protection against wind and rain by bonding to the base sheet or directly to the roof deck, and self-sealing around every fastener penetration. It remains intact under high foot traffic and provides UV resistance up to six months. Rated up to 260 degrees Fahrenheit, MetalSeal comes in 216-square-foot rolls.

www.boralroof.com

# Kanuha Returns to Hawaii County Planning Department

Duane Kanuha has returned to the County of Hawaii Planning Department, this time as deputy director where he succeeds Daryn Arai, who retired after 32 years of service with the department.

Kanaha, who began his new role on Jan. 2, served as deputy planning director from 1976-1984, and as planning director from 1988-1990 and from 2013-2016.

Born, raised and educated in Hawaii, Kanuha has been a land use planning professional in both the public and private sectors for more than 40 years.

"We are pleased that Duane has agreed to return to the Planning Department, bringing with him a wealth of knowledge to share with the department and community," says Planning Director Michael Yee.

Kanuha served as assistant land agent for the Department of Land and Natural Resources (DLNR), Land Management Division, as a commissioner on the State Land Use Commission from 2005-2011, and as the commission's chairman from 2008-2009.

#### Nagamine Okawa Promotes Two

Colin Kodama and Jonathan Okunaga have been promoted to

associate at the consulting structural engineering firm of Nagamine Okawa Engineers Inc.

Both Kodama and Okunaga, who were project engineers at the firm, will be responsible



Colin Kodama

for project management and business development.

Kodama has experience in structural engineering and design. He also has experience in bridge load rating using BRASS software, and repair and renovation of bridges.

His projects include Maui Brewing

Company Restaurant at the Waikiki Beachcomber Hotel, Hilton Hawaiian Village Lagoon Tower Sales Center Renovation, repair of Kamehameha Highway's Karsten Thot Bridge in

Jonathan Okunaga

Wahiawa and work at various schools.

Okunaga's professional experience includes design for military facilities, educational and institutional facilities and load ratings for

highway bridges. His background includes work in Antiterrorism/Force Protection (AT/FP) and pier and wharf load capacity analysis.

His projects include P-320 Submarine Production Support Facility at Pearl Harbor, renovation of the Administration Building at Valley of the Temples Memorial Park in Kaneohe and St. Francis Healthcare System at Liliha courtyard improvements.

#### AHL Hires Three, Promotes Six

Hawaii design firm AHL, formerly

Architects Hawaii Ltd., has hired three new designers and promoted six staff members.

Emmanuel Geyrozaga joins as a senior technical designer. His projects include



Emmanuel Geyrozaga

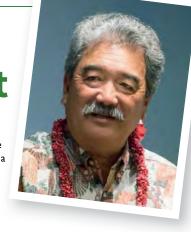
Hale Makana O Maili and Oahu retail improvement projects. Previously,

Michael Honyak

he was a project manager at TRG Architects. He holds a bachelor's from Academy of Art University.

Michael Honyak joins as a designer. His projects





include Mayor Wright Homes and the Brigham Young University-Hawaii science and math building. Previously, he was a researcher for the University of Hawaii Community Design Center. He holds an architecture doctorate

from the University of Hawaii-Manoa.

Christopher Gaydosh joins as a designer. His projects include Hale Makana O Maili and various military projects in Hawaii and



Christopher Gaydosh

Guam. Previously, he was a project coordinator for the UH Community Design Center. He holds an architec-

ture doctorate from UH-Manoa.

Nathan Saint
Clare, AHL
architect, is now
principal. His new
projects are in the
civic, healthcare,
education, hospitality, residential and



Nathan Saint Clare

retail sectors. His 15 years' experience includes award-winning projects worldwide, Mayor Wright Homes, Lau Hala Shops, Kalihi Palama Health Center, as well as spearheading AHL intiatives. He holds a master's in

architecture from Yale University and a bachelor's from Kansas State University.

Ethan Twer, AHL architect, is now a senior associate. Over the



Ethan Twer

past seven years, his projects have ranged from luxury residential to healthcare. Recent projects include North Hawaii Community Hospital's emergency room expansion, Hale Ola Pono Health Clinic and the Brigham Young University-Hawaii science and math building. He holds a master's



Frederick Hong

in architecture from UH-Manoa and a bachelor's from Columbia University.

Frederick Hong, AHL project architect, is now an associate. He will coordinate and

direct the project teams for innovative buildings, including the Mandarin Oriental Honolulu. He will also increase in-house use of BIM and other technology. Previous projects include Ae'o, Liliuokalani Trust Suite 201 and Koloa Landing. He has been with AHL for six years, and holds an architecture doctorate from

UH-Manoa and a bachelor's from Stanford University.

Deirdre Stearns, AHL project architect, is now an associate. Her projects include mixed-use retail and hospitality proj-



Deirdre Stearns

ects, including the Mandarin Oriental Honolulu. Previous projects include the Royal Hawaiian Center in Waikiki



Kyle Kagawa

and the Sheraton Maui Resort and Spa. She holds an architecture doctorate from UH-Manoa

Kyle Kagawa, AHL senior job captain, is now project manager

and is coordinating the design and construction of retail centers. He holds

a bachelor's from UH-Manoa.

Elizabeth Mau, is now an AHL interior designer following two years' work on projects including Hawaii Pacific Health Straub Clinic at



Elizabeth Mau

Ka Makana Ali'i and Hale Makana O Maili. She holds a bachelor's from Chaminade University.

#### Martyn Tabbed for Rail Board

**Tobias Martyn** has been selected as the ninth voting member of the HART



Tobias Martyn

board of directors, replacing Terri Fujii, whose term expired in June.

Martyn's term on the board runs through Nov. 30, 2023. He previously was a non-voting member appointed

by State Speaker of the House Scott Saiki.

Martyn has more than 30 years in the financial services industry in the areas of public finance, fixed income asset management and institutional sales/trading.

#### Five Advance at G70

Hawaii design firm G70 has promoted five staff members to associate.

Lance Hirai, new associate and project architect, manages hospitality, commercial, residential, civic, education and master planning projects. He holds a master's in architec-



Lance Hirai

ture from the University of Southern California.

Kevin Kobayashi, new associate



Kevin Kobayashi

and senior project architect, has more than 16 years' experience in health care, education, commercial and retail projects in Hawaii, California and Washington. He holds a

bachelor's from the University of Hawaii-Manoa.

Shirley Lum, new associate, LEED AP manager and project architect, oversees most phases of initial design, LEED documentation and advanced design



Shirley Lum

practices. She holds an architecture doctorate from UH-Manoa.



Joyce Nip

Joyce Nip, new associate and project architect, is experienced in all phases of design and production on hospitality and education projects, including complex renova-

tions and adaptive reuse projects. She holds an architecture doctorate from UH-Manoa.

Ken Nukui, new associate and senior design architect, has nearly 15 years' experience in commercial, residential, education, judicial, retail, hospitality, historic renova-



Ken Nukui

tion, institutional, religious and office projects. He manages projects from inception to completed construction, including project coordination and construction administration. He holds a bachelor's from California State Polytechnic University-Pomona.



Marissa, Evelyn, Layne, Tsuneko and Klyde Machida, Gayle Machida-Isono, Paul Isono



Russell and Amy Young, Joe and Rae Alameda, Jamie and Kawika Nakoa

# GCA's Annual Installation Gala

The gavel was passed to new president Layne Machida at January's annual installation banquet honoring new officers and directors of the General Contractors Association. The festive event at the Royal Hawaiian Hotel featured Kapena.



Glen Kaneshige, Lori and Bob Harrison



Cori Gono, Cherise Ho, Amos Kotomori, Evelyn Machida



Emmett and Mei Li Kinney, Johnny Higa





Jerelyn and Garrett Sullivan, Karen Berry John and Lari Bloom, Chris and Christina Knitter



Kevin Byers, Clarence Regalado



Rocky Guillermo, Alan Whitworth, Darin Fushikoshi



Ken Spence, Jennifer Foley, Kathleen Mill, Elton Au, Drew Gourley, Aya Hashimoto



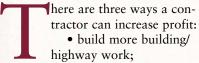
Al and Kathleen Linton, Lu and Carl Seyfer, Mikki Lau, Mike Baulig



Jared Averill, Travis Belling, Brad Wagenaar, Bob Takamatsu

# The Nuts & Bolts of Productivity Improvement

(This is the second article of a three-part series on productivity.)



- reduce overhead; and
- improve productivity with current contracts.

The main focus of January's article was to increase profitability by 5 percent by working smarter, not harder, by improving jobsite productivity. While many have tried, some were unsuccessful, because of failure to focus on the process of improvement.

This month, we'll explore increasing profitability by focusing on the process of productivity improvement.

# **Superintendents and Foremen Lead Profit Centers**

One study found if you divide the total dollar amount of sales of United States businesses by the total number of all companies in the U.S., the answer is \$1 million. Simply stated, the average business in the U.S. has revenue of \$1 million/year. Therefore, a contractor with contracts valued greater than \$1 million has superintendents or foremen running small businesses. Reflect on your team: Are they acting like small business owners? If not, now is the time to begin to change the paradigm.

Historically, superintendents and foreman make four types of decisions on a daily basis: Time, quality, cost and safety.

### **Paradigm Change**

Certainly, job cost is a decision factor on a daily basis. However, what is the method for reducing costs? Seldom does a superintendent sit around and think about reducing cost, as their main objective is to complete the project. Generally, they are focused on results, and not process. This is not a fault, but rather a product of years

of training on achieving job completion dates.

The way to begin to change this paradigm is to start tracking production on a daily basis. This is the key to improving productivity and increasing profit. Start the paradigm change by keeping track for one week of the vital few costs (as opposed to useful many) activities compared to the estimate/ budget. Analyze the various high and low production times of the activity being tracked, and not the average. Conduct a jobsite team meeting and discuss results. Recalibrate and strive to meet the highest activity production the next week. Meet shortly thereafter to discuss, as failure to do so will result in this year's inefficient activity becoming next job or year's standard. Continue to expand weekly production monitoring.

#### **Training**

In today's competitive world, continuous training is an absolute. If the CEO and the employees are not being trained on a regular basis, the company will be less competitive and will fall behind. Some will respond: "I paid to train them, but then they left the company."

Contemplate the consequences of not training employees that remain with the organization. Given that construction has the least amount of training of all industries and pharmaceuticals have the most, is it any wonder why pharmaceutical companies are so profitable?

Starting today, make it a practice that every employee must have 40 hours of training annually. Consider job shadowing as part of the training program, whereby employee(s) watch another contractor for an hour. If they learn something, they must share what they've learned, which counts as an hour of training.



#### **Jobsite Audits**

Weekly monitoring of job costs is critical. Consistent review of jobsite production audits are just as critical. By constantly tracking, monitoring and improving production the job costs and company profit improve.

Begin with a clip board and choose several common job defects which could include work day late starts/ early finish, standing by for instructions, waiting on materials, number of redo's, etc.

Be sure each foreman has the three essential tools of productivity improvement: clip board with paper, calculator and a stop watch.

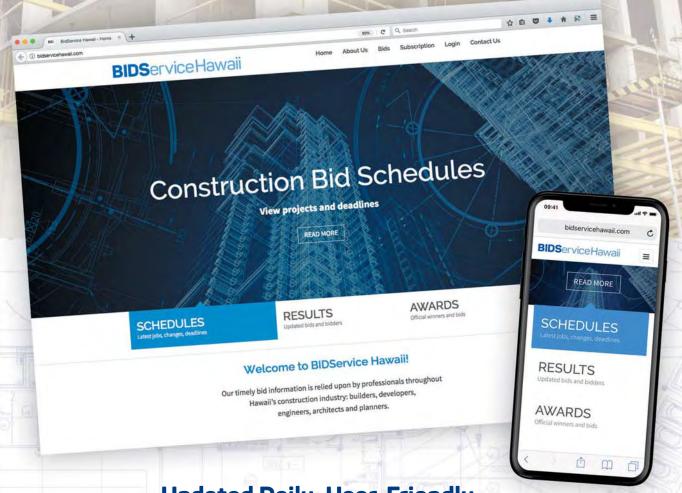
There will be many in the field who will openly or silently resist this new paradigm. It is the superintendent or foremen's job to constantly communicate to the field that production is being monitored to develop accurate job costs and improve profit. They should constantly convey that when the company has accurate job costs, there is confidence in bidding jobs without the need to add contingencies. As an outcome, more work is obtained which produces greater job security.

Further, when additional profit is achieved, it is reinvested in the company and the company grows, which allows for new tools, equipment, etc. It also provides additional employee benefits to create a safe, fun and caring environment with the opportunity for employees to grow with the company.

When a contractor concentrates on improving the productivity process, a culture develops whereby problems are now viewed as opportunities to improve.

Garrett Sullivan is president of Sullivan & Associates Inc., a company that helps contractors clarify, simplify and achieve their goals and vision. Contact him at GSullivan@SullivanHi.com or 478-2564.

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