

# BUILDING INDUSTRY HAWAII

MARCH 2018/\$4.95

## The HOUSING DILEMMA

A preeminent builder's take on the frustrating obstacles to affordable Hawaii homes

**Bruce Barrett**  
Executive Vice President  
Castle & Cooke Homes

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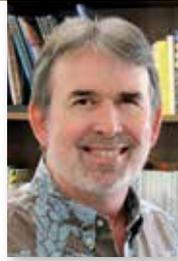
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## COFFEE BREAK

For the past five decades or more, Castle & Cooke Homes Hawaii Inc. has built thousands of homes across the Islands. For this issue of *Building Industry Hawaii*, Bruce Barrett, C&C's executive vice president, sat down with Don Chapman and took a look back at the iconic developer's rich past and discusses goals for its future.

Hawaii residential and commercial development is going full speed these days. Projects range from Hoopili to Koa



Ridge to new digs at Ward Village. See our report inside.

Drones. 3D software. Virtual reality. These are the new tools a builder must have nowadays to stay a step ahead of the competition, according to our report.

Bonding firms view Hawaii's construction market as "strong and stable," says Brian Hart of Hart Surety Agency. Hart and other experts in the field discuss how contractors can strengthen bonding capacity for 2018. And insurance companies weigh in on the importance of builders expanding their coverage to meet the project's value.

Paints and other decorating choices have evolved to a higher form than what our fathers picked up at their favorite neighborhood hardware store. Today's market offers a blend of good taste and new technology, Island experts say in this issue. 🏠

*A hui hou,*

david@tradepublishing.com



The Howard Hughes Corporation expects to launch work on residential tower Aalii this year. RENDERING COURTESY THE HOWARD HUGHES CORPORATION

## **BUILDING** INDUSTRY HAWAII

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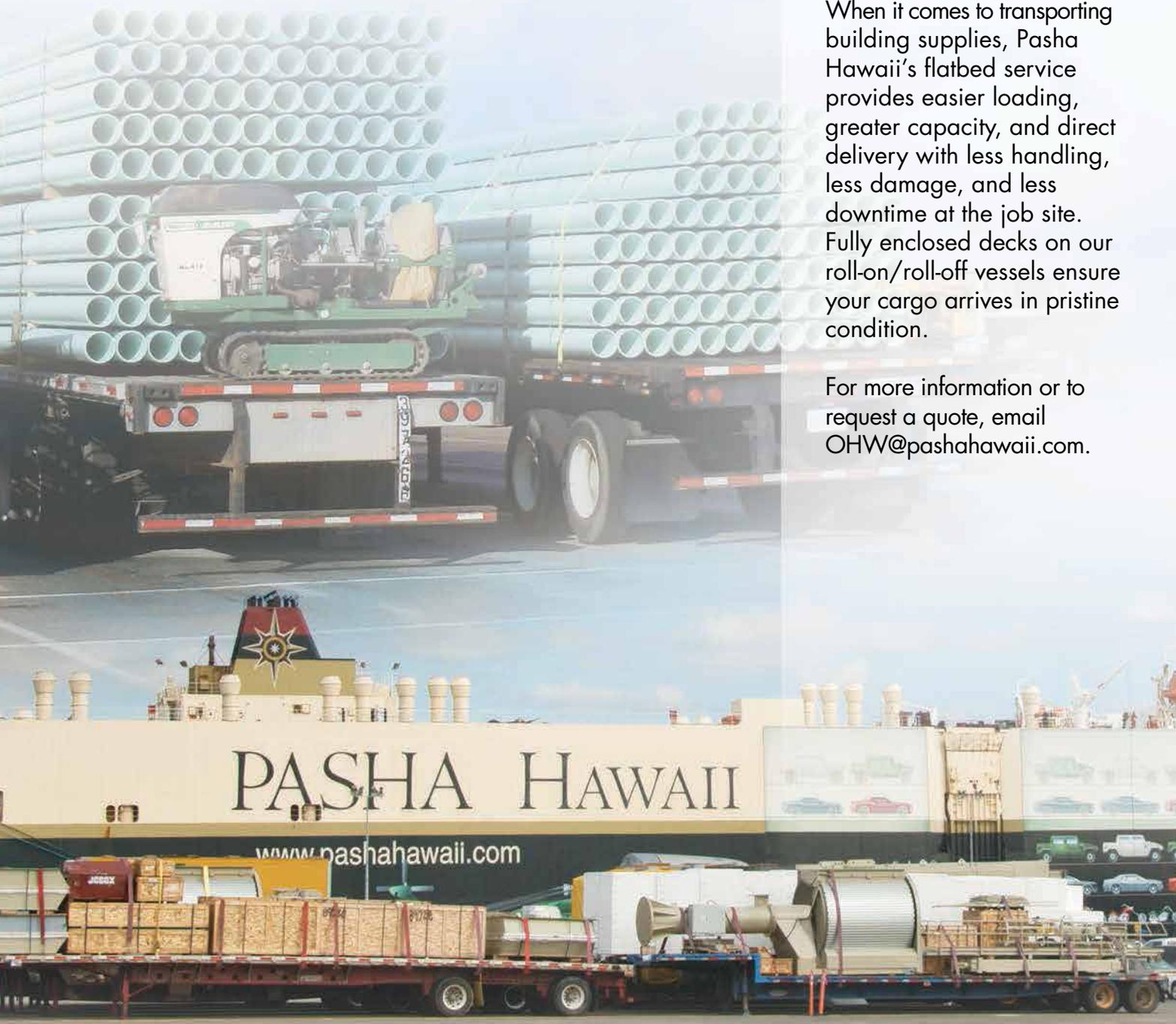
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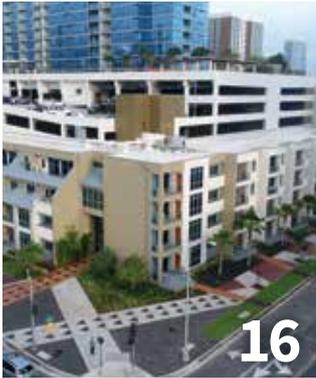
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# CONTENTS

MARCH 2018 VOL. 61 NUMBER 03

**BUILDING**  
INDUSTRY HAWAII

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16



24



34



47

## Features

- 12 Building Hawaii: Don Chapman**  
Watase family carries on legacy at Mark Development
- 16 Keauhou Place Rises in Kakaako**  
Spotlight on Success: Hawaiian Dredging
- 20 The Dearth of Hawaii Homes**  
Bruce Barrett has Castle & Cooke remain at the forefront in producing homes for Island residents
- 24 Developers on the Move**  
Rising number of permits indicate strong 2018 for most Hawaii building sectors
- 34 How to Use Surety in 2018**  
Bonding capacity is key in Hawaii's current construction cycle
- 38 Tips on Applying for a Loan**  
Cash and credit can carry contractors out of a crunch
- 39 Shore Up Your Insurance**  
The case for expanded coverage, from Hawaii's insurance specialists
- 42 Painting with Technology and Taste**  
Whether decorating or maintenance, the first step is choosing the right products for your project
- 46 PDCA to Install Board of Directors**  
Ceremony set for March 10 at the Halekulani
- 47 Palamanui Campus: Black Rock, Big Dreams**  
GCs & Architects: F&H Construction and Urban Works
- 50 Embracing Building Wizardry**  
3D maps, pocket-size radar among high-tech tools
- 54 GPA Proposes 180MW Power Plant**  
New facility on 60 acres near Dededo will replace aging units
- 54 Guam Gym Renovated**  
Island upgrading recreation structures to use as emergency shelters
- 64 Business Media: Ken Berry**  
Websites for home builders
- 68 Best Practices: Garrett Sullivan**  
Manage your risk

## News Beat

- 56 DuPont Breaks Ground on Shade House**
- 56 All Court Hawaii Resurfacing Park Courts**
- 56 Maui Kuponu Builders Repaving West Oahu Roads**
- 57 Simpson Strong-Tie Opens Warehouse**
- 57 PDCA of Hawaii Pitches In for Homeless**
- 58 STG Raising Rail Columns for Airport Section**
- 58 Work Begins on The Plaza in Kaneohe**
- 59 Kiewit Begins Work on New KCT**
- 59 BIA-Hawaii Show Draws Record Crowd**

## Departments

- 4 Coffee Break:** David Putnam
- 8 Datebook**
- 14 Contracts Awarded**
- 15 Low Bids**
- 60 News Makers**
- 61 New Products**
- 62 Faces:** Shinnen Enkai

### On the cover

Castle & Cooke's Bruce Barrett  
Photo by Hawkins Biggins  
Design by Davin Iyamatsu



## COMING IN APRIL

*Building Industry Hawaii* goes **Inside the GCA** in this issue. Our reports will also include the health of the **Residential Construction** sector. Also find out what's new in **Green Building** and **Jobsite Safety & Risk Management**.

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**MARCH 1**

**Deadline: 2018 Kukulū Hale Awards Portfolios**

NAIOP Hawaii Chapter's annual Kukulū Hale Awards celebrate the Islands' leading commercial development projects. Projects completed in Hawaii between Jan. 31, 2015 and Jan. 31, 2018 are eligible, and include new builds, green building, renovations as well as other categories. The 2018 Kukulū Hale Awards Presentation will be held May 4 at the Royal Hawaiian Hotel.

2018 Awards portfolio entries must be received no later than March 1. For more info, email Barbie Rosario at [barbie@naiophawaii.org](mailto:barbie@naiophawaii.org). Fee: single project \$250; two or more projects \$200 each.

**MARCH 5, 7, 12, 14, 19, 21, 26, 28**

**State Building Code Meetings**

The American Institute of Architects Honolulu Chapter (AIA

Honolulu) hosts the State Building Code Council as it reviews and discusses Hawaii's possible adoption of the 2018 International Building Code/International Residential Code (IBC/IRC) codes. Meetings are held every Monday and Wednesday in March, and are open to anyone interested in participating in the review. Various credits available.

11:30 a.m.-1 p.m. (daily). AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. Register online at [aiahonolulu.org](http://aiahonolulu.org). For more info, contact Bill Brizee at [bbrizee@ahl.design](mailto:bbrizee@ahl.design).

**MARCH 6-8**

**Pacific Coast Safety Fest Hawaii**

The Building Industry Association of Hawaii (BIA-Hawaii), in partnership with the UC San Diego OSHA Training Institute, is hosting a three-day series of OSHA safety training seminars and certification programs for contractors, small business owners,

professional technical educators and businesses required to follow OSHA standards.

8 a.m.-4:30 p.m. (March 6); 8 a.m.-4 p.m. (March 7); 8 a.m.-5 p.m. (March 8). BIA-Hawaii/CTC-Pacific, 94-487 Akoki St., Waipahu. To register and for more info, go to [biahawaii.org](http://biahawaii.org).

**MARCH 7-8**

**2018 Hawaii Buildings, Facilities & Property Management Expo**

Experts and suppliers showcase what's new in property management with 330 booths and 27 free seminars during this annual B2B expo at the Neal Blaisdell Center. Find the latest products, services and equipment for property management operations, maintenance, renovations and sustainability. Door prizes include trips to Las Vegas and the Neighbor Islands. Free. Open to industry only. No one under 18 admitted.

9 a.m.-4 p.m. (daily; seminars start at 8 a.m.; exhibit opens at 9 a.m.). Neal S. Blaisdell Center, 777 Ward Ave. Registration required. Register for the exhibit at the door or preregister online via [douglastradeshows.com](http://douglastradeshows.com) or call 261-3400. Register online with payment for special seminars by the Hawaii chapters of BOMA, CCIM, IREM and CAI at each organization's website.

**MARCH 8**

**YAF: Let's Talk Fire and Fasteners - A Workshop Event**

Talk shop at YAF Honolulu's March building industry get-together. YAF Honolulu welcomes professionals who are nearly licensed, newly licensed, and out to 10 years of licensure.

5:30-7:30 p.m. AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. For more info, go to [aiahonolulu.org](http://aiahonolulu.org) or contact [yaf.aia.honolulu@gmail.com](mailto:yaf.aia.honolulu@gmail.com).

**MARCH 10, 17**

**Estimating and Job Costing (PMDP Module 1)**

The General Contractors Association of Hawaii (GCA of Hawaii) and the Associated General Contractors of America present a Project Manager Development

**MARCH TECH TRAINING**

The Building Industry Association of Hawaii (BIA-Hawaii) presents courses covering the latest in building techniques and materials. Go to [biahawaii.org](http://biahawaii.org) for location and more info.

DATE	COURSE	TIME
March 13-15	Construction Quality Management (CQM)	1-4 p.m.
March 19	NAHB Project Management	8 a.m.-5 p.m.
March 20	NAHB Estimating & Scheduling for Profitable Organizations	8 a.m.-5 p.m.
March 20	NAHB CAPS I Marketing & Communication Strategies for Aging & Accessibility (1-day)	8 a.m.-5 p.m.
March 21	NAHB Accounting and Job Costing	8 a.m.-4 p.m.
March 21	NAHB Business Management for Building Professionals	8 a.m.-4 p.m.
March 22	NAHB CAPS II Design/Build Solutions for Aging & Accessibility (1-day)	8 a.m.-5 p.m.
March 22-23	NAHB High Performance Building for Building Professionals (CGP)	8 a.m.-5 p.m.
March 27	NAHB CAPS III	8 a.m.-5 p.m.
March 28, 30, 31, April 3, 5	40-Hour Safety Hazard Awareness Training for Contractors (5 days)	7:30 a.m.-4 p.m.

Program designed for early career project managers (less than two years' experience), for those moving to that position and for companies using team-based project management. "Estimating and Job Costing"—the first PMDP module—explains the link between design, estimating and project costs. Instructor Colleen Furuya of Mass. Electric Construction Co. also covers estimating and cost basics, redesign and revisions, corporate profits and more. Includes course manual and lunch. Certificate available after completing course.

8 a.m.-4 p.m. (daily). GCA Conference Room, 1065 Ahua St. Limited seating; first-come, first-served. Register with payment by Feb. 23. To register with payment and for more information, go to [info@gcawhawaii.org](mailto:info@gcawhawaii.org) or [gcawhawaii.org](http://gcawhawaii.org), or call 833-1681. Fee: GCA of Hawaii members \$395; nonmembers \$495. No refunds after Feb. 23. Replacements accepted.

**MARCH 10, 24; APRIL 14**

**AIA Architectural Walking Tour of Honolulu**

On every second and fourth Saturday of the month, AIA Honolulu walking tours are led by a Hawaii architect or architectural historian who relates the tales and building history of Honolulu's downtown district. Tour groups must be 4-12 people.

9-11:30 a.m. (March 10, 24); 8-noon (April 14). AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. Register/RSVP with payment in advance at [contact@aiahonolulu.org](mailto:contact@aiahonolulu.org) by March 9 (for March 10 tour); March 23 (for March 24 tour); April 14 registration details TBA. For more info: call 628-7243 or go to [aiahonolulu.org](http://aiahonolulu.org). Fee: \$15 per person. Substitutions available.

**MARCH 12-15**

**OSHA 510 – OS&H Standards for the Construction Industry**

Offered by BIA-Hawaii and UC-San Diego's OSHA Training Institute. Four-day course covers OSHA standards, policies and procedures in the construction industry.

8 a.m.-4 p.m. (daily). BIA-Hawaii/

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**MARCH 13**

**Build a Better Bowl Legislative Event**

BIA-Hawaii hosts Hawaii’s legislators and Hawaii’s best grinds at this Café Julia get-together. Prepare and share your own recipe or your team’s finest dish, and talk story with your elected representatives.

5:30-7:30 p.m. Cafe Julia, YWCA Downtown, 1040 Richards St. Register with payment at [biahawaii.org](http://biahawaii.org). Fee: \$25 per person or per team member.

**MARCH 15**

**NAWIC Scholarship Night/ Membership Meeting**

The National Association of Women in Construction hosts Scholarship Night and its monthly membership meeting. Support NAWIC’s scholarship fundraising efforts and enjoy an evening networking with your peers.

5:30 p.m. (networking); 6 p.m. (dinner and meeting). Honolulu Country Club, 1690 Ala Puumalu St. For more information, contact Lenie Malapit at [EMalapit@ssshinc.com](mailto:EMalapit@ssshinc.com).

**MARCH 16**

**First Aid/CPR Class**

GCA of Hawaii presents First Aid/CPR training.

7:30-11:30 a.m. GCA of Hawaii, 1065 Ahua St. For more information, to download registration form and to remit payment, go to [gcahawaii.org](http://gcahawaii.org). Attendees will be confirmed via email. Fee: GCA of Hawaii members \$85; nonmembers \$120. After March 13, \$85 additional fee for no-shows and cancellations.

**MARCH 16, 23**

**“Risk Management and Problem Solving” (STP Unit 6)**

GCA of Hawaii and the Associated General Contractors of America present the Supervisory Training Program (STP), designed and field-tested for contractors to help them effectively manage people, time, equipment and materials. Unit 6—“Risk Management and Problem Solving” (2015 edition)—is the sixth in STP’s six-course program. Instructor Howard Hendricks, safety director, covers effective site safety management, security and protection, construction risk management, record keeping and more. Certificate available after completion of course. Includes manual.

8 a.m.-4 p.m. (daily). GCA Conference Room, 1065 Ahua St. RSVP by March 2. Limited seating; first-come, first-served. To register with payment and for more information, go to [info@gcahawaii.org](mailto:info@gcahawaii.org) or [gcahawaii.org](http://gcahawaii.org) or call 833-1681. Fee: GCA of Hawaii members \$295; nonmembers \$395. No refund after March 2. Substitutions available.

**MARCH 19**

**ARE Review: Practice Management**

This AIA Honolulu ARE exam prep session covers ARE 5.0 (Practice Management) and ARE 4.0 (Construction Documents & Services / Programming, Planning, & Practice) to assist those on the path to licensure. Various credits available.

5-7 p.m. AIA Honolulu Center for Architecture, 828 Fort Street Mall, Suite 100. Advanced online registration and payment is required at [aiahonolulu.org](http://aiahonolulu.org). For more information, contact Todd Hassler at [todddh@pva.com](mailto:todddh@pva.com).

**MARCH 24**

**Respirable Crystalline Silica Competent Person (4 Hour)**

BIA-Hawaii and Lawson Associates Inc. present 4-hour training for construction industry employers, managers, supervisors, safety professionals and competent persons who must comply with OSHA’s Final Rule for Respirable Crystalline Silica.

7-11 a.m. BIA-Hawaii/CTC-Pacific, 94-487 Akoki St., Waipahu. For more info, payment and registration, go to [lawsonsaftey.com](http://lawsonsaftey.com) or contact Lawson & Associates Inc. at 441-5333. Fee: \$99 plus tax and registration/online ticketing fee.

**MARCH 24**

**Introduction to Respiratory Protection**

BIA-Hawaii and Lawson Associates Inc. present 4-hour training in OSHA’s 1910.134 Respiratory Protection Standard.

Noon-4 p.m. BIA-Hawaii/CTC-Pacific, 94-487 Akoki St., Waipahu. For more info, payment and registration, go to [lawsonsaftey.com](http://lawsonsaftey.com) or contact Lawson & Associates Inc. at 441-5333. Fee: \$99 plus tax and registration/online ticketing fee.

**MARCH 31; APRIL 7, 14**

**Fall Protection for Construction - Competent Person (24 Hour)**

BIA-Hawaii and Lawson Associates Inc. present a 24-hour, three-day course in fall prevention.

7 a.m.-3:30 p.m. (daily).

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**APRIL 7, 14**

### **Planning and Scheduling (STP Unit 3)**

GCA of Hawaii presents the Associated General Contractors of America's Supervisory Training Program (STP), designed and field-tested for contractors to help them effectively manage people, time, equipment and materials. Unit 3—Planning and Scheduling (2015 edition)—is the third in STP's six-course program. Instructor Clyde Wachi of Swinerton Builders covers plan preparation, creating a critical path, scheduling software and more. Includes manual. Certificate available after completion of course.

8 a.m.-4 p.m. (daily). GCA Conference Room, 1065 Ahua St. Limited seating; first-come, first-served. To register with payment and for more information, go to [info@gcawhawaii.org](mailto:info@gcawhawaii.org) or [gcawhawaii.org](http://gcawhawaii.org), or call 833-1681. Fee: GCA of Hawaii members \$295; nonmembers \$395. No refund after March 23. Substitutions available.

**APRIL 9-13**

### **OSHA 5410-OH&S Standards for the Maritime Industry**

Offered by BIA-Hawaii and UC-San Diego's OSHA Training Institute. Five-day course covers OSHA standards, policies and procedures in the maritime industry, as well as construction safety and health principles to help prevent injury. Instructor and safety trainer Russell Barringer also focuses on construction areas cited by OSHA as the most hazardous. Various credits available. All materials provided on the first day of class.

8 a.m.-4 p.m. (daily). BIA-Hawaii/CTC-Pacific, 94-487 Akoki St., Waipahu. Register online at [osha.ucsd.edu](http://osha.ucsd.edu) or via [oshatraining@ucsd.edu](mailto:oshatraining@ucsd.edu). For more info, go to [biahawaii.org](http://biahawaii.org), or call (800) 358-9206. Fee: \$995. No refunds after March 26.

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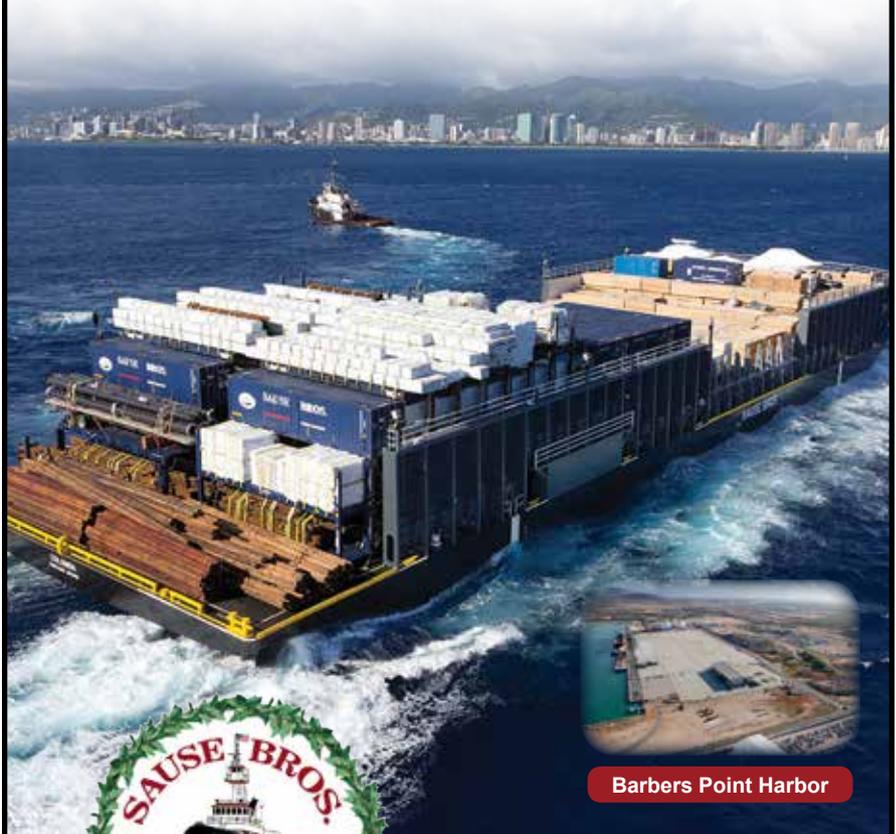
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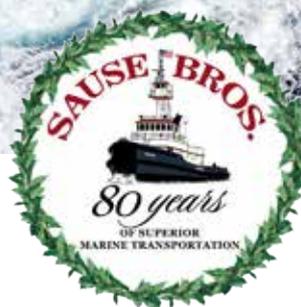
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# A Tradition of Building Affordable Housing

Watase family carries on legacy at Mark Development



Affordable housing is a hot topic in Hawaii these days, and apparently will be for some time. But it's nothing new at Mark Development, founded in 1977 by Mark Watase "with the sole intent of building affordable housing for the people of Hawaii." His vision has been carried on for years by his sons Craig and Paul. And now they're bringing along a new generation of leaders in affordable housing, including Craig's son Kyle.

Which is, Kyle admits, "kind of a surprise. I always thought I was going to play baseball forever." Indeed, the lefty first baseman-outfielder, like his dad a Saint Louis alum, was good enough to play professionally in Japan after finishing his collegiate career at the University of Hawaii at Hilo.

His father, he says, "never pressured me" to follow his footsteps.

"It was actually the opposite way," says Craig, who holds the title of president. "He came and announced he wanted to work for the family business. So I said, why don't you go carry Uncle Stanford's briefcase for a couple of years—my friend Stanford Carr, he's seen Kyle grow up."

Mostly, he wanted to avoid a situation he'd seen play out in his family:

"My older brother Dave worked for my dad right out of college and they fought like a cat and a dog—I quit, you're fired. That's how I got into the business. My dad said, hey, we need you for this project. I was making good money at Xerox, one of

the top 10 salesmen in the country. My dad offered me half the pay for twice the hours. I told my wife at the time, I can always go back into sales. This is my chance to learn and maybe one day run my own business. ...

first," Craig says.

Max, a civil engineer out of UH-Manoa and KCC's Hawaiian-based STEM program, is the son of George Lindsey, former chief of staff for then-lieutenant governor Duke



Attending the homeownership dedication event for the Kapolei Ho'olimalima DHHL project are, from left, Kui Meyer of HomeStreet Bank, Max Lindsey, Kyle Watase, DHHL Chair Jobie Masagatani, Kalia Goulette of Fidelity National Title & Escrow, Gov. David Ige, Helen N. Wai of DHHL HALE Program and Craig Watase.

PHOTO COURTESY ANADIL CHOWDHURY

Paul, he's an architect, came in as my partner, and eventually we bought out my dad."

But Kyle never did go to work for Uncle Stanford.

"I needed help at the time," Craig said, "so he came to work here."

The other new hire was Max Lindsey.

"He actually came to work for me

Aiona and one of Craig's attorneys.

"He was a wrestling hero of mine since high school days, so I watched Max grow up, and when he was finally out of school I saw him doing special projects for his dad. I talked with George—Max was interviewing with engineering firms—and I said, 'You think he'd like to be a real estate developer?' And his dad goes, yeah."

Rendering of Kapolei Ho'olimalima



It helped, Craig says, that “the family is Hawaiian and we were doing a project with Hawaiian Homes. So Max (a Kamehameha Schools grad) came on board. I convinced Max that being a real estate developer for less money was better than being an engineer for more money.”

**“We developed a rental project for Native Hawaiians using low-income tax credits and we were able to get the renters, after 15 years, to become the homeowners. ... We think it’s a model of home ownership for low-income people.”**

There was another incentive. Mark Development’s office is across Waiālae Avenue from Saint Louis School.

“Max coaches wrestling at Saint Louis,” says Craig, a former Crusaders grappler, “and I told him, ‘What other boss is going to let you run across the street at 4 o’clock every day to coach?’ One day I actually got out my shoes and we rolled around a little bit, and Max gave me a good slap to the back of the head and almost knocked me over. I popped up and said, ‘Is this a great job or what, where you get to hit

your boss in the head and it’s OK.’ ”

He gives the two young men credit for bringing to fruition Mark Development’s complicated collaboration with Hawaiian Home Lands, Kapolei Ho’olimalima—70 single-family three- and four-bedroom homes for families earning 50 percent to 60 percent or less of the median income.

It’s a ridiculously complex story—worthy of a chapter in a business grad

school textbook—about working with arcane Hawaiian Homes regulations as well as other state and federal government rules, not to mention a parade of personalities.

“To simplify it,” Craig says, “we developed a rental project for Native Hawaiians using low-income tax credits and we were able to get the renters, after 15 years, to become the

*...continued on page 59*





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# Record Agency Awards and a Happy New Year

Bolstered by a \$140 million contract to upgrade the Hawaii State Hospital in Kaneohe, the construction industry’s new year got off to a sizzling start as government awards more than doubled the 10-year high for the month of January.

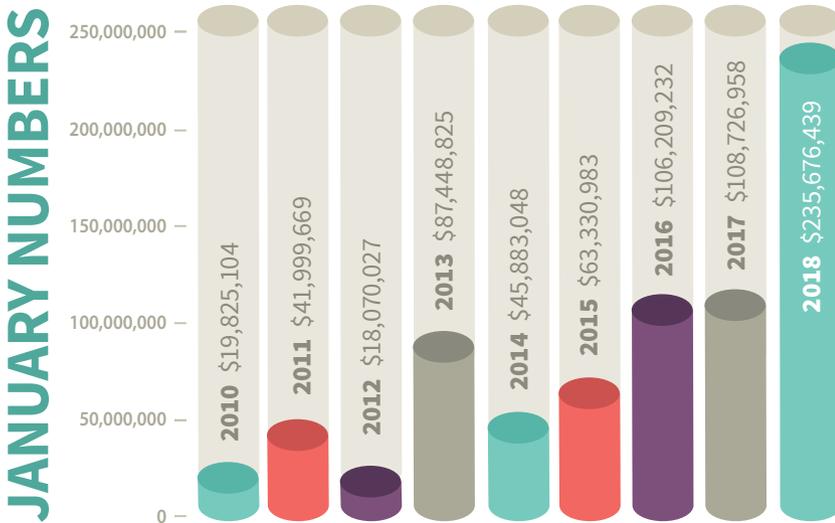
The record total of \$235,676,439, up more than 116 percent from the next best January last year, is largely attributable to awards from the Department of Accounting and General Services (\$142,796,807) and

the Department of Transportation (\$75,613,167).

Hensel Phelps Construction Co. landed the design-build hospital contract for a 144-bed forensic psychiatric facility on five acres at the current Kaneohe location. The project will include patient care units, a comprehensive rehabilitation mall, building support, admissions and transfer suite office spaces, various outdoor yards and associated parking for staff.

The next largest award—for \$60,661,000—was won by Kiewit Infrastructure West Co. for H-1 shoulder work and Portland cement concrete pavement rehabilitation from the Waimalu viaduct to Halawa.

At press time, awards for the month of February were also approaching record levels.



## AWARDS BY AREA

Oahu	\$218,515,296
Kauai	6,650,228
Maui	5,937,077
Hawaii	4,573,838
<b>Total</b>	<b>\$235,676,439</b>

## AWARDS BY AGENCY

DAGS	\$142,796,807
DOT	75,613,167
DOE	11,607,552
C&C Honolulu	2,884,013
DOFMA	1,737,000
DLNR	874,914
DPWHI	90,875
DHHL	72,111
<b>Total</b>	<b>\$235,676,439</b>

## Oahu

### Hensel Phelps Construction Co. \$140,000,000

Design-Build Construction Project, New Patient Facility at the Hawaii State Hospital, Kaneohe

### Kiewit Infrastructure West Co. 60,681,000

Interstate Route H-1 Shoulder Work and Portland Cement Concrete Pavement Rehabilitation, Vicinity of Waimalu Viaduct to Vicinity of Halawa

### Hawaiian Dredging Construction Co. Inc. 4,367,407

New Pass and ID Office and Conference Room at Kahului Airport, Maui

### Road Builders Corp. 2,745,221

Waimano Ridge, Site Improvements

### Hawaii Works Inc. 1,260,543

Ala Moana Regional Park, Magic Island Irrigation Improvements

### HSI Mechanical Inc. 1,166,500

Pearl Ridge Elementary School, Buildings H & J Air Conditioning

### Pacific Isles Equipment Rentals Inc. 915,000

Ewa Elementary School, Miscellaneous R&M FY13

### Jack Endo Electric Inc. 816,000

Vineyard Boulevard, Installation of Traffic Signals at River Street

### United General Contracting Inc. 719,811

Kaiser Hall High School, Building L, Repair Walls

### United General Contracting 538,198

Alvah Scott Elementary School, Miscellaneous R&M for FY16

### Amethyst Builders LLC 498,500

Campbell High School, Miscellaneous R&M FY16

### Maui Kupuno Builders LLC dba Manu Builders LLC 497,250

FY17 One-Year Maintenance Contract for Pavement Repairs at Pier 51C, 52 & 53, Container Yard, Honolulu Harbor

### A's Mechanical & Builders Inc. 477,134

Waipahu Elementary School, Miscellaneous R&M FY08-11

### MEI Corporation 458,070

Kilauea District Park Drainage Improvements

### Integrated Construction Inc. 429,700

Honowai Elementary School Campus, Replace Waterlines

## JANUARY'S TOP 10 CONTRACTORS

1. Hensel Phelps Construction Co. (1) ..... \$140,000,000
2. Kiewit Infrastructure West Co. (2) ..... 62,418,000
3. Grace Pacific LLC (2) ..... 5,029,796
4. Hawaiian Dredging Construction Co. Inc. (1) ..... 4,367,407
5. Isemoto Contracting Co. Ltd. (5) ..... 2,890,790
6. Road Builders Corporation (2) ..... 2,837,221
7. MEI Corporation (2) ..... 2,578,352
8. HSI Mechanical Inc. (2) ..... 1,576,295
9. GP Roadway Solutions Inc. (1) ..... 1,333,162
10. Hawaii Works Inc. (1) ..... 1,260,543

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

<b>HSI Mechanical Inc.</b> .....	<b>409,795</b>
Repair Rooftop Air Conditioning Units at Pier 11 Terminal, Honolulu Harbor	
<b>Ron D Electrical LLC</b> .....	<b>383,500</b>
Mokulele Elementary School, Fire Alarm Upgrade	
<b>StarCom Builders Inc.</b> .....	<b>379,500</b>
Waialua Fire Station, Structural and Miscellaneous Improvements	
<b>Isemoto Contracting Co. Ltd.</b> .....	<b>362,651</b>
Kahakai Elementary School, Miscellaneous R&M FY16, Kailua-Kona, Hawaii	
<b>MJ Construction Co.</b> .....	<b>306,000</b>
Helemano Elementary School, Miscellaneous R&M FY16	
<b>Tory's Roofing &amp; Waterproofing Inc.</b> .....	<b>229,900</b>
Hickam Elementary School, Miscellaneous R&M FY17	
<b>United General Contracting Inc.</b> .....	<b>215,618</b>
Kaala Elementary School, Miscellaneous R&M FY16	
<b>Grace Pacific LLC</b> .....	<b>179,797</b>
Heeia Kea Small Boat Harbor, Pavement Repair, Phase 2	
<b>Islandwide Fencing LLC</b> .....	<b>100,266</b>
Paauilo Elementary and Intermediate School, Replace Chain Link Fence	
<b>Road Builders Corporation</b> .....	<b>92,000</b>
Aina Haina Elementary School, Miscellaneous R&M for FY13	
<b>Henry's Equipment Rental &amp; Sales</b> .....	<b>80,500</b>
Lincoln Elementary School, Building H, Replace Grease Trap	
<b>United General Contracting Inc.</b> .....	<b>80,269</b>
Wahiawa Middle School, Miscellaneous R&M FY16	

<b>Solo Corp.</b> .....	<b>72,111</b>
Repairs to Kapahua Residence	
<b>Solo Corp.</b> .....	<b>53,055</b>
Kahala Elementary School, Buildings D, E & F, Replace Gutters/Downspouts	

## Maui

<b>MEI Corporation</b> .....	<b>2,120,282</b>
Hana High and Elementary School, Miscellaneous R&M FY14	
<b>Kiewit Infrastructure West Co.</b> .....	<b>1,737,000</b>
Wailuku-Kahului WWRF Headworks, Building Rehabilitation, MCC Replacement and Pipe Gallery Modifications, Kahului	
<b>Phoenix Pacific Inc.</b> .....	<b>1,020,401</b>
Traffic Signal Modernization at Various Locations, Districts of Lahaina, Makawao and Wailuku	
<b>Elcco Inc.</b> .....	<b>695,117</b>
Central Maui Regional Sports Complex Field Lighting, Wailuku	
<b>BCP Construction of Hawaii Inc.</b> .....	<b>364,277</b>
Kula Elementary School, Various Buildings, Repair CMU Walls	

## Hawaii

<b>Isemoto Contracting Co. Ltd.</b> .....	<b>1,514,153</b>
Queen Kaahumanu Highway, Intersection Improvements at Kawaihae Road, South Kohala	
<b>B&amp;B Pumping Services LLC</b> .....	<b>785,900</b>
Maintenance and Repair of Individual Wastewater Systems for Various Hawaii Department of Education Schools on the Island of Hawaii	

<b>Isemoto Contracting Co. Ltd.</b> .....	<b>571,900</b>
Kaumana Elementary School, Miscellaneous R&M FY14, Hilo	
<b>C&amp;C Electrical Contractor Inc.</b> .....	<b>497,900</b>
Waiakea Intermediate School, Upgrade Fire Alarm	
<b>Isemoto Contracting Co. Ltd.</b> .....	<b>390,500</b>
Doe Annex Hilo, Building C, Repair Exterior Stairs	
<b>Certified Construction Inc.</b> .....	<b>362,324</b>
Honokaa Elementary School, Building K Reroof, Hamakua	
<b>Stan's Contracting Inc.</b> .....	<b>308,700</b>
Pahoa High and Intermediate School, Miscellaneous R&M FY08-10	

<b>Rec and Roll LLC dba NyLawn</b> .....	<b>90,875</b>
Keikiland Playground, Resurfacing and Repairs, South Hilo	
<b>Isemoto Contracting Co. Ltd.</b> .....	<b>51,586</b>
Keakealani Building, Replace Wood Fence with Chain Link Fence, Kealahou	

## Kauai

<b>Grace Pacific LLC</b> .....	<b>4,849,999</b>
Kuhio Highway Resurfacing, Kapule Highway to North Leho Drive, Lihue	
<b>GP Roadway Solutions Inc.</b> .....	<b>1,333,162</b>
Kuhio Highway Safety Improvements, Wailapa Road to Kapaka Street	
<b>Pacific Blue Construction LLC</b> .....	<b>343,067</b>
Waimea High School, Building N, Gym Exterior Wall Improvements, Oahu	
<b>HI Built LLC</b> .....	<b>124,000</b>
Pavement Repairs at Nawiliwili Harbor	

## LOW BIDS

The companies below submitted the low bids in January 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.

### Oahu

<b>Global Specialty Contractors</b> .....	<b>\$3,523,328</b>
Duke Kahanamoku Pool Complex Repair, Replace Pool Heating and Filtration System	
<b>57 Builders Ltd.</b> .....	<b>2,133,098</b>
Bilger 337 Renovation, University of Hawaii at Manoa	
<b>Alakona Corp.</b> .....	<b>1,898,500</b>
Pavement Preservation of Streets, Indefinite Delivery/Indefinite Quantity	
<b>Amethyst Builders LLC</b> .....	<b>935,000</b>
Radford High School. Building O to Renovate to Multimedia	
<b>United General Contracting Inc.</b> .....	<b>674,999</b>
Aiea Intermediate School, Miscellaneous R&M FY14	
<b>StarCom Builders Inc.</b> .....	<b>601,000</b>
Windward Community College, 5990 Hale Akaoka, Repair Gutter, Downspouts, Fascia Phase 2, University of Hawaii	
<b>Construction Engineers LLC</b> .....	<b>582,970</b>
Kaimiloa Elementary School, Miscellaneous R&M for FY16	
<b>MJ Construction Co.</b> .....	<b>520,000</b>
Wheeler Middle School, Miscellaneous R&M for FY16	
<b>CC Engineering &amp; Construction Inc.</b> .....	<b>496,000</b>
August Ahrens Elementary School, Miscellaneous R&M for FY16	
<b>United General Contracting Inc.</b> .....	<b>485,493</b>
Kanoelani Elementary School, Portable Classroom	
<b>Certified Construction Inc.</b> .....	<b>481,000</b>
Waipahu High School, Miscellaneous R&M for FY17	
<b>JS International Inc.</b> .....	<b>446,154</b>
Repair Concrete Bulkhead at Pier 22	
<b>Pacific Isles Equipment Rentals</b> .....	<b>410,000</b>
Waialua High and Intermediate School, Miscellaneous R&M for FY17	

<b>Standard Sheetmetal &amp; Mechanical Inc.</b> .....	<b>399,139</b>
Repair Rooftop Air Conditioning Units at Pier 11 Terminal, Honolulu Harbor	
<b>MJ Construction Co.</b> .....	<b>364,000</b>
Waipahu High School, Building I, Culinary Academy Upgrade	
<b>Henry's Equipment Rental &amp; Sales Inc.</b> .....	<b>315,000</b>
Mililani Ike Elementary School, Miscellaneous R&M for FY17	
<b>Ted's Wiring Service Ltd.</b> .....	<b>294,570</b>
Kailua Police Station, Upgrade of Security Cameras	
<b>Certified Construction Inc.</b> .....	<b>260,000</b>
Waipahu Elementary School Miscellaneous R&M for FY17	
<b>Ke Nui Construction LLC</b> .....	<b>204,800</b>
Ala Moana Regional Park Trellis Improvements	
<b>Island Construction &amp; Demolition</b> .....	<b>161,410</b>
Anuenue School, Resurface Pavement Between Buildings A & C	
<b>CC Engineering &amp; Construction Inc.</b> .....	<b>109,600</b>
Honolulu Zoo, Savanna Barns Roof Rehabilitation	
<b>Peterson Bros. Construction Inc.</b> .....	<b>89,670</b>
Kainalu Elementary School Area 01, Resurface Playground	
<b>MJ Construction Co.</b> .....	<b>88,000</b>
Palisades Elementary School Miscellaneous R&M FY16	
<b>Island Construction &amp; Demolition</b> .....	<b>57,910</b>
Webling Elementary School, Miscellaneous R&M for FY16	

### Maui

<b>F&amp;H Construction</b> .....	<b>442,000</b>
Repair Air Conditioning System at Pier 1 Terminal, Kahului Harbor	

<b>Certified Construction Inc.</b> .....	<b>284,293</b>
Maui Community Correctional Center, Lower Campus, Roofing Repairs and Improvements, Wailuku	
<b>Betsill Bros.</b> .....	<b>172,320</b>
Wailuku Elementary School, Building K, Renovate Restroom and Building I, Renovate Restroom	
<b>Betsill Bros.</b> .....	<b>130,876</b>
Kahului Wastewater Reclamation Facility Fencing Improvements	
<b>Betsill Bros.</b> .....	<b>110,986</b>
Kahului Fire Station Sidewalk Improvements	

### Hawaii

<b>Isemoto Contracting Co. Ltd.</b> .....	<b>2,438,876</b>
Chilled Water Plant Air Conditioning Improvements, UH-Hilo	
<b>Isemoto Contracting Co. Ltd.</b> .....	<b>2,226,870</b>
Temporary Office Portable for Manono Campus	
<b>Heartwood Pacific LLC</b> .....	<b>1,525,898</b>
Keaau Middle School Miscellaneous R&M for Race to the Top, Zones of School Innovation	
<b>F&amp;H Construction</b> .....	<b>620,000</b>
College Hall Air Conditioning Improvements, UH-Hilo	
<b>Isemoto Contracting Co. Ltd.</b> .....	<b>605,030</b>
Waiakea High School, Miscellaneous R&M for FY14	

### Kauai

<b>Grace Pacific LLC</b> .....	<b>1,753,380</b>
Kuhio Highway Resurfacing, Koolau Road (South) to Papaa Road, Kawaihau	
<b>HI Built LLC</b> .....	<b>32,900</b>
Kauai High School, Miscellaneous R&M for FY17	

# Keauhou Place Rises in Kakaako

Once again, Hawaiian Dredging teams up with SCD to shape Honolulu's urban center

BY DAVID PUTNAM



With the recent addition of Keauhou Place, the team of Hawaiian Dredging Construction Co. Inc. and Stanford Carr Development (SCD) has made a long-lasting impression on the Kakaako neighborhood.

Hawaiian Dredging was the design-assist general contractor on the residential complex, located across the street from Halekauwila Place. Both projects were developed by SCD.



James Abeshima

James Abeshima, Hawaiian

Dredging's senior project manager, preconstruction services, says Keauhou Place—which includes a 43-floor tower, a seven-story, 1,020-stall parking garage and a four-story townhome building—was a “very successful” venture for all parties.

“We experienced firsthand the true meaning of a working relationship, where this relationship developed into a collaborative culture which carried through the entire project, where all sides of owner, architect, contractor and subcontractors worked together with great pride, supporting and helping one another to achieve a great outcome on the project,” he says.

Hawaiian Dredging finished work on

Keauhou Place 20 days early. The job began in October 2015 and wrapped last October. The complex consists of 423 units, with 388 in the tower and 35 townhomes. There are 133 one-bedroom units, 235 two-bedroom units and 55 three-bedroom units.

Its amenities range from a state-of-the-art gym, barbecue areas, swimming pool, a tot lot and a recreation deck—and there's a secret garden. Among Keauhou Place's notable features, each tower and townhome living unit will feature anigre wood cabinets, quartz counter tops, a walk-in closet and an open lanai. There is an amenity deck on the eighth floor.

In addition to being in the heart of

Kakaako's shopping and dining corridor, Keauhou Place is adjacent to the rail line's Halekuwila Station.

Hawaiian Dredging built Keauhou Place and its post-tensioned concrete tower far ahead of schedule, Abeshima says.

"A remarkable achievement was in accomplishing a construction cycle of pouring out a new floor every four days—20 percent faster than the industry standard of five days, using a single set of horizontal formwork," he says. "This allowed Hawaiian Dredging to save 20 days on the schedule, maintaining this schedule and early acquiring of TCO (temporary certificate of occupancy)."



Keauhou Place includes 35 townhomes and a 1,020-stall parking lot.



Keauhou Place units feature quartz countertops.

Groundwater created a problem in getting construction underway.

"Early on, we encountered challenges on the job which set us back two weeks. Underground anomalies and voids caused stop-and-go progress on caisson installation, and a further challenge came in the dewatering process, where the dewatering basins took up nearly half of the project site," Abeshima says. "We overcame these challenges with teamwork, working closely with the drilled shaft and grading crews, re-sequencing the work to adapt to the changing site conditions."

Abeshima says Hawaiian Dredging was "tasked to maintain a strict construction budget. Through the many design iterations, we overcame budget creep from design changes by implementing effective cost-saving ideas."

He says a "big difference-maker" on the job was the use of building information modeling (BIM) software, saying it "enabled Hawaiian Dredging

and leveling of floors." during the design-assist process to work cohesively with the design team on one platform and effectively coordinate the design details. The working Revit model was transferred from the design phase into construction, used by our field staff and subcontractors to perform further coordination and clash detection.

"The model was maintained throughout the duration of the project as a reference and eventual as-built set. The Revit model was also used in the field, taking BIM from 'office to field.' Data points from the model were integrated into surveying equipment to lay out elements of the building and site work. Scanning technology was employed to map floor topography. The scans allowed for adjustments when pouring and finishing the subsequent floors, producing better quality and reducing the need to later fill-in

and leveling of floors."

Owner Kamehameha Schools chose SCD five years ago to build Keauhou Place. Stanford Carr, president of SCD, lauded the efforts of the entire project team.

"We created a design-assist team and approach. In other words, we brought on our architect, structural, mechanical, electrical, geotechnical, civil, acoustical engineers early on in the schematic design process using Revit software in order to overlay all of our designs to identify conflicts," Carr says. "We then brought on board our major subcontractors to refine technical systems and products to further refine design.

"Most of our team members are a



Stanford Carr

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carryover from our Halekauwila Place project located across the street from Keauhou Place. Both Halekauwila and Keauhou Place projects came in ahead of schedule and under budget.”

“We truly appreciate Hawaiian Dredging’s professionalism and ‘can-do’ attitude and for being a consummate partner on our development team,” says Richard Riegels, SCD’s executive vice president, in a letter of recommendation. “Beginning from the early stages of the design process, Hawaiian Dredging brought together key project staff who used their wealth of experience and expertise to assign in the design and help overcome constructability and budget challenges.”

Abeshima says the project “placed an importance on relationships.

“On most projects, a standout feature may be in physical characteristics of the building itself. However on this Keauhou Place project, the standout or memorable part of the project was the sense of teamwork, high morale and pride ... enabling the project to complete successfully, ahead of schedule and under budget.”

He also points to key “team-building sessions,” especially in planning “one of the more labor-intensive operations, the handling of the concrete formwork.

“Over several weekends, we held team-building sessions with the formwork crews in a boardroom-style setting, like a mini-retreat. For most, it was their first time participating in such an event. Over these several sessions, the workers participated in team-building exercises, evaluated each of the numerous steps associated with the forming operation and set productivity and safety goals.

“These team-building sessions boosted the teamwork and bond among the workers and provided immediate results, reducing our concrete cycle time to a record four days per floor.”

Eighty-five of the tower units were set aside as reserve, or affordable, housing for buyers earning less

than 140 percent of the area median income.

Homeowners benefited from the early wrap, Abeshima says.

“With an early TCO, homeowners were able to close on their loans and expedite the moving process. Homeowners started to move into their new residence in late October, with the majority of owners moved by early December—an efficient and impressive homeowner move-in period of a mere one and a half months.

“We believe the client’s goals and vision were achieved,” Abeshima adds. “The project was a success all around thanks to a team dedicated to achieving the project’s goals from inception to completion.” 🏠



Richard Riegels

## The Project Team

**Keauhou Lane LLP/Stanford Carr Development LLC (SCD):**  
Stanford Carr, president; Richard Riegels, executive vice president

**Richard Matsunaga & Associates (RMA):**  
Brent Tokita, president; Ryan Yee, project architect

**Hawaiian Dredging Construction Co. Inc.:**  
James Abeshima, senior project manager; Gordon Scruton, project superintendent; Judy Park, senior project engineer; Bobby Wen, project engineer; Tyler Tanabe, cost engineer; Zachary Fong, cost administrator; Jeanine Chang, project administrator; Dean Yamamoto, tower superintendent; David Lau, garage superintendent; Oran McGee, interiors superintendent; Walter Yamane, project director; Alan Hinahara, general superintendent; Scott Cody and Joe Furutani, preconstruction

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*"It is truly a privilege and pleasure to work with Hawaiian Dredging, their professional expertise and competence makes every teamwork a winning experience of the on time schedule, on the budget and superior quality results."*



GROUP BUILDERS CREW ON THE PROJECT



KEAUHOU PLACE PROJECT PHOTOS COURTESY OF JOHN CHRISTIAN SAGSAGAT, PROJECT MANAGER

# The Dearth of Hawaii Homes

Despite challenges, Bruce Barrett and Castle & Cooke remain at the forefront in producing homes for Island residents

BY DON CHAPMAN

**L**ike most folks, Bruce Barrett has a lot on his mind as he drives to work in the morning. Unlike most of us, one of the things heaviest on his mind is perhaps the biggest problem facing Hawaii's present and future—housing.

"Quite a bit," says the executive vice president of Castle & Cooke Homes Hawaii Inc.'s residential operations when asked how much that responsibility weighs on him.

"The hot topic today is supplying housing in general, because we as an industry haven't been producing housing in the last 20 years as we did in the 20 years before that—any kind of housing, from medium prices that you see in the

paper to affordable," he says. "That's a big part of what we're involved with and challenged with, affordable housing ... how to supply that.

**"Even as a large landowner we have a lot of challenges. We can't always produce the housing we know is necessary—because there is a shortage right now."**

"Even as a large landowner we have a lot of challenges. We can't always produce the housing we know is necessary—because there is a shortage right now."

Castle & Cooke has long

been at the forefront of building homes for Hawaii residents.

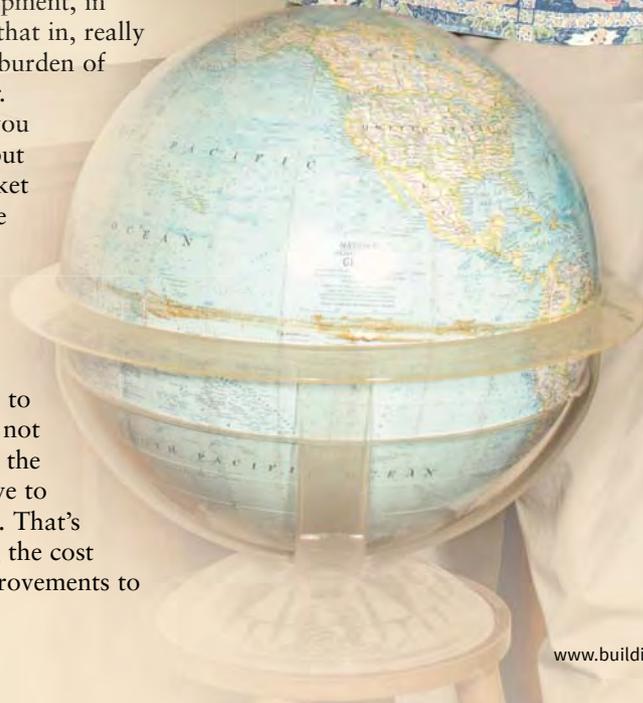
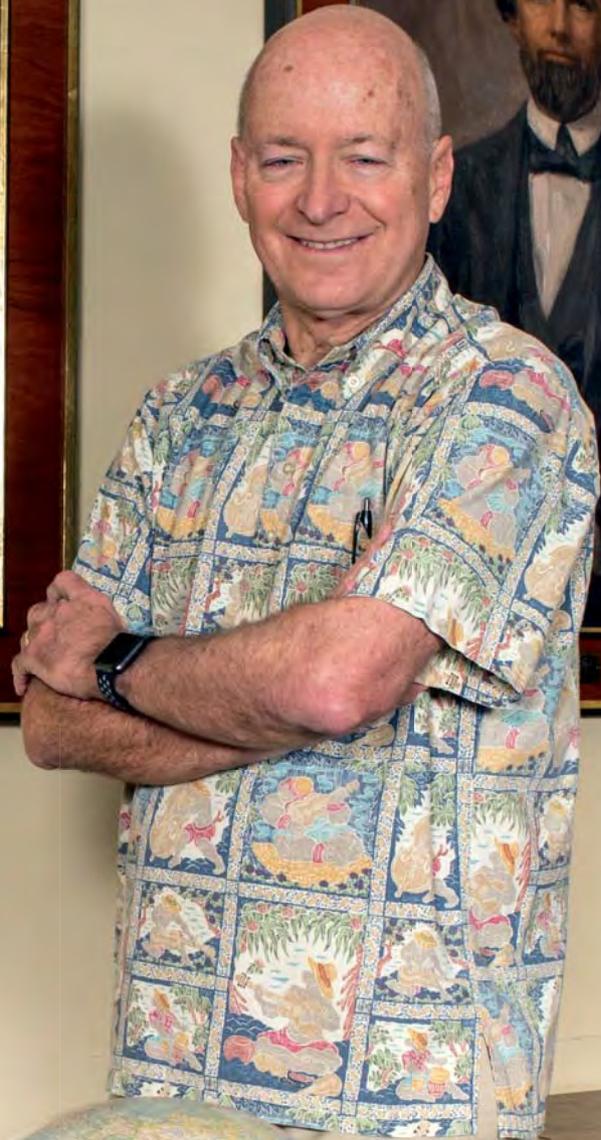
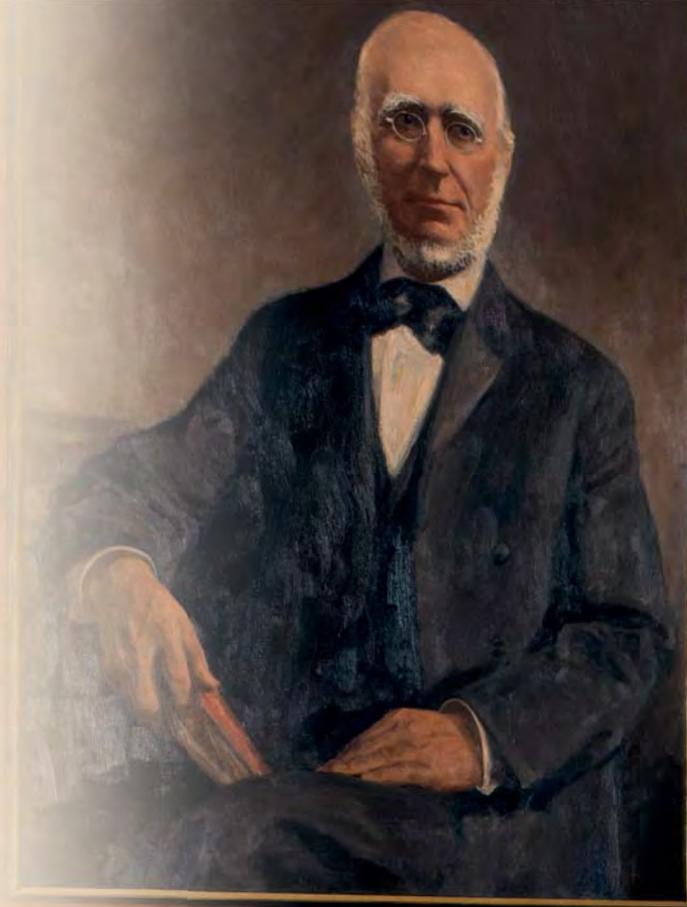
"We have a history," Barrett continues from C&C's offices at Dole

Cannery that include elegant plantation touches. "We built more than 24,000 homes over the past 50 years.

"We're probably best known for Mililani and Mililani Mauka—a total

of about 16,000 homes in Mililani, so that's our largest development. The first home was delivered in 1968, and the last regular-production home was 2008, more than 40 years. If you do the arithmetic, that averages 400 homes a year for that community. That is a lot of families. That's pretty much the market we targeted, residents of Oahu."

That remains a core Castle & Cooke goal, says Barrett, a Punahou grad who came out of the School of Travel Industry Management at the University of Hawaii at Manoa with an emphasis on sales and marketing, and got into the business at ERA Concepts Unlimited real estate—not the usual path to the top of a large



development company:

“When you look at the basic challenges in front of us to produce housing, the first thing is we live in an island community and have a finite amount of land on this beautiful island, and we’re conscious of making sure that growth is done responsibly, so we keep this beautiful place we call home,” he says.

“But that produces relatively high land values, so we start there. Second is the physical construction; it’s very expensive here. If you look at reports on the cost of building across the nation, Hawaii is usually No. 1, 2 or 3 over the last couple of years.

“So, high cost of land, high cost of building and infrastructure is a big

challenge. For instance, our Koa Ridge project, there is not existing capacity for sewer, for drainage, for water. We have some limited capacity. So that offsite development, in order to put that in, really becomes the burden of the developer.

“To give you an idea, we put that in a bucket we call offsite improvements—everything you need to do to get those utilities to you, that are not physically on the land, you have to bring it there. That’s not including the cost of doing improvements to

PHOTO BY HAWKINS BIGGINS

the plot itself. Those offsite improvements in Mililani Mauka were about \$37,000 a home. That's how much we had to spend, if you divide it on a per house basis. At Koa Ridge, it's up to \$110,000 a unit. Again, that's before we do any improvements on the parcel itself."

But the cost is not always evenly divided when mixing affordable and market housing in one project, Barrett says.

"We support workforce and affordable housing, but what happens is if it's necessary to meet certain inclusionary zoning requirements, and we have to subsidize that housing, a lot of that cost goes to the market housing. That contributes to increasing the cost of housing," he says. "The concept that we as developers supply affordable

housing, we totally support. But we're challenged when most of that responsibility is put on the building industry, because of unintended consequences. It just drives up the price of housing, and in some cases we're not able to build because it doesn't pencil. And, therefore, we don't get market housing and we don't get affordable housing.

"So those are pieces we're challenged with."

### 'Silver Lining' at Koa Ridge

You have to wonder what Samuel Northrup Castle and Amos Starr Cooke, who founded the company in 1851 and sold everything from farm tools to sewing equipment to medicine, would think about today's Castle & Cooke. But the merchant gentlemen might have

wondered that at other times as the company veered into agriculture, growing so powerful it was among old Hawaii's "Big Five." The company continues in ag as Dole—all under the active ownership of David Murdock.

"Mr. Murdock visits

us on a frequent basis and gives us the leadership and direction, and we follow through," Barrett says, adding that working with the boss "is very challenging because he is in his early 90s but is very sharp, and he expects us to live up to his development goals and



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standards, so we're always challenged by that."

Barrett's office employs about 50 people today, and if that number seems low, it is. The company that averaged 400 units a year for 40 years, and could do 700 to 800, "in the last half-dozen years our production levels have come down to 100 to 150 units a year."

The protracted delay at Koa Ridge explains much of that.

"The original plan was to move from Mililani when it was completed to Koa Ridge," Barrett says. "But then we had the entitlement delays.

"The first step to reclassify land from agricultural to urban designation, which we needed to do, is go before the Land Use Commission, which we did, and got approval in 2002. That was challenged by the

Sierra Club, it went to the (state) Supreme Court, and it was overturned. So then we had two subsequent Land Use Commission hearings, the last one in 2012, and got an approval, and those were also appealed. The last one went all the

"The carrying costs, the cost of the land, the cost of the legal process you go through."

But frustrating as the delay was, "we used this as an opportunity, because you have to, to further develop our plans. That was

**"If you look at reports on the cost of building across the nation, Hawaii is usually No. 1, 2 or 3 over the last couple of years."**

way to the Supreme Court again, and we prevailed, that was in 2016. So the delay was from 2002, when we got the original approval, to 2016."

The wait, inevitably, affects the bottom line.

"It is expensive, it adds to the cost," Barrett says.

our silver lining, we had extra time to work on our master plan, and we really think it fits the needs of the community."

The long wait is almost over. Koa Ridge's blessing happened late last year, and Barrett says they're now "gearing up for mass

grading and infrastructure improvements, pushing for delivery of the first home units by the end of next year. It's exciting."

### **Ramping Up Production**

Asked what else is ahead, Barrett answers directly: "Taking the lower production levels we have now up to what we're more used to."

That includes work at Koa Ridge, but Barrett mentions "other opportunities. We're currently building affordable housing in Mililani as a general contractor, not developer, and just turned over 75 units out of 300—we did 75 units last year, will do 75 units this year.

"We have a 40-unit project in Waipahu, mostly duplexes, that we're about

*...continued on page 60*



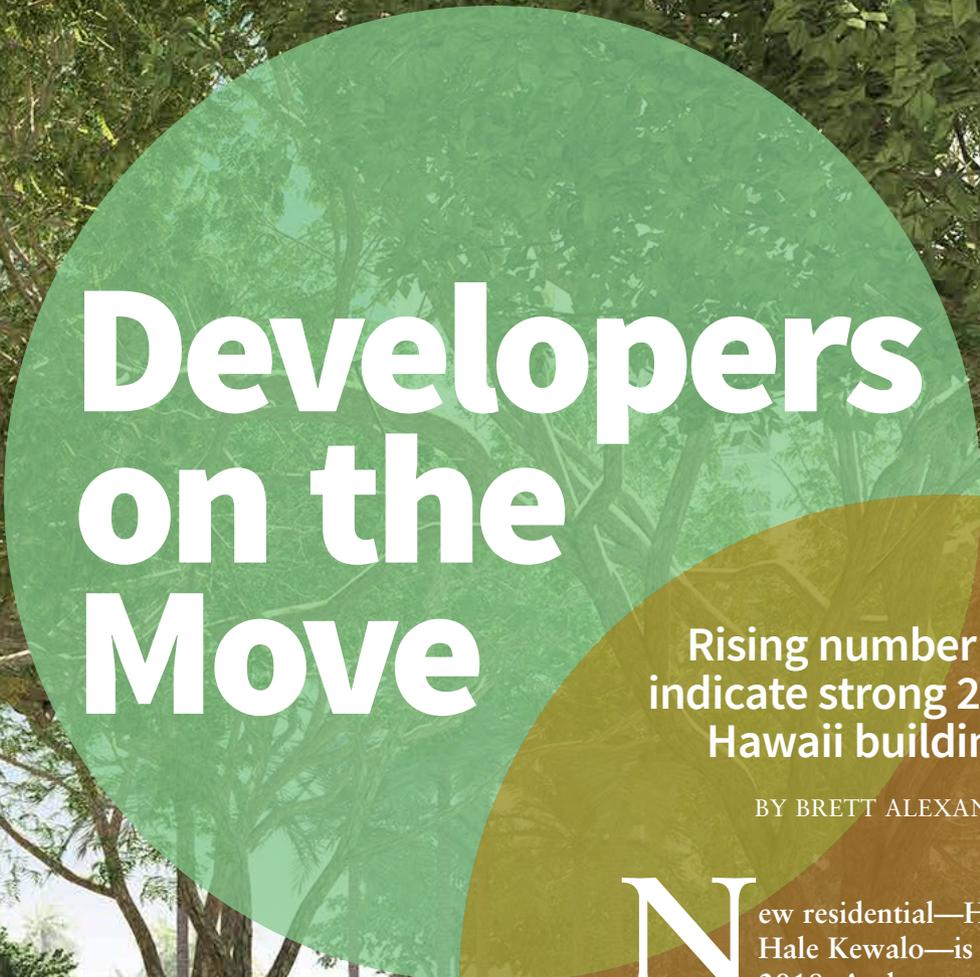
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# Developers on the Move



Rising number of permits  
indicate strong 2018 for most  
Hawaii building sectors

BY BRETT ALEXANDER-ESTES

**N**ew residential—Hoopili, Koa Ridge, Hale Kewalo—is full steam ahead in 2018. And new commercial development is fast on its heels.

Private building permits, a leading construction indicator, rose 3.3 percent through October 2017, reports Eugene Tian, economic research administrator at the state's Department of Business, Economic Development & Tourism, in Trade Publishing's *2018 Construction Preview* magazine.

The Central Plaza, a future Ward Village gathering place  
RENDERING COURTESY THE HOWARD HUGHES CORPORATION

According to Tian, the value of Hoopili building permits hit \$76 million in October. So it's no surprise that the value of October residential building permits rose 11.6 percent over 2016's 10-month total.

But few expected a jump of 136.2 percent in the value of commercial and industrial permits during the same period.

New Hawaii residential may well be a starting gun. Because in 2018, leading developers are moving—and are laying out shops, hotels, schools, parks, medical facilities and other major projects.



Eugene Tian

## Master Planners

Since nearby shops and civic facilities boost sales at new residential projects, developers usually include commercial space in their master plans.

### ● D.R. HORTON

Hoopili is planned to include five schools, commercial farms, parks, three rail transit stops, commercial and retail spaces, and other community amenities in addition to the development's 11,750 homes.

Both single- and multi-family homes are underway. Lehua at Hoopili, the second phase of single-family homes,



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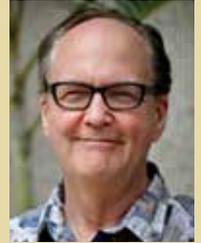
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## TOD Update Neighborhood Plans & RFPs

Four of the city's eight Neighborhood Transit-Oriented Development Plans are now adopted:

- Downtown
- Kalihi
- Pearl City-Aiea
- Waipahu



Harrison Rue

Two more TOD Plans, the Ala Moana and Halawa (Aloha Stadium) are under review by the City Council, says Harrison Rue, transit-oriented development program administrator for the City & County of Honolulu's Department of Planning and Permitting. "The city's effort over the past decade to plan for and catalyze TOD is paying off in TOD plans, codes, policies, infrastructure investments and catalytic projects," he says.

### 3 New IPD-T Permitted Projects

"Three mixed-use/residential towers in the Ala Moana area have been approved under the interim planned development-transit (IPD-T) permit, with up to 150 feet in bonus height and almost triple current density allowed, in return for community benefits like affordable housing," Rue says. "Two more IPD-T projects are under review by the City Council, and several other projects are preparing to submit applications." The city has also had preliminary discussions with developers for projects in Ala Moana, Iwilei, Kalihi, Pearlridge, and Waipahu.

### New TOD Infrastructure

"An Iwilei-Kapalama infrastructure and finance district strategy is nearing completion, along with planning for a linear park along Kapalama Canal to support development," Rue says. More than \$1.5 billion in specific TOD-related infrastructure projects have been identified, he says, with several major projects under way and the majority programmed over the next two decades.

### Incentives & RFPs

Recently, Mayor Kirk Caldwell introduced Bill 58 to require affordable housing in most developments. "The companion incentives legislation, Bill 59, was just adopted, and will provide from \$35,000 to \$70,000 in fee and tax waivers for each affordable unit created, with up to another \$70,000 in real property tax waivers for affordable rental units," says Rue. "In addition, the city is preparing to release RFPs for the development of affordable and mixed-income housing on several city-owned properties."

is slated to include 48 single-family homes; some will offer flexible ADU options.

Akoko at Hoopili, the second multi-family phase, is planned to include 124 multi-family homes, including townhomes and stacked flats.

**● CASTLE & COOKE**

“With low resale inventories, housing supply and existing pent-up demand, we project continued strength in the residential market,” says Bruce Barrett, executive vice president of residential operations at Castle & Cooke Homes Hawaii Inc.



Bruce Barrett

Koa Ridge, C&C’s \$2 billion, 3,500-home community, broke ground in November. Water, sewer, drainage and roadway improvements valued



Proposed map of Koa Ridge (2017)  
GRAPHIC COURTESY CASTLE & COOKE HOMES HAWAII INC.

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The Grove, a new 89,000-square-foot commercial addition to Ka Makana Alii  
RENDERING COURTESY AHL

at \$500 million are currently being installed. Home construction is scheduled to start late this year, with the first 170 homes scheduled for delivery in 2019.

Reportedly, the Gateway along Ka Uka Boulevard is the first commercial area slated for development, and will feature a big-box, grocery and drug store, banks, restaurants and shops. Plans for the Village, a cluster of retail, dining and entertainment venues, were reportedly finalized in 2016.

Castle & Cooke Homes Hawaii Inc. is general contractor on the Koa Ridge project as well as on Puuwai Place, C&C's 40-unit residential development set to wrap later this year.

### ● THE HOWARD HUGHES CORPORATION

Ward Village in 2018 has three major residential/mixed-use projects underway: Aeo, a 466-unit residential tower with Hawaii's first flagship Whole Foods Market at its base, set to wrap this year; Ke Kilohana, a 424-unit

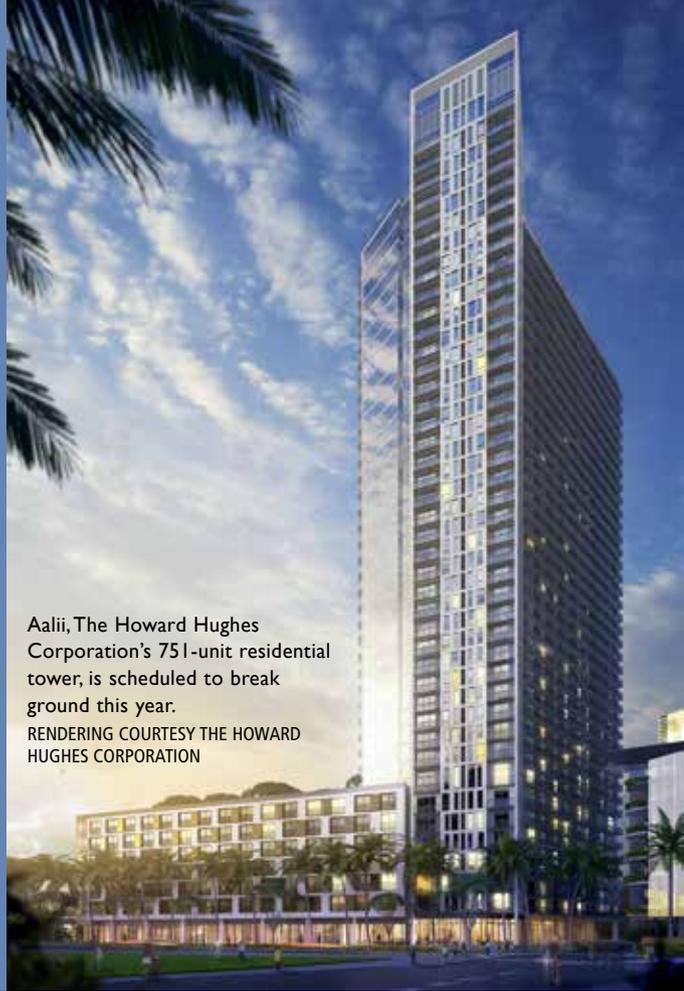
residential tower with a flagship Longs Drugs at its base, set to wrap in 2019; Aalii, a 751-unit “turn-key” residential tower with expansive commercial space, set to break ground later this year and expected to wrap in 2021.

**“We project continued strength in the residential market.”**

**—Bruce Barrett**

Ward Village’s future Central Plaza, a gathering place with an open park and many commercial venues, will break ground this year and is expected to wrap in 2019.

Nordic PCL is GC on Ke Kilohana; Layton Construction is GC on Aeo and the Central Plaza.



Aalii, The Howard Hughes Corporation’s 751-unit residential tower, is scheduled to break ground this year.

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Interior at Coral Ridge, an ongoing Gentry residential development  
PHOTO COURTESY GENTRY HAWAII

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## ● HUNT COMPANIES

As of February, Hunt Companies has gained title in fee simple to some 200 acres of mostly bare Kalaehoa land and is in the very first stages of developing some sections into a

**“The city’s effort over the past decade to plan for and catalyze TOD is paying off.”**

—Harrison Rue

mixed-use community. Hunt’s Hawaii development division will start with the sale of lots to homebuilders for the construction of approximately 1,000 homes as part of Hunt’s master plan. The first homes could reach the market as early as 2021.

At the same time, Hunt has

continued its investment in upgrading infrastructure in Kalaeloa. In late November, Hunt completed its purchase of the Kalaeloa water and wastewater system from the Navy.

The ELE system continues to be operated by the Navy and plans for the future disposition of that system are still unknown. However, progress is being made on the Kalaeloa Energy Corridor. New commercial construction will likely begin with the sale of properties that are currently listed in that area.

### ● GENTRY

As Gentry Homes celebrates its 50th year in the Islands, “our focus in 2018 will be in marketing and planning for the completion of the Ewa by Gentry master-planned community,” says Rick Hobson, vice president of sales and marketing at Gentry.

Kauluokahai, a Department of Hawaiian Home Lands subdivision, recently awarded 100 new homes to

Gentry that will begin construction this year. Coral Ridge is ongoing, and Gentry’s 66-home Ke Alii development fronting the Kapolei Golf Course will likely wrap in 2019.



Rick Hobson

### ● CITY & COUNTY OF HONOLULU

The city’s eight Neighborhood Transit-Oriented Development Plans are gaining speed, and so are their commercial potential. Four plans—Downtown, Kalihi, Pearl City-Aiea and Waipahu—have been adopted, and three mixed-used residential towers have been approved



Mayor Kirk Caldwell

under the city’s interim planned development-transit (IPD-T) permitting.

“The city is excited by the growing interest in turning our TOD visions into real projects where local families can afford to live,” says Mayor Kirk Caldwell. “As rail construction progresses, developers will continue taking advantage of the city’s new zoning, height and density bonuses, infrastructure investments and financial incentives to bring more projects to fruition.”

### Retail Revival

“Mixed-use and residential development in TOD areas and affordable housing continues to gain interest and should see steady activity in 2018-2019,” says Emile C. Alano, architect and COO at AHL (formerly Architects Hawaii Ltd.).



Emile C. Alano



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Alano is project architect on The Grove, Ka Makana Alii's newest commercial and community center in Kapolei, with Swinerton Builders as project GC.

"This new development is centered around tenants, goods and services, and experiences that will promote health and wellness," Alano says of the 89,000-square-foot core and shell retail

**"Ward Village is not the only community on the move."  
—Todd Apo**

space. "Covered patio areas will create a comfortable and intimate experience for guests and residents to enjoy a nice night out. The tenant mix, which includes an existing 24 HR Fitness, HPH, PetSmart, and Foodland Farms,

will all contribute to the healthy lifestyle that is being promoted by the mall."

Alano says redevelopment and refurbishment of current retail is also showing signs of activity in different pockets around the state.



Mike Hamasu

The Shops at Koloa will offer 47,500 square feet of resort-oriented commercial space on 2.76 acres of mixed-use development, says Hamasu: "The historic plantation-style shops are located in the heart of historic Koloa town and the gateway to Poipu, and will feature the first rooftop opportunities with horizon views on Kauai." The project is expected to wrap in the first quarter of 2019.

One silk-lined pocket broke just broke ground on Kauai, says Mike Hamasu, director of consulting and research at Colliers International Hawaii.

The Shops at Koloa will offer

Hamasu also points to commercial parcels ready for development in west Oahu, including Kealanani Plaza and at Leihano at Kapolei.

### All Over the Map

"Ward Village is not the only community on the move. The ongoing investment and development in Ko Olina and Kapolei is expected to create hundreds of jobs and advance both the state's construction and hospitality and tourism industries," says Todd Apo, vice president of community development at The Howard Hughes Corporation, Ward Village.



Todd Apo

"Additionally, new projects in the Ala Moana area are expected to begin work in early 2018, and are likely to be followed by a new wave of development along the Kapiolani corridor." 🏠

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An aerial photograph of a city skyline, likely Honolulu, Hawaii, featuring numerous high-rise buildings, a beach, and the ocean under a cloudy sky.

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# HOW TO USE SURETY IN 2018

Bonding capacity is key in Hawaii's current construction cycle

BY BRETT ALEXANDER-ESTES

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**W**ith Hawaii's boom in the rear-view mirror, some may doubt construction's strength going forward. If so, executives at Hawaii's leading surety companies have some good news.

"A number of surety companies see construction in Hawaii as strong and stable," says Brian Hart of Hart Surety Agency, citing increased spending at the airports, military spending and the as-yet-to-be-felt financial impact of the new tax law.



Brian Hart

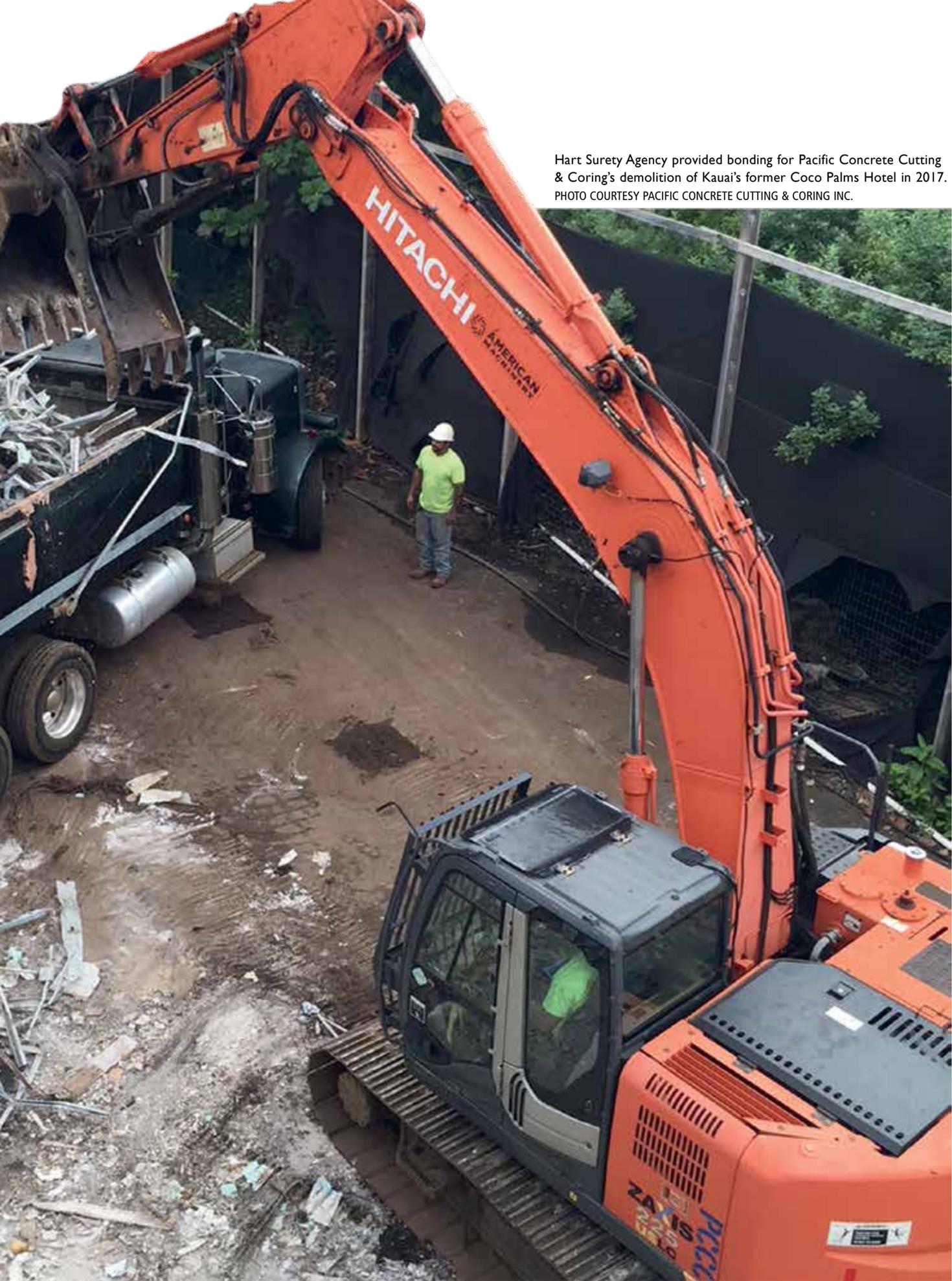


Frank Wirt

And while there's no denying that "the rate at which contractors are attaining new work is slowing," says Frank Wirt, senior vice president at King & Neel Inc., "overall, construction activity will remain at elevated levels for the near-term as contractors burn through their backlogs."



Hart Surety Agency provided bonding for Pacific Concrete Cutting & Coring's demolition of Kauai's former Coco Palms Hotel in 2017. PHOTO COURTESY PACIFIC CONCRETE CUTTING & CORING INC.



Regardless, “the market alone will not have any impact on whether surety credit is available to GCs and subcontractors,” says Paul C. Kennedy, vice president at Risk Solution Partners.



Paul C. Kennedy

Michael Grossi, executive vice president of Hawaii operations for AON Risk Services Inc., agrees: “The surety marketplace is currently in a soft market with a



Michael Grossi

tremendous amount of capacity available, and new players entering the market all the time.”

And as *Building Industry Hawaii* columnist Garrett Sullivan writes in



Garrett Sullivan

this issue: “In terms of risk management, a (surety) bond is an excellent tool.”

Most Hawaii projects require surety bonds, purchased with a premium paid to sureties by contractors. “For general contractors, all federal, state and county construction projects must be bonded,” says Kennedy. “A majority of private contracts that have Hawaii banks providing the funding require bonding as well.”

### Today’s Market

With more capacity available, surety premiums are expected to remain flat in 2018-2019. “If anything,” says Grossi, “you could see rates decreasing for very qualified contractors.”

For established companies, this is good news indeed. But for some firms, there may be a catch or two. As Wirt observes, the current project slowdown “does not affect the availability of bonding. But sureties will expect contractors to adapt to market conditions.”

“Although 2018-2019 still has

projects in the works, private work will remain flat and perhaps not as prolific as in the past few years when new development was growing at a fast pace,” says Tricia Miyashiro, assistant vice president at Atlas Insurance Agency. “However, it is an election year, so the state is



Tricia Miyashiro

expected to push out some projects.”

Rudy Briones, vice president at Insurance Factors, agrees: “Tax reform and mid-year elections should help the industry.”



Rudy Briones

### Build Bonding Capacity

During the bid season between now and the end of June, says Hart, a “substantial amount of new work from the state and local governments is being let.” But multiple projects that open or bid simultaneously can sometimes restrict or limit the total dollar amount a contractor can bid. This is especially true of contractors with a lower bonding capacity—the maximum amount of credit issued by a surety company.

**“The state is expected to push out some projects.”**  
—Tricia Miyashiro

How can you increase capacity? The process “is similar to obtaining personal credit,” says Miyashiro.

The more bonding a contractor does with its surety, says Kennedy, the better the surety can judge the contractor’s performance. “This will allow the bonding company ... to stretch its capacity for a client when it makes sense.

“Being able to obtain bonds,” he adds, “is a key way to increase project opportunities.”

### Surety Standards

“Surety companies want to see a company that is growing and has

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sufficient working capital to complete a project,” says Briones.

A good rule of thumb, Kennedy says, is to maintain “10 percent in working capital (current assets less current liabilities) to support the backlog you have. So if a small contractor is expecting to support \$1 million in contracts at one time, the bonding company would be looking for \$100,000 in working capital.”

Sureties also look for good working relationships. “Make sure you have a licensed, knowledgeable and experienced professional surety agent to partner with,” says Kennedy. Contractors should also consider adding a banker, an attorney and a CPA experienced in construction accounting to their team, says Miyashiro: “These individuals will help guide your firm in reaching larger work program goals.”

## Residential Resources

Demand is rising for material house bonds (MHB, or performance bonds), provided for Hawaii residential projects by such building material companies as Honsador Lumber and HPM Building Supply.

“Growth in Hawaii’s MHB market was strong (in 2017), with Oahu leading the way as expected, while Kauai rebounded nicely,” says Eric Domingo, senior bonding manager at Honsador Lumber LLC.



Eric Domingo

HPM Building Supply also reaped rewards on Oahu and Kauai in 2017. “Levels on Oahu and Kauai parallel levels on the Big Island,” says HPM President and CEO Mike Fujimoto. “The east side of Hawaii (Island) was quite robust, and the west side is gradually gaining strength.”

Material houses have the same strict standards as surety and insurance agencies. “HPM has a very extensive underwriting process,” Fujimoto says. “We look at the ability of the contractor to build the home as specified, and to be able to withstand any unforeseen events.”



Mike Fujimoto

# Tips on Applying for a Loan

## Cash and credit can carry contractors out of a crunch



Jarrett Oshiro

BY BRETT ALEXANDER-ESTES

Jarrett Oshiro, relationship officer at Hawaii National Bank, says many Hawaii contractors apply for lines of credit, especially those who specialize in high-value commercial projects.

Oshiro says contractors often use loans or lines of credit to:

- Finance direct contract costs, such as labor and materials
- Establish a reserve line of credit.

HNB works on keeping an open line of communication throughout a project, he says, and looks to a client’s records to build mutual understanding. “When your banker meets with you, (your) documents allow the bank to determine how to structure the short-term line/loan of credit, or if that credit is actually needed.”

At your first meeting, Oshiro recommends that you bring the following:

- Your FYE (Fiscal Year End) financial statement or tax returns prepared by a CPA.
- Company-prepared interim financial statements.
- Agings of accounts receivable (unpaid customer invoices).
- Agings of accounts payable (balances owed by your company to vendors).
- Jobs/works in progress.

When analyzing your financial

statement or tax return, Oshiro says, your banker will look at:

- Your completed contract basis, which defers recognition of revenues and job costs until the contract is substantially completed.
- Your percentage of completion basis, which recognizes revenues and job costs based on what percentage of the contract is completed. The analysis includes balance sheets for assets, liabilities and net worth, as well as an income statement, which can indicate your ability to repay long-term debt.

Agings of accounts receivable and accounts payable indicate your levels of income and debt. Jobs/Progress reports show whether your contracts are being profitably completed and within budget, and your level of backlogs, underbillings and overbillings.

Oshiro says that contractors often approach a bank with a specific contract amount in mind, and request it as a loan.

“The great thing is, you usually don’t need to borrow the entire amount of the contract,” he says. “Just what you need to cover your costs and bridge your cash flow gap until you start getting paid.”

Both Domingo and Fujimoto expect modest MHB growth statewide in 2018.

## Building Your Bottom Line

“For many contractors, their bonding line is what makes or breaks the company,” Grossi says. Miyashiro agrees, noting that a good bonding credit line “requires planning, effort, and discipline, with a constant focus

on doing the right things so your credit limit will increase.”

Hart says practices like these that increase bonding capacity allow contractors to be profitable, retain earnings and build their company’s financial strength.

Bonding can open many doors, he concedes. “But it’s up to the contractor to walk through the door and pursue those opportunities.” 🏠

# Shore Up Your Insurance

The case for expanded coverage, from Hawaii insurance specialists

BY BRETT ALEXANDER-ESTES



If you're a Hawaii builder, your "Big Three" insurance cornerstones are auto, commercial general liability (CGL) and workers' compensation.

But your fourth cornerstone—covering emerging issues on Hawaii job sites—is missing. And on today's complex projects, this may leave you open to many damaging claims.



Paul C. Kennedy

**“There is no extra cost for the owner or GC to extend (Builder’s Risk) coverage to all contractors and materialmen.”**

**—Paul C. Kennedy**

To increase protection, Hawaii insurance executives recommend that builders consider expanding their coverage with the following policies:

**Builder’s Risk Coverage:** “This covers property being put in place from hazards such as fire, theft, vandalism, windstorm, etc., as well as provides coverage for stored materials and materials in transit,” says Paul C. Kennedy, vice president at Risk Solution Partners.

**“Standard general liability policies exclude design work.”**

**—Rudy Briones**



Rudy Briones

When reviewing contracts for GCs and subs, Kennedy says he often sees contracts that are silent on this coverage even when the owner or GC is purchasing it. “There is no extra cost for the owner or GC to extend the coverage to all contractors and materialmen on the project,” he says. Contractors should consult a professional agent, he says, to

make sure they are covered by the policy purchased by the owner or GC. “Usually, language is needed in their contract to make sure this coverage is there for them as well.”

**Professional Liability:** “Some contractors have taken on some design responsibilities, and that responsibility makes professional liability coverage very important, as standard general liability policies exclude design work,” says Rudy Briones, vice president at Insurance Factors.



Michael Grossi

“The OPPI policy provides excess limits above (design professionals’) policies.”

—Michael Grossi

**Owner Protective Professional Indemnity (OPPI):** “We place many of the large project placements in Hawaii, and one of the coverages we see more lenders requiring and owners purchasing is OPPI coverage,” says Michael Grossi, executive vice president of Hawaii operations for AON Risk Services Inc.

“On a large project, you have a lead architect and many other design professionals who each carry some design

insurance, usually \$1 million or less. The OPPI policy provides excess limits above their policies, and drops down to provide coverage if the design professional policies have exhausted their limits. This is a very cost-effective way of ensuring you have adequate professional liability coverage on a large project.”

**Pollution Insurance:** “Due to the complexity of Hawaii projects, pollution insurance has now become a common requirement,” says Briones.

Pollution liability risks include unintended contamination, chemical spills and fuel leakage, says Frank Wirt, senior vice president at King & Neel Inc. “Resulting property damage and/or bodily injury can cost contractors not just money, but their reputation,” he says. “Contractors Pollution Liability insurance provides coverage for bodily injury, property damage and clean-up cost.”

“Plumbers, electricians and roofers need to consider (pollution liability) coverage.”

—Frank Wirt



Frank Wirt

Wirt emphasizes that pollution liability is not just for large general contractors: “Artisan contractors like plumbers, electricians and roofers need to consider this coverage.”

**OCIPs and CCIPs:** “The insurance industry has recently undergone major changes with OCIPs (Owner Controlled Insurance Program) and CCIPs (Contractor Controlled Insurance Program),” reports Garrett Sullivan in his “Best Practices” column in this issue.

Both OCIPs and CCIPs are forms of “wrap insurance.”



Garrett Sullivan

Wrap insurance is liability insurance that protects a project’s owner, GC and subcontractors in one insurance program. Since the same policy insures all losses, say some experts, it reduces the need to assign fault in cases where insurance coverage is not an issue.

According to Sullivan, however, both OCIPs and CCIPs have had a dramatic effect on insurance premiums paid and liability assumed, and he cautions builders against being forced to purchase coverage required by a contract.

### Know Your Coverage Needs

Sullivan emphasizes that it is critically important for builders to take the time to understand the types of coverage available. He recommends that builders annually review their policies—including CGL and workers’ compensation—with their agent “to be certain your coverage is sufficient for the job risks.” 🏠

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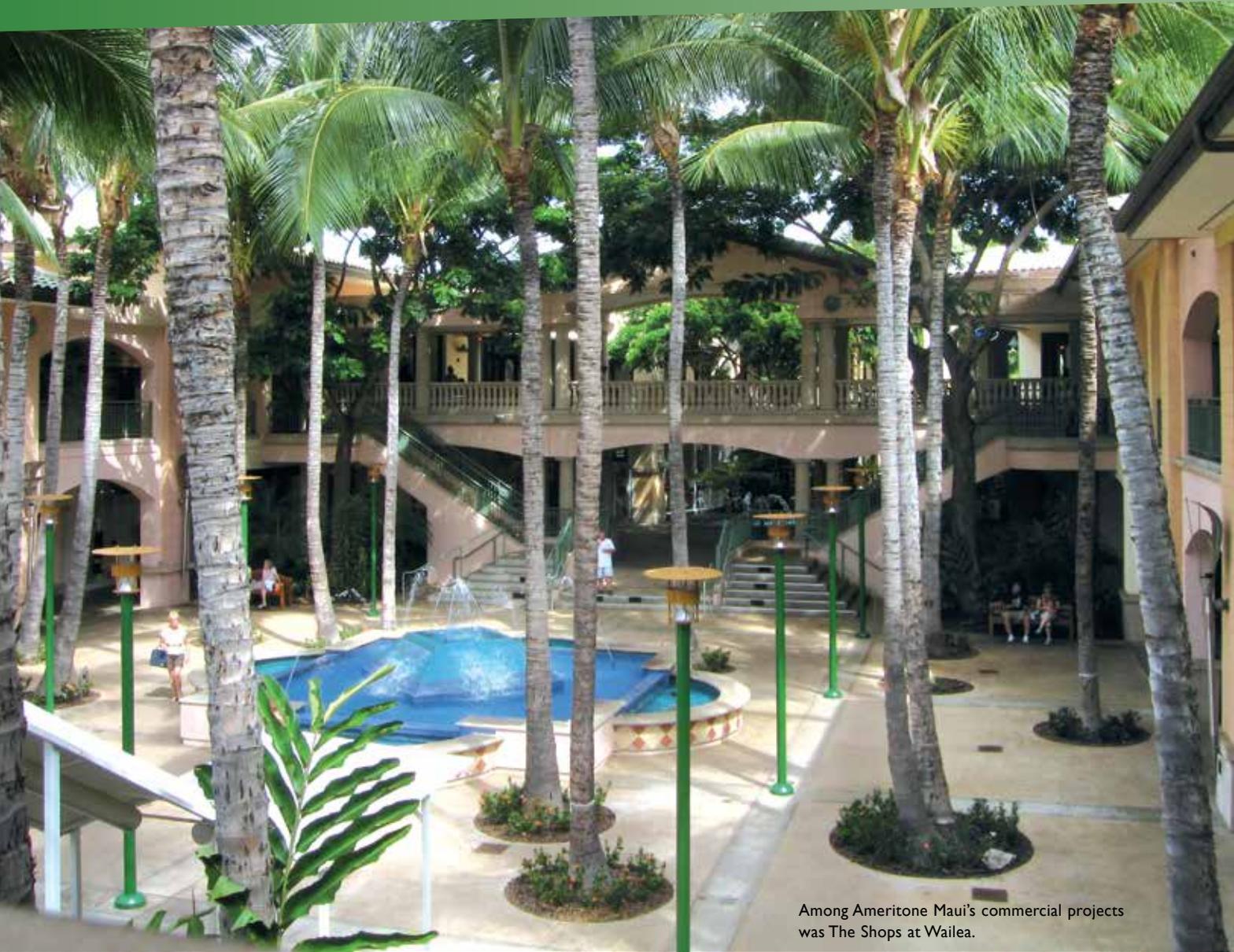
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Among Ameritone Maui's commercial projects was The Shops at Wailea.

# Painting with Technology and Taste

Whether decorating or maintenance, the first step is choosing the right products for your project

BY BRANDON BOSWORTH

While some markets for island painters and decorators may be drying up, other sectors are poised to offer opportunities for new growth.

“After years of robust growth, the painting and decorating industry is currently seeing a reduction in activity,” says Dean Nagatoshi, executive director of the Painting and Decorating Contractors Association of Hawaii. “Most large luxury condominium and retail projects have been completed. There



Dean Nagatoshi

is a shift toward building more work-force condo and residential housing. We do see continued strength in the hospitality sector with hotels continuing to renovate and upgrade their properties. There are still many projects in various stages of construction, design and development, so we are cautiously optimistic for an increase in activity in the future.

"Whether we will see it in year 2018 all depends on when the painting phase of construction will be required on these projects."



Karl Van Zandt

Karl Van Zandt, owner of CertaPro Painters Hawaii, is more optimistic. "CertaPro Painters mainly paints on Oahu, so I'm more familiar with the industry here locally," he says. "It's very robust, in that we have a large population and a lot of residential and commercial buildings, most of which require

painting in an 8- to 12-year cycle."

Joni McGinnis of Ameritone Maui echoes this optimism. "As a small independent paint dealer," she says, "we see the painting and decorating industries in Hawaii remaining steady continuing at the pace of last year."

Joni McGinnis of Ameritone Maui echoes this optimism. "As a small independent paint dealer," she says, "we see the painting and decorating industries in Hawaii remaining steady continuing at the pace of last year."



Joni McGinnis

Some companies rely on specific markets. "The federal government provides a tremendous amount of work here for local contractors," says Blake Kolona, president of Kolona Painting & General Construction Inc. "We rely on that government spending to stimulate our industry. They can be one of the best clients."

Kolona says his company has had good luck securing federal work through the U.S. Small Business



Kolona Painting & General Construction Inc. worked on the Kai Lani at Ko Olina project. PHOTO COURTESY KOLONA PAINTING & GENERAL CONSTRUCTION INC.

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Kolona adds that “the residential painting and decorating market is consistent. The elements put wear and tear on houses. More homeowners

are doing preventative maintenance to maintain the value of their assets.”

How often should a homeowner update the paint on their property?  
“Unless there is an ongoing

problem such as mildew stains, soiled and/or damaged walls there really isn’t a timetable as to how often you should repaint your interiors,” McGinnis says. “But in regards to refreshing a room, there is simply no comparison to paint and its ability to dramatically transform a room. Feeling gloomy? Why not paint your room a cheerful color that’s sure to uplift your spirits. Color enlists emotions and it’s easy to alter your surroundings with just a change of hue.

“Another reason to paint might be for practical reasons such as maintenance. For example, applying a semi-gloss finish in high-usage areas such as your kitchen and a mildew-proof paint for your bathroom are paint products that are better suited for these environments. Semi-gloss finishes tend to be easier to clean and bathroom



Blake Kolona



Crews from CertaPro Painters Hawaii work on The Town House in Honolulu.  
PHOTO COURTESY CERTAPRO PAINTERS HAWAII



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mildew-proof products contain an additive to prevent mildew growth and are able to handle moist conditions.”

### Educating the Client

When it comes to decorating, Kolona says, “homeowners are learning how to work with color schedules, what works with their furniture and their carpets. There’s lots of information out there, and technology is making it easier for people to educate themselves.”

Regular repainting can be especially beneficial for commercial properties. “Business owners with a lot of customer traffic, like hotels and retail stores, obviously want their customers to be comfortable and happy, and that means a clean, inviting environment,” Van Zandt says. “Depending on the amount of wear and tear, they may repaint certain spaces on a six-month to one-year cycle. A typical homeowner who keeps their home clean may be on a 15-year interior repaint cycle. Different



Oahu home painted by CertaPro Painters Hawaii

PHOTO COURTESY CERTAPRO PAINTERS HAWAII

colors can really drive human emotion, and people tend to be most comfortable when things are clean, so a new paint job can really help you renew and keep you happy in your home or workplace.”

Color trends for residences can differ from those used in commercial properties. For example, local homeowners remain rather conservative in their decorating tastes.

“Off-white walls are still the dominant color in the average Hawaii home,” McGinnis says. “The egg-shell finish probably tops the sheens, though semi-gloss is still a popular choice due to its ease of cleaning.”

“Interior painting and decorating preferences are very subjective, and



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PDCA of Hawaii officials are, from left, Lari Bloom, Ronald Yanagi, Jaime Dominguez, Geri Lee, Glenn Shiroma, Shawn Kurihara, Victor Wyman and Dean Nagatoshi.

## PDCA to Install Board of Directors

The Painting & Decorating Contractors Association of Hawaii will present its 2018-2020 Board of Directors on March 10 at the PDCA of Hawaii's Installation Banquet at the Halekulani in Waikiki.

### The new board includes:

Lari Bloom of Zelinsky Co. Inc., Jaime Dominguez of JD Painting & Decorating Inc., Shawn Kurihara of Society Contracting LLC, Geri Lee of Metropolitan Painting & Environmental Systems Inc., Glenn

Shiroma of M. Shiroma Painting Co. Inc., Victor Wyman of Jade Painting Inc. and Ronald Yanagi of Honolulu Painting Co. Ltd.

Dean Nagatoshi continues as executive director, a position he has held since 2015.

The installation event will begin with a reception at 5:30 p.m., followed by the recognition of new directors at 6:30.

color trends tend to be driven more by designers and paint companies' marketing than by the tastes of homeowners," Van Zandt says.

"Because a lot of the recent marketing focus has been on paint technology and the super-premium products, we get more requests for those high-end products than we have in the past, but a lot of homeowners are either apathetic about color, or looking for us to help drive their project color selections. We help a lot of our customers through the color selection process, which involves the application of paint color samples and a lot of trial and error."

Commercial properties sometimes embrace bolder color palettes. "Hotels are unique in that they are all about selling an experience, and colors and finishes plays a big part in that, so they tend to be at the forefront of trendy design and colors," Van Zandt says.

Repainting an existing property can be time-consuming and expensive, but McGinnis notes there are other options. "Trends are fluid, making it impossible for commercial properties to alter an entire floor plan with every whim," she says. "Frequent attention to impact details such as accents and

textures can be updated to address trends without a major redesign."

### Color Schemes

Trends in commercial painting sometimes influence the residential market. "As those trends catch the eye of consumers, they filter down to the residences and HOAs, and also to other commercial property owners," Van Zandt says. "We've noticed a



Kaanapali Alii was an Ameritone Maui project. PHOTO COURTESY AMERITONE MAUI

gradual shift from the earthy browns, taupes and greens to cooler blues and grays in the last few years, but many houses we paint go on the market soon after painting, so neutral color schemes never go out of style."

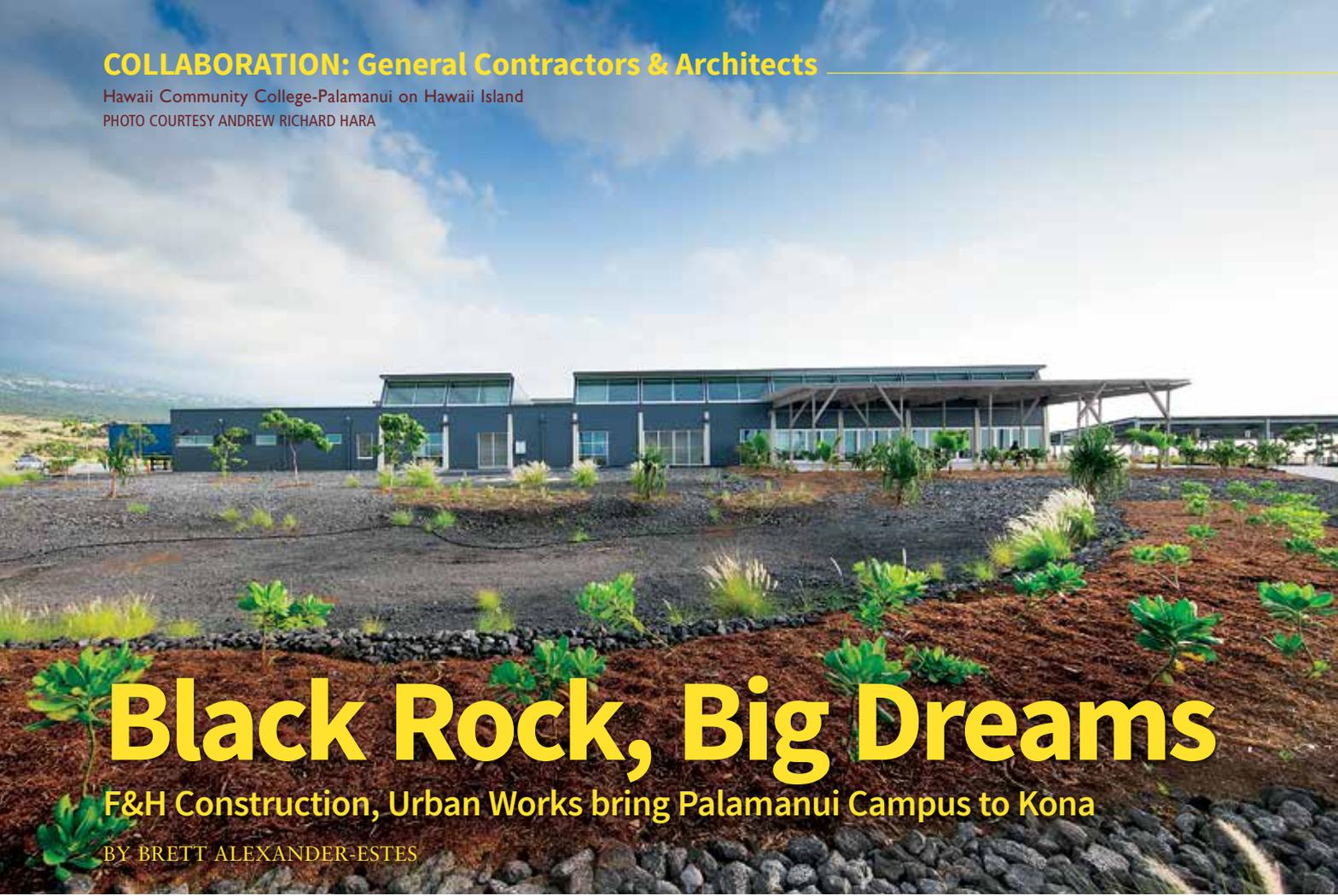
"Commercial and hospitality décor may cross over to residences when it comes to ideas," McGinnis says. "The average homeowner would probably not have an interior decorator on hand to offer recommendations, so perhaps taking cues from commercial properties can inspire residential decorating trends, too."

Repainting a busy commercial area such as a lobby or office can be challenging.

"Safety really is the number one concern in the building trade industry, and painting is no different," Van Zandt says. "Someone getting hurt by your lack of planning or preparation is the worst possible thing that can happen. You really have to take some time to understand the flow of people and then restrict access to work areas, while creating safe passages in busy areas. Cones and delineators are used with caution tape to cordon off areas where risk is minimal.

"Where the risk for injury is greater, we may install scaffold passageways with overhead protection and lighting as needed. As always, communication is key, so the more highly visible signs and warnings, the better." 🏠

Hawaii Community College-Palamanui on Hawaii Island  
PHOTO COURTESY ANDREW RICHARD HARA



# Black Rock, Big Dreams

F&H Construction, Urban Works bring Palamanui Campus to Kona

BY BRETT ALEXANDER-ESTES

For decades, a community college campus in West Hawaii was “just a dream,” says Steve Colón, president of Hunt Companies’ development division in Hawaii.

With no permanent facility, classes were held at temporary sites, including a Kealahou strip mall.

The University of Hawaii had long envisioned a permanent campus, says Karen Lee, senior associate at Urban Works Inc. So in 2010, the UH Foundation signed Hunt and other partners to develop a state-of-the-art community college near Kona.

Three years later, the dream broke ground on five acres of *a’a* and *pahoehoe* lava with F&H Construction as

general contractor and Urban Works as project architect. “The project was to construct Phase 1A and 1B of the Palamanui Campus, which focused on Culinary Arts and

Health Services,” says Dan Blackburn, division manager of F&H Construction.

The new Hawaii Community College-Palamanui welcomed its first students in August 2015, and in 2017 won the American Institute of Architects Honolulu Chapter’s Award of Excellence.

Recently, *Building Industry Hawaii* sat down with the project team, and explored Palamanui’s rise from debris field to shining star.



Steve Colón



Karen Lee



Dan Blackburn

## What sets Palamanui apart from other educational projects?

**Lee:** The campus was envisioned and designed as a learning laboratory: a place for learning and a learning tool itself.

## When Palamanui started, was it on or off the grid?

**Lee:** Off the grid.

## What infrastructure was needed?

**Lee:** Electrical, mechanical, data, plumbing, wastewater, fire protection, building controls, septic tanks, grease interceptors, acid interceptors and irrigation lines.

## What were your first steps?

**Lee:** A sustainable charrette with stakeholders and the architect/engineer team was held in the beginning of the design phase to identify and develop a

strategic plan to achieve a sustainable and ecologically driven campus. The project was targeting LEED Platinum from the beginning, with the client/stakeholders and design team on board.

## Did you and F&H Construction collaborate with the client in the design and build-out of the project?

**Lee:** F&H Construction was not

involved in the design. We worked closely with the client and stakeholders throughout the entire design process. During construction, F&H Construction worked closely with us, the client and its appointed construction manager, DAGS Kona.

**What were you contracted to build?**

- Lee:** A new community college campus, including:
- Site infrastructures
  - On-site improvements (Marae/Piko plazas, storm water detention basin, landscaping, two parking areas, one recycling center, mechanical enclosure, covered walkways and two covered study areas)
  - Ground-up construction of seven classrooms, two teaching kitchens,



Frame for Palamanui’s main buildings  
PHOTO COURTESY URBAN WORKS INC.

**What Goodfellow Does Best**

At Palamanui, “the site was entirely rock,” says John Makoff, regional manager of Hawaii Island at Goodfellow Bros. Inc., which subbed on the project.

The rock “ranged in depth from less than a foot to several feet,” he says, “(and) had one common characteristic: very hard.”



John Makoff

GBI’s site prep and other tasks included:

- Clear and grub
- Rough grade site
- Set up rock crusher
- Excavate sanitary sewer
- Main site electrical
- Excavate storm sewer
- Construction of wetlands
- Relocating the mechanical piping from trellis to underground

“Each are areas of work in which we excel,” Makoff says. “GBI used a CAT D-10, Hitachi 800 equipped with a hydraulic hammer (Hoeram), Hitachi 470 equipped with a hydraulic hammer, Hitachi 330 equipped with hydraulic hammer, several heavy-duty CAT rock trucks, a portable crushing plant, smaller ‘dozers, loaders, pickups and hand gear to complete the site work for the campus.”



Goodfellow Bros. excavating “blue rock” at Palamanui.  
PHOTO COURTESY GOODFELLOW BROS. INC.

GBI’s entire site work effort took approximately eight months. “The item that was the newest and most impactful as an experience was being able to assist in the construction of an artificial wetland for the purpose of treating wastewater,” Makoff says. “This type of approach to wastewater treatment is a much-needed process—one that promotes sustainability and helps to better manage the use of fresh water.”

nursing skills lab, library/learning resource center, two science laboratories, administration, student service center, business center, staff offices and other support areas totaling 24,000 square feet.

**Blackburn:** The contract calls for an interface that visually tracks and analyzes data gathered from various systems where students and faculty can see what is being used at the college. The design included a constructed wetlands which has a disinfection building, viewing pavilion, primary treatment tanks, and sand filters and vegetation. Water will be treated and then sent back, which will allow reclaimed water for irrigation and other non-potable uses.

**How did you proceed?**

**Blackburn:** The ground surface consisted of very ragged *a’a* and *pahoehoe* lava rock. F&H needed to crush the lava before we were able to prepare the site. (We went from mobilization to) sitework and excavation, foundations, structure, exterior and roof, interior rough-ins and finishes, equipment and final activities, wetland area, mechanical enclosure, atrium area/site hard and landscaping.

**Was utility installation difficult?**

**Lee:** The sheer mass of MEP utilities meant the GC and subcontractor had to work closely with each other, and (they) developed a good working

relationship. We were all very elated when we finally poured the slab on grade.

## How did you achieve LEED Platinum?

**Lee:** Key design strategies included sunlight harvesting (PV panels), daylighting, a mixed-mode air conditioning/natural ventilation system, onsite wastewater system (constructed wetlands) and water reuse for irrigating the landscape.

**Blackburn:** We had to pay more attention to VOC content of paints. Wood had to be from a sustainable forest, metal and roof siding had to be so much percentage. So lead times on wood and metal products were longer than normal.

## What was your biggest challenge?

**Lee:** Opening the campus for Fall 2015. We were running slightly behind schedule due to some unforeseen issues. However, the owner, A/E and contractor were able to pull resources together to resolve the issues and obtain the temporary certificate of occupancy at the 11th hour to open the campus on time.

**Blackburn:** Working through change orders and finding extra funds to complete design issues and owner-related changes.



Daylighting helped Palamanui Campus achieve LEED Platinum.  
PHOTO COURTESY ANDREW RICHARD HARA



A state-of-the-art instructional kitchen at Palamanui  
PHOTO COURTESY ANDREW RICHARD HARA

## What's your best example of teamwork?

**Blackburn:** Relocating the mechanical piping from trellis to underground, which involved coordinating with mechanical, electrical and site work subcontractors.

## Which subs deserve special recognition?

**Blackburn:** All our subs made this project a huge success, so it's hard to single out just one subcontractor. However, Goodfellow Bros., Dorvin D. Leis and A-1 A-Lectrician Inc. had to overcome huge obstacles and challenges in order to complete their scope of work.

## Now that the project has won AIA Honolulu's Award of Excellence, what does the project team feel is Palamanui's greatest achievement?

**Colón:** We knew that building a campus in West Hawaii would improve educational opportunities for the area's residents. We could only hope that Palamanui Campus would be as successful a community project as it clearly is today.

**Blackburn:** It is also an award for the community of Kona, and the residents of Hawaii Island: They have dreamed of a university on that side of the island for years.

**Lee:** It is definitely an amazing feeling to be held in such high regard by our peers. We are greatly humbled and privileged to be given this very unique opportunity to work on a project of such high value to our community. 🏠

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# Embracing Building Wizardry

## 3D maps in minutes, pocket-size radar among hot high-tech tools

BY BRANDON BOSWORTH



**W**hen it comes to high-tech tools, drones continue to make headway in the construction industry, though 3D rendering software is making major inroads.

“Drones are invaluable to operations,” says Kaloa Robinson, project manager at Stanford Carr Development. “I can see things I couldn’t otherwise see. Some of our projects cover 20 acres and it’s impossible to get a feel for everything from ground level.”



Kaloa Robinson

“We use drones for surveying measurements,” says Chris Hong, president of architecture at Redmont Real Estate Group, “and are taking greater advantage of laser scanning technology. New technology

makes creative coordination in the field easier.”

San Francisco-based DroneDeploy is a major player in drone software. “Our software for drones captures aerial data and creates highly accurate maps and charts of construction sites,” says Mike Winn, CEO and co-founder of DroneDeploy. “You get a bird’s eye



Mike Winn

view you can share. It’s a powerful communication tool. You don’t have to travel to a site to get information, get measurements or monitor safety.”

The company reports its



Chris Hong

customers have mapped more than 20 million acres of land across 160 countries.

Last month DroneDeploy released Live Map, a feature that allows drone operators to create real-time maps in the field with their iOS device. Users can see maps rendered on-screen during flight without the need for internet or cell connection.

“It’s a big move for us,” Winn says. “This tool is for people looking for real data in real time.” Winn says it could take data from drones as much as three to four hours to process. Live Map can generate a 3D map of a 40-acre site within 10 minutes. “Faster is better than slower.”

Winn says it is becoming easier for companies to utilize drones in the field. “The key thing is the accessibility of tech,” he says. “We recommend some drones that only cost \$1,000. A few are small enough to fit in a



Waterfront apartments rendered using Lumion 3D software  
RENDERING COURTESY LUMION

backpack. Our basic software is free.”

Virtual reality (VR) and augmented reality (AR) tools are also gaining popularity in the industry. Hong says his firm is using VR/AR “more and more to make presentations to clients.” He adds that at the American Institute of Architects National Convention “there were several booths by companies offering headsets and virtual walk-through technology.”

Hong mentions two prominent companies working in VR/AR: Lumion and Twinmotion. Both European firms offer 3D rendering software in a variety of languages for the architecture and construction industries.

“WRNS Studio is integrating several virtual reality and visualization additions to our BIM (Building Information Modeling) workflow,” says Jason DeMarco, project architect at WRNS Studio, a Hawaii

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architectural firm with branches in San Francisco and New York City. “This



Jason DeMarco

ability to adjust the BIM model and simultaneously see the visualization updated allows our teams to quickly make design adjustments and convey the experience of the future project to team members and other stakeholders. Full virtual reality simulations allow for an immersive experience in a project. This immediate feedback loop increases project efficiency by decreasing time spent rendering mode buildings to convey design intent.”

Another popular software is Autodesk Revit, a BIM tool designed for architects, structural engineers, designers and contractors.

“Most of our projects are developed using Revit and many use full BIM capabilities for collaboration and clash detection,” DeMarco says. “Fewer errors and greater efficiency can only result as the design team and construction team learn more about each other’s workflow and draw



Map of a jail construction site prepared with DroneDeploy software.

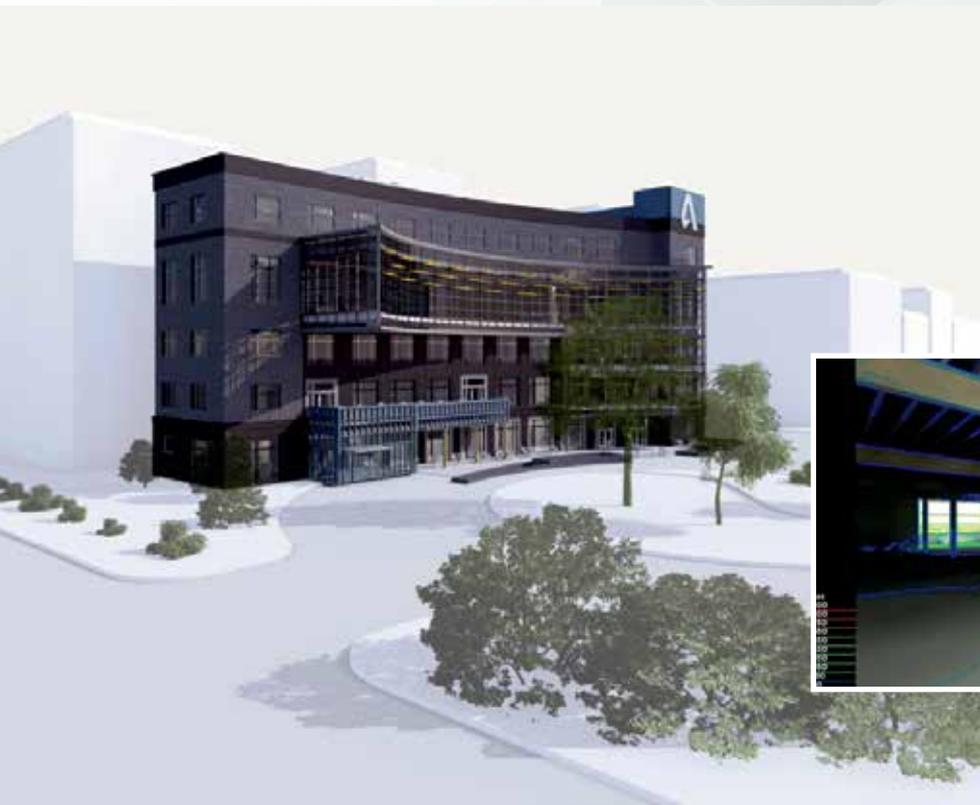
PHOTO COURTESY DRONEDEPLOY

closer together as a means of communicating the project’s realization. Building technology systems are a tool for us to communicate to to each other our intent and desired outcome. Specifically, the ability to translate a design Revit model from the design

team into a construction model capable of generating as-built conditions appears to be a critical skill on our complex projects.”

DeMarco says WRNS is currently co-developing a virtual reality plugin “which allows users to edit models within a virtual reality experience.” He says the company “hopes to bring this tool to more projects, as we find the sense of presence and scale that comes from an immersive simulation allows us to expand our design dialogues both within our means and with our clients and builders.”

New technology doesn’t eliminate the need for old-fashioned hardware such as tools and equipment. But it



(above) Revit software features energy analysis providing information about daylight and shade; (left) A rendering created with Revit software RENDERINGS COURTESY AUTODESK

can help keep that hardware safe, even after hours at construction sites.

“We have been working with ground-based radar technology that used the Doppler radar effect,” says Tom Keener, president and founder of Blackhawk Security. “Motion sensors are easily triggered and unreliable.



Tom Keener

“We’ve deployed the new systems on a couple of worksites on Kauai. One is at a plant. Thieves were stealing tools. They’d be caught on film, but they were wearing ski masks and hunting attire. The ground-based radar is the size of an iPod and sends out an elliptical signal. If someone comes close to the fence it will trigger the alarm,

projects. When it comes to adopting new technology, Hong says “smaller projects can have more participation from the whole team.”

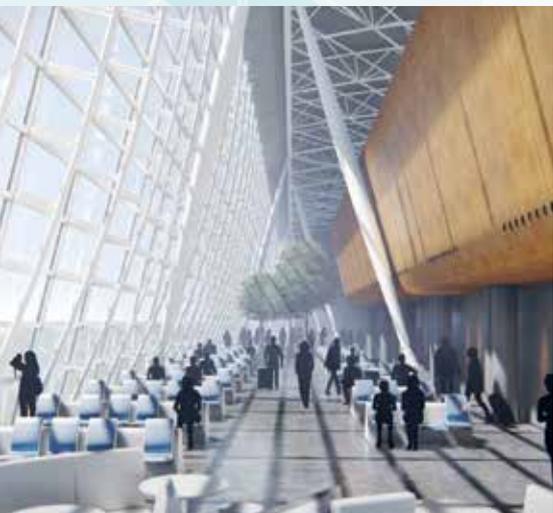
In the end, it comes down to what makes most sense for the company. “Companies want to be faster and more efficient,” he says. “If paper is more efficient, they’ll stick to paper. It’s a big investment to shift.”

Winn says he expects to see the

construction industry continue to move toward drones and other new technology as attitudes change.

“People will see these things as just another tool once they see it in action,” he says. “It’s like a power tool you control with a phone. It’s an extension of yourself.” 🏠

.....  
*Brett Alexander-Estes contributed to this report.*



Rendering of transit area  
RENDERING COURTESY LUMION

track and record their movements, and call the police. Many sites have thousands of dollars worth of lumber and equipment lying around. Especially with an unmanned site, you want protection. Electronics don’t call out sick.”

Bringing high-tech wizardry into the construction industry can be a challenge.

“Technology is more integrated on the Mainland,” Hong says. “It’s slower here.”

He says one reason is a company has to wholeheartedly commit to a new technology to “get the benefits.” This can be daunting on some large



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# Guam Gym Renovated for Use as Emergency Shelter

Guam officials opened the doors of the newly renovated As Tumbo gym in Dededo, the first completed component of the island's \$3 million Gymnasium Renovation Project.

General contractor for the As Tumbo gym was P&E Construction. The \$710,000 renovation included strengthening the structure to meet Tier 2 requirements for an emergency shelter, which includes withstanding winds of up to 175 mph. The facility can accommodate up to 400 people, officials say.

Seven other sports facilities also are being renovated to function as emergency shelters: the Yigo gym, the Guam Dededo Sports Complex, the Tamuning gym, the Barrigada gym, the Yona gym, the Talofoto gym and the Agat gym.

The projects are managed by the Guam Housing and Urban Renewal Authority, while Department of Parks and Recreation is the contracting



The renovated Astumbo gym in Dededo

agency. The projects are funded through the U.S. Department of Housing and Urban Development's Community Development Block Grant.

The Dededo gym, damaged by Super Typhoon Pongsona in 2002, has been redesigned to be ADA-compliant.

"We're creating a space where our children and our athletes can participate in sports and hone their skills. But the gym also can be used as an emergency shelter in times of disasters," Gov. Eddie Calvo said at a ribbon-cutting ceremony on Jan. 8.

## GPA Proposes 180MW Power Plant

### New facility on 60 acres near Dededo will replace aging units

BY MAR-VIC CAGURANGAN

The Guam Power Authority expects to issue a request for proposal this month for the construction of a 180-megawatt power plant to replace the aging units that will retire in four years.

Utility officials say the proposed power plant, to be built on a 60-acre property in the northern village of Dededo, is designed to use ultra-low-sulfur diesel and natural gas, eliminating the need for "dirty" fuel.



John Benavente

GPA General Manager John Benavente says the existing power plants in Cabras, Piti, Apra Harbor and Commerical Port do not meet U.S. and Guam Environmental Protection Agency standards for clean air and water, and are "more costly and complex to operate."

GPA General Manager John Benavente says the existing power plants in Cabras, Piti, Apra Harbor and Commerical Port do not meet

The built-operate-transfer project, scheduled for completion by 2021, will meet the island's increasing demands, Benavente says.

Joseph Duenas, chairman of the Commission on Consolidated Utilities, says once the Legislature passes the proposal and the property is rezoned, the GPA will start soliciting bid proposals from prospective independent power producers.

GPA's existing units, which have a total capacity of 408MW including baseload and emergency capacity, currently serve Guam's 51,000 customers.

In 2017, the current baseload capacity of 208MW was short of the 261 MW peak demand. By 2021, peak demand is expected to go up



Joseph Duenas

to 283MW, which the proposed new power plant will be able to meet.

Unlike the existing units which are susceptible to tsunami and storm surges, Benavente says the proposed power plant is designed to withstand natural disasters.

GPA currently spends an average of \$100 million a year on fuel, depending on market prices.

"The wild swing in fuel prices results in unsteady fuel-recovery charges," Benavente says. "The new baseload plan will use diverse fuel and energy sources that will result in stable fuel-recovery charges."

The proposed site of the project is in the neighborhood of the Guam Regional Medical City.

"The new plant can co-exist with GRMC as it does in many communities in the nation, especially since power reliability at the hospital is critical to patient care," Benavente says.

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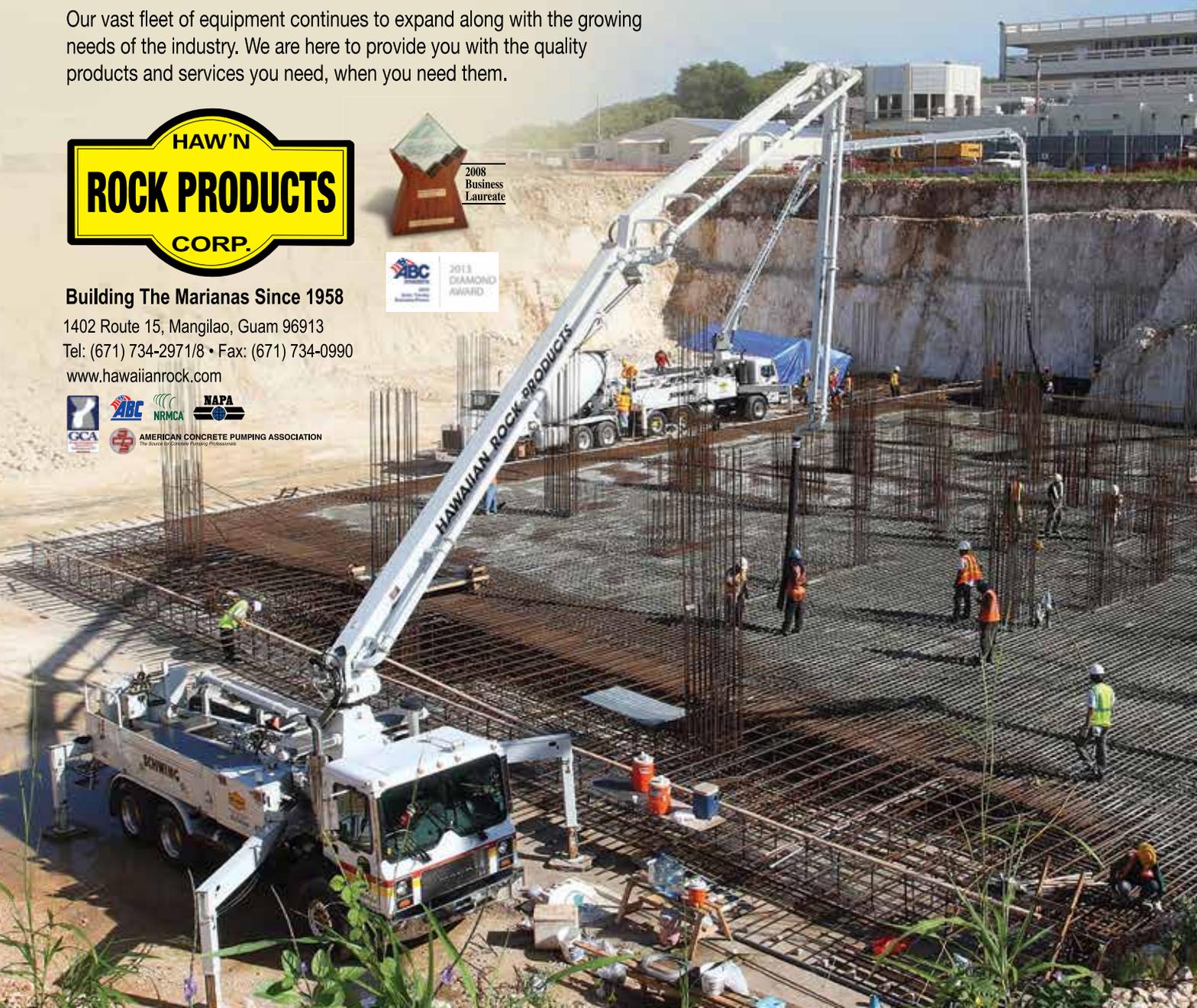


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# DuPont Pioneer Breaks Ground on Shade House

DuPont Pioneer, a business unit of DowDuPont Agriculture Division, broke ground on Feb. 16 on its nearly \$12 million shade house project in Kekaha, Kauai.

Earthworks Pacific Inc. is the site prep contractor and the construction will be handled by Island Grower Supplies LLC, which specializes in greenhouses and agriculture equipment.

The new structures are designed to increase capacity and incorporate more efficient technologies. Expansions are aimed at enhancing the DuPont Pioneer Waimea Research Center and the former DuPont Pioneer Kekaha Parent Seed location, which are now part of the research network.

“This project will expand our capacity to conduct research operations indoors, providing environmental benefits and reducing the need for additional lands,” Judith Rivera, Hawaii Research Lead for DuPont Pioneer.



DuPont Pioneer held a groundbreaking ceremony on Feb. 16 for its shade house project on Kauai. Taking part were, from left, Fred Humphrey of Island Grower Supplies; Carrice Gardner of the governor's office; DuPont Pioneer's Ryan Oyama, Mark Takemoto and Judith Rivera; Kauai County Council Chair Mel Rapozo; Earthworks Pacific's Scott Sheldon; and Kauai Mayor Bernard Carvalho.

Four new structures will be built during the first phase of the project. Additional structures will be built over the next few years. Other

improvements are also planned, including renovations to the office building in Kekaha to create more work areas.

## Maui Kupono Builders Repaving West Oahu Roads

Contractor Maui Kupono Builders LLC began repaving a portion of Farrington Highway in Kapolei and Kamokila Boulevard in Makakilo. The project, which is expected to take three months, was scheduled to get underway on Feb. 6.

The work includes cold planing; resurfacing and reconstruction of asphalt and concrete pavements; adjustment of utility manholes and covers; reconstruction of existing concrete curbs and gutters and installation of permanent pavement markings; vehicle loop detectors; and new concrete curb ramps.

Cold planing and paving activities were to be performed between 7 p.m. and 5:30 a.m., Mondays through Thursdays.

## All Court Hawaii Resurfacing Park Courts

All Court Hawaii began resurfacing the tennis courts at Ala Moana Regional Park on Jan. 24. The \$249,200 project is part of Mayor Kirk Caldwell's Kakou for Parks initiative to resurface public play courts across Oahu.

For the past two decades, Lahaina-based All Court Hawaii has handled court design and construction, resurfacing, crack repair and striping across the state.

A total of 10 play courts and the practice court at Ala Moana Regional Park were slated for resurfacing. The project is expected to finish by the end of March.

The resurfacing began at the practice court and the adjacent court on the mauka, Diamond Head side of the facility, and then toward the ewa direction. The courts were to be closed on a rotating basis to allow public access to those courts not being actively renovated.

Prior to the Ala Moana project, the Kakou for Parks program has improved 120 parks around Oahu, with 189 play courts at 43 parks being resurfaced, the installation of 68 new or refurbished pieces of play apparatus and 63 renovated comfort stations.



# Simpson Strong-Tie Opens Warehouse

Simpson Strong-Tie Co. Inc. in early February began transitioning its dealer sales operations to a 19,000-square-foot facility in Kapolei.

Previously, Simpson Strong-Tie handled dealer sales operations in conjunction with distributor Honolulu Wood Treating LLC at 91-291 Hanua St. in Kapolei. Simpson's own facility is nearby at 91-312 Komohana St.

Since 1955, HWT has provided wood treatment and building product distribution services in Hawaii. HWT has carried Simpson Strong-Tie products for more than 40 years.

"Together with HWT, Simpson has grown product sales to the point where Simpson can now justify opening its own facility in the Hawaii market," says Tim Waite of Simpson Strong-Tie.

Waite says that during the transition period, HWT and Simpson Strong-Tie will honor sales through both companies through March. Starting in April, he says all purchases will be handled directly with Simpson and fulfilled at its new Komohana warehouse.

"HWT has been a valued partner in the Hawaii market, and Simpson truly appreciates all the support HWT has provided over the years," Waite says.



PHOTO BY ANJJ LEE

## PDCA Pitches In for Homeless

The Painting & Decorating Contractors Association of Hawaii (PDCA of Hawaii) joined numerous organizations and companies in sponsoring Kahauiki Village, the state's effort to provide long-term housing for Hawaii's homeless. The community, to include 153 one- and two-bedroom homes, sits between Nimitz Highway, Keehi Lagoon Park and Sand Island. (Above) Jaime Dominguez of JD Painting & Decorating Inc., a PDCA member company, looks on as Arnold Sabala preps a new home at Kahauiki Village to be painted.

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# STG Raising Rail Columns for Airport Section

General contractor STG in early February began construction of the first set of support structures for the Honolulu Authority for Rapid Transportation's (HART) 5.15-mile airport guideway and stations segment.

STG is a joint venture of Mainland companies Shimmick Construction, Traylor Bros. Inc. and Granite Construction.

The \$874.75 million airport-area elevated guideway will feature four of the projects' 21 stations: Joint Base Pearl Harbor-Hickam, the Daniel K. Inouye International Airport, Lagoon Drive and the Middle Street Transit Center in Kalihi.

The airport section's support structures run from south of Aloha Stadium in Halawa to past the Middle Street Transit Center. STG is contracted to build 234 columns in the airport section of the project, which is expected to be completed in late 2021.



(above) The first support column along the rail's airport guideway was installed in February; (left) The rail's West Loch pedestrian concourse stretches across Farrington Highway near Waipahu. The bridge will provide rail passengers access to the train's boarding areas.  
PHOTOS COURTESY HART

# Work Begins on The Plaza in Kaneohe

Building Systems Hawaii began work on Feb. 1 on The Plaza Assisted Living (The Plaza), which will be among the state's largest senior assisted living care providers.

Other members of the project team include MW Group Ltd. and Wattenbarger Architects. The project is expected to be completed by the

summer of 2019. The Plaza is leasing the 70,000-square-foot site from Kamehameha Schools. The ground-breaking and blessing ceremony was held on Jan. 30.

The Plaza will be the sixth residence in the Plaza Assisted Living properties, and will feature 117 apartments that can accommodate up to 145 residents.

The four-story building will be at the corner of Haiku Road and Alaloa Street across from Windward Mall.

The Plaza will provide specialized programs including independent living, assisted living, short-term respite stays and memory care. Its memory care program, Halia Memory Care, is based on the internationally recognized Best Friends model of dementia care.

The Plaza also will offer services including health care support, house-keeping and exercise and wellness programs as well as scheduled transportation for residents to run errands and attend doctor appointments. Modern amenities will range from restaurant-style dining, coffee bistro, movie theater, exercise/physical therapy room and hair salon.



Rendering of The Plaza in Kaneohe

# Kiewit Begins Work on New KCT

Kiewit Infrastructure West Co. began work in January on Honolulu's new Kapalama Container Terminal (KCT), initiating the first phase of the two-phase project for the Hawaii Department of Transportation.

The new terminal, estimated at \$448 million, is the largest capital improvement project in the history of Hawaii's commercial harbor system and is scheduled for completion in 2022.

HDOT's KCT project is the centerpiece of the state's Harbor Modernization Plan. The goal is to improve shipping and distribution logistics at harbors statewide, which receive nearly 80 percent of all goods entering the state.

Kiewit was awarded a \$163.5 million contract in September to build KCT's first, "landside construction" phase. Pending permit approvals, KCT's second, "waterside construction" phase is tentatively scheduled for bid this year.



BIA-Hawaii's two-day Big Home Building & Remodeling Show drew a record 30,000 local residents.

## Remodeling Show Draws Record Crowd

The Building Industry Association of Hawaii reports its 25th annual Big Home Building & Remodeling Show in January attracted more than 30,000 local residents, a 17 percent increase over the previous year.

The event, held Jan. 26-27, at the Blaisdell Exhibition Hall, topped the 24,000 residents who attended in 2017, according to BIA-Hawaii. The not-for-profit trade organization also reports that this year's attendance was 25 percent more than the 2016 HBRS.

BIA-Hawaii 2018 President Dean Uchida says the annual show allows "our members to showcase the latest and greatest in home building and

remodeling from new materials to the new appliances." Uchida says the event also provides Island residents "the opportunity to see, touch and experience what is new and popular in the home building industry."

Among the exhibitors, Honsador and Revolusun featured accessory dwelling units (ADUs). New exhibitors this year included King's Roofing and Aloha Pacific FCU.

In addition to exhibitors and products, the HBRS features seminars and presentations. Topics included "Top Ten Remodeling Mistakes," "Aging in Place—Be Home Fit" and "Kitchen and Bath Design Trends."

...Building Hawaii, continued from page 13

homeowners. ... After paying half-market as renters they're now paying one-third as owners, with no property tax the first seven years, the minimum after that. But they have to pay for their own insurance.

"We think it's a model of home ownership for low-income people."

The difficulties were well worth it, Craig says, when considering the many benefits for those 70 families:

"We heard fantastic stories from people, how we solved problems and got them into home ownership. One lady didn't have money for the down payment, but the loan officer found out she had several cemetery plots, and advised her to sell them and raise the cash for the down payment. Someone asked her, so where you get buried now? She said, 'In my

backyard, I got land.'"

The 15-year rental period ended two years ago, and early this year they finalized the sale of the last unit to its renter.

"It's not for the weak of heart, that's for sure," he says of the often-frustrating process. "And my guys came through, carried the ball, did the heavy work, Max on the financial side, buying out the investors, making presentations, and Kyle being with sales, escrow, lenders, a very meticulous process."

"I hear some contractors grumbling about millennials, they don't want to work hard. I said my guys know how to work. They played competitive sports, they know how to show up, nothing handed to you, no participation trophy."

Affordable housing remains their focus.

"Next up, we're building the largest affordable housing project on Kauai, near Poipu," says Craig. "We received development rights from the county on land that was donated by Kukuiula (the upscale private development) that was part of their affordable housing requirements. That's 134 units."

Of continuing his father's goal to build affordable housing for Hawaii people, Craig says:

"You have to do the right thing. These people are somebody's auntie or uncle. You gotta do it right."

And he's making sure the next generation carries on that legacy. 🏠

.....  
*Have a good story about a good person in the construction industry? Please mail me at [don@tradepublishing.com](mailto:don@tradepublishing.com).*

# Char Becomes Youngest Principal at G70

G70, a leading Hawaii design firm, has promoted 32-year-old **Ryan Char** to principal, the youngest in the firm's history. Char will join G70 Principal Paul Matsuda in overseeing the performance and growth of the firm's civil engineering division.



Ryan Char

"Ryan has demonstrated leadership qualities from the moment he stepped foot in our office," says Charles Kaneshiro, president and COO at G70. "While his professional expertise is in civil engineering, he is active with the various departments and studios within the firm in terms of planning and decision-making. We're excited that Ryan has joined the company's ownership and leadership team, and is dedicated to continuing the momentum G70 has built, while bringing new ideas, perspective and energy to the table."

As principal, Char oversees the firm's general management and operations,

and also directs the production of engineering drawings, plans, reports, specifications, and cost estimates. Additional duties include client interaction, marketing, contracting, education and training, and project oversight.

After joining G70 in 2012, Char helped expand the firm's civil engineering division, which now includes nearly 20 members.

Previously, Char was an engineering consultant in Los Angeles, managing site development and infrastructure improvement for DreamWorks Animation, the University of Southern California, Loyola Marymount University, The Broad Museum and other clients.

Char earned his bachelor's and master's degrees in civil engineering from the University of Southern California.

## Bowers + Kubota Adds Six

Bowers + Kubota, a Hawaii architectural and engineering firm specializing in project design and development and construction and program management, has hired six new building specialists.

**Jamie Hashimoto** joins as Tripler Facilities Management Division project specialist.

**Milton Haitzuka** joins as



Jamie Hashimoto



Milton Haitzuka



Harry Lovell



Pete Riofta



Frederick Bulla



Richard Bass

construction manager on the University of Hawaii at Manoa's Hamilton Library Phase 3.

**Frederick Bulla** joins as project engineer on Kwajalein Island for the U.S. Army Corps of Engineers.

**Richard Bass** joins as project manager on projects at Waimea Middle School, Kaimuki Middle School and Konawaena Middle School.

**Harry Lovell** joins as construction manager on the Hawaii Department of Transportation (HDOT) Consolidated Rental Car Facility at Kahului Airport.

**Pete Riofta** joins as project inspector on HDOT's guardrail and shoulder improvements on Kauai.

...A History of Hawaii Homes, continued from page 23

to start construction on, and will deliver in third quarter of this year."

And Barrett is also thinking vertically.

"In 2016 we worked with Kamehameha Schools and did the mid-rise 400 Keawe (in Kakaako), and we're really pleased with that because we targeted it for a local market. There will be characteristics of 400 Keawe you'll see at Koa

Ridge. Because a lot of the densities around the commercial areas will be higher, you will actually see structures that will resemble 400 Keawe around the higher density commercial areas, and then when you move out you'll see more traditional single-family homes and townhomes.

"So that's what's keeping us busy."

And when these projects

are completed and Hawaii people are moving in, Barrett will find a pleasure known to just about everyone who works in Hawaii's construction industry, whether a cement driver, carpenter or architect, a sense of pride in contributing to a well-done building

"I get it when I drive through Mililani," he says. "I get it when I come to work and check on how

a project is coming along. Sometimes I'll drive by 400 Keawe, because you have a personal connection to it—everything we build. That's what everybody in this industry should do. If you're staying away (from a project), there's probably something wrong with you, or maybe you didn't do as good of a job. ... But we leave something tangible out there, and that's great." 🏠



# Power Buggy

The WTB-16 track-drive power buggy by MQ Whiteman features an aggressive track pattern enabling the buggy to travel through soft soils and muddy site conditions. Optimal traction and durability are assured by a steel embedded ladder track design and rugged undercarriage utilizing cast ductile iron guide wheels. The tub offers 2,500 pound capacity and polyethylene construction for easy cleaning. A Honda GX690 engine produces 22 horsepower. The WTB-16 can reach speeds of 5.7 mph unloaded and 4.7 mph loaded. [www.multiquip.com](http://www.multiquip.com)

## Compact Site Light

Milwaukee Tool's M18 RADIUS Compact Site Light with Flood Mode offers a compact solution for users who require the versatility of two lights in one. With 2,200 lumens of light output in area mode and 1,000 lumens of flood lighting, the light can handle both large work areas and smaller task situations. The main body of the light provides 360 degrees of area light, while an independent array of LEDs on the side provide 90 degrees of task lighting. It can illuminate workspaces for up to 24 hours on a single charge. An AC inlet also allows the user the option of plugging in the light for extended run-time. [www.milwaukeetool.com](http://www.milwaukeetool.com)

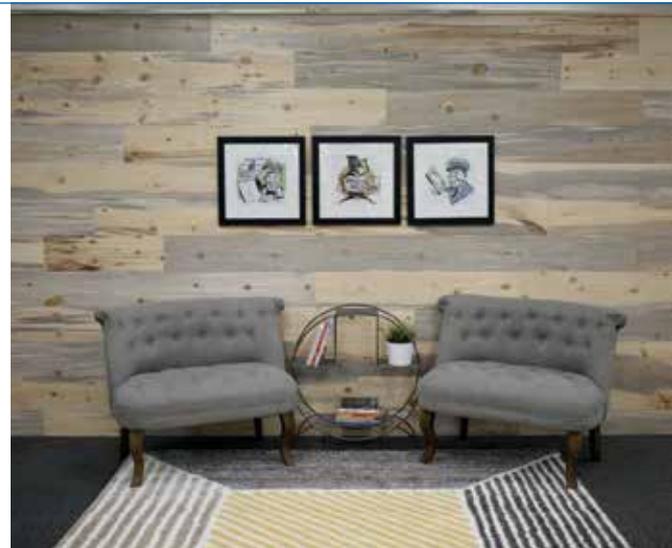


## Dust Suppression Kit

The 36-inch retrofit dust suppression spray kit by American Pneumatic Tools can attach to all sizes of APT handheld breakers, rivet busters and chipping hammers. The kit allows workers to flush out harmful jobsite dust before it becomes airborne, minimizing silica dust exposure. The kit comes equipped with a mist nozzle covering an 80-degree cone around the tool at 40 pounds per square inch (psi) of pressure. The nozzle can attach to a garden hose and is capable of producing six gallons of water per hour. The APT spray kit complies with Occupational Safety and Health Administration (OSHA) regulations concerning exposure to respirable crystalline silica. [www.apptools.com](http://www.apptools.com)

# Modular Wall System

Emagispace's EmagiBlocks is a system of interlocking building blocks that can either form a freestanding wall or integrate with an existing wall. Faced with sustainable medium-density fiberboard (MDF) panels, the blocks help to cut down on waste generated from traditional construction. EmagiBlocks connect via impact-resistant ABS plastic ribs, and can support hanging weights of over 150 pounds. These connectors, located at the top and bottom of each block, can also be inverted to create a flat, level surface on the outer edges of the wall. Standard EmagiBlocks are 41 inches high by 1-, 2- and 3-feet wide and 4.5 inches deep. The system is also available in custom-ordered sizes. [www.emagispace.com](http://www.emagispace.com)



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# Shinnen Enkai Reception

Many of Hawaii's building industry leaders and state and local officials turned out for the Construction Industry Council of Hawaii's (CICH) 2018 Shinnen Enkai Reception on Feb. 6 at Café Julia at the YWCA on Richards Street. Among those attending were members of the General Contractors Association (GCA of Hawaii), Building Industry Association (BIA-Hawaii), the Honolulu chapter of the American Institute of Architects (AIA) and others.



Evan Fujimoto, Leslie Isemoto, Gladys Hagemann, Dan Chun, Johnny Higa



Blake Parsons, Sandie Wong, Gregg Serikaku, Shannon Alivado



Richard Hobson, Herb Gerhardt, Eric Wong



Ron Cox, Kaiulani Shinsato, Derek Mukai, Rodney Chong



Stephen Joseph, Ben Yamamoto, City Councilwoman Kymberly Pine, Albert Shigemura



Brian Kunioka, Andy Ragasa, Margot Silva, Kimo Pierce



Rep. Chris Lee, Mayor Kirk Caldwell, Rep. Roy Takumi, Rep. Beth Fukumoto, Rep. Aaron Johanson



Rep. Lynn Decoite, Rep. Jarrett Keohokalole, Rep. Chris Todd



Mike Lynch, Lari Bloom, Chad Bloom, Steve Zelinski, John Bloom, Lyra Johnson, Sen. Will Espero



Clifton and Laverne Crawford, Antonia Agbannaw, Craig Constant, Scott Snider



Gladys Marrone, Brent Tokita, Dean Uchida



Gerry Majkut, Karen and Ken Berry



George Okuda, Stefanie Sakamoto, Rep. Ken Ito, Cathleen Langin, Derek Kamm

# Websites for Home Builders



If you're contemplating a new website or redesign, here are three things you should know: mobility matters, speed is critical and imagery warrants deep thought.

This advice is not from *Building Industry Hawaii*, but rather from Myers Barnes, the keynote speaker at NAHB's huge International Builders Show a few weeks ago. Barnes, the principal at Building Designs in Kitty Hawk, N.C., is a rare combination of licensed general contractor and real estate broker who ranks among America's most successful salespersons of new homes.

Searches for new homes begin on cellphones, he says. Most buyers won't sit down to peruse your site on desktops or laptops unless they are "doing a super deep dive." This means savvy home builders won't bother with a desktop-based website design that is

## The Big Show

NAHB's International Builders Show during the second week of January welcomed more than 85,000 attendees. Thousands of building professionals attended more than 150 education sessions covering the breadth of the entire building industry.

The Florida exhibits spanned 583,000 square feet, from more than 1,500 manufacturers and suppliers.

developed to transition seamlessly to a smaller mobile version—or what's known as responsive design. Instead, he says the site must be designed with

mobile users in mind, without complicated menu bars, sliding graphics and other distractions.

Speed counts as well. If your website takes more than five seconds to load, you've just lost 90 percent of your potential buyers—because people these days simply won't wait that long, adds Barnes. Rather than rely on a traditional website framework, which forces users to reload the page every time they boot up, Barnes prefers JavaScript-based programs like Vue and React.

Thirdly, Barnes notes that today's buyer is extremely visual, meaning home builders must invest in dynamic, well-lit and professional photography if they expect to attract and capture the interest of potential buyers.

"They don't care about your 'About' page," he says. Images of homes on websites taken by professional photographers have a higher asking price "and take you to the promised land of profitability."

While Barnes may be a tactical thinker who understands his industry like no one else, he acknowledges that responsive design, mobile-first user interfaces, search optimization and effective calls-to-action are all factors in a website's success. The best website is the one that's found. But in this age of selfies and smartphones, how do you convert browsers to buyers after you're found?

"Usability is a necessary condition for survival," notes Jakob Nielsen, the world's leading authority on website navigation and usability. "If a site is difficult to use, people leave. If the homepage fails to clearly state what is offered and what users can do, people leave. If users get lost on a website, they leave."

Whether you want your new site or redesign to actually sell homes, hardware or heavy equipment, these tips from Barnes and Nielsen will help you nail it. 🏠

*Schooled in mass communications and technology by leading corporations and top universities, Ken Berry is the CEO of Trade Publishing Co.*

## 5 Nielsen Web-Design Pitfalls

A large-scale usability study involving participants in both the U.S. and England revealed the most common and damaging web-design mistakes today. They aren't surprising or new; they're enduring issues that continue to adversely impact website usability.

### 1. Unexpected Locations for Content

People can't use information they can't find. Many sites offer poor category names that don't adequately or accurately describe content within them.

### 2. Overwhelming Users with Information

Poorly organized information leaves users struggling to find what they need. Dense walls of text and overloaded pages make it difficult to scan for information of interest.

### 3. Poor Search Results

Users will leave your site to search, as a last resort, when they know precisely what they're looking for and can't find it. In any scenario, websites need to support users by providing strong search efficiencies.

### 4. Hidden Links

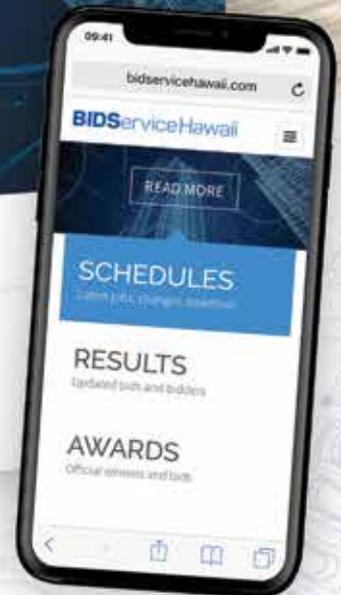
For years, usability research has shown that users often ignore or overlook content that resembles advertising or is placed in a page location typically used for ads. This problem is even worse when content appears alongside actual advertisements.

### 5. Hidden Fees and Prices

People want to know about prices, subscription fees, convenience fees and additional charges before or at the beginning of a process. On many sites, users must proceed through complex interactions just to find basic information.

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# Manage Your Risk

Consider for a moment that every day contractors promise an owner they will build a one-of-a-kind project—which they have never built before, at a firm price, in a specific time period, under all kinds of weather conditions and in a different location each time. With these types of promises made on a regular basis, contracting is a risky business.

Risk is defined as a threat of damages, injury, liability, loss or any other negative occurrence caused by internal or external vulnerabilities which may be avoided through preemptive action. Profit is the reward for the risk taken in contracting for a project. The ability to control risk has a significant impact on profitability and viability of the organization.

Over the past several years the construction business environment has changed with a constant force to push risk down to the next rung in the ladder. Savvy contractors are very intentional in seeking ways to reduce their risk exposure.

While the subject of risk management is expansive, here are some of the basic and most important areas of risk management:

## Insurance

Insurance is often referred to as a singular subject; there are numerous types of coverages for entities involved with construction or mandated by state law. The two major coverages are liability insurance and worker's compensation. It is critically important to take time to understand the types of coverage and to spend time annually to review with your insurance agent to be certain your coverage is sufficient for the job risks.

A company's safety record can have an enormous impact on yearly insurance premiums. A poor safety record can result in paying more than the usual average of 2 percent to 6 percent

of contract revenues. A difference of 2 percent to 6 percent between contractors bidding for the same job can win or lose the bid.

There are two types of General Liability policies, Occurrence and Claims Made. Occurrence policy is used more frequently and is the "preferred policy" in the industry. For the occurrence policy, the claim is based on when the claim (bodily injury and/or property damage) occurred and the date the claim is filed. The Claims Made policy coverage is very different than the Occurrence policy. For a claim to provide coverage, the claim must have occurred and be filed with the insurance company within the "policy period." This is why the Occurrence policy is the preferred policy of the industry.

The insurance industry has recently undergone major changes with OCIPs (Owner Controlled Insurance Program) and CCIPs (Contractor Controlled Insurance Program), which have a dramatic effect on the premiums paid and liability assumed. Be prudent and always work with your agent on the required coverage for each bid in order not to be forced to purchase coverage required by the contract. Be aware: OCIP and CCIP policies are Claims Made policies.

## Bonding

Payment and Performance Bonds are a guarantee by an insurance company to an owner or another contractor that the job will be completed for the dollar amount contracted and rendered lien-free should the contractor fail to complete the project. In terms of risk management, a bond is an excellent tool.

There are usually two issues, the additional cost for a bond and does the contractor have the financial ability to provide a bond. In Hawaii, the risk arises from an extremely low bid from an under-capitalized subcontractor

who is unable to bond. Another risk mitigation product is Sub Guard, which is a modified bond which can be utilized in some cases in lieu of a bond.

## Warranties and Liabilities

Warranties are promises made to the owner regarding the final performance of the installed systems within the project. The industry standard is one year and is usually based on the contract requirements for high-quality new material and equipment free from workmanship defects.

Frequently, owners ask if the warranty is backed by the manufacturer such as in a roof membrane, with the assumption that a well-capitalized manufacturer is a better risk than a small roofing contractor. This is an "expressed warranty" and can be thought of as a written promise an outcome will be achieved, such as in the case of the roof not leaking for a period of 20 years. Contractors need to exercise great caution in the area of warranties and not inadvertently tie their company to an expanded warranty such as the inclusion of labor to remove and replace the roof membrane long after the one-year period.

Remember, if the project is bonded, the maximum warranty provided by the surety will mirror the contractor's warranty to a maximum of two years.

In summary, the only protection a contractor has is to adhere to a thorough quality control/assurance program to include a comprehensive risk management and project documentation plan. Finally, be assertive when mounting a legal defense against questionable claims. 🏠

*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.*

*This is the first of a two-part series. The second article will cover documentation, conduct of employees and project risk.*

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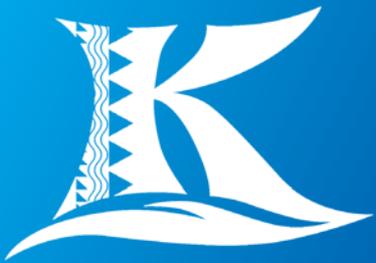
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