Foundation Companies Taking Advantage of Current Events and Trends Bids Now More Realistic

By Larry Kahaner

n a still weak economy, some foundation companies are exploiting recent trends and events to improve their bottom line. For example, Subsurface Constructors, Inc. in St. Louis (www.subsurfaceconstructors.com) is capitalizing on the 'going green' movement by improving soil beneath wind turbine installations. "People don't think about the wind turbine industry in general, or about ground improvement in particular, because they think it's only one pole," says Lyle Simonton, Director of Business Development. "People don't realize that there's a lot of stress on wind turbine bases. They sit on a huge mass of concrete, a big pedestal that you don't see because it's all below ground, and sometimes that soil needs improvement."

A typical wind turbine pedestal sinks beneath the surface at an angle for about ten feet and can be about 65 feet wide at the bottom, says Simonton. "That's what we're supporting on stone columns."

He notes that his company has been expanding away from their Midwest home turf. "We have switched from being predominantly a St. Louis area, deep-foundation contractor into more of a national ground improvement contractor over the last five years as a result of the economy driving us in that direction. There aren't as many deep foundation opportunities as we used to see locally, so we have had to adjust and chase the work a lot further out. We

have been successful doing so." As for the overall market, Simonton sees the private sector coming back a bit, but there still is a lot of public work. "We've been doing a huge amount of transportation work in Indiana, Oklahoma, Wisconsin and Illinois."

rendan FitzPatrick, Director - North America for Geopier Foundation Company in Mooresville, North Carolina (www.geopier.com), says that his company is helping SEs deal with earthquakes in areas that had not previously experienced them. "The earthquake that occurred in August, 2011 near Mineral Springs, Virginia, has provoked lots of discussion about seismic codes. We're seeing a greater focus, a greater emphasis on liquefaction mitigation solutions and designs for seismic events after this rare East Coast quake."

FitzPatrick also notes that the recession has skewed project estimates that are just now beginning to unwind. "Four years ago, estimates were provided during the design stage before the recession had hit. When projects actually came up to bid, there was so much competition that it drove prices down to unrealistic levels. Now, estimates have become more realistic but budgets are still being squeezed, so there are a lot of owners looking for cost savings on projects. We're helping our clients save money but making sure that estimates are realistic." (See ad on page 33.)

im Hussin, Director at Hayward Baker Inc. headquartered in Odenton, Maryland (www.haywardbaker.com) also has noticed the price dislocation of estimates and is using it to their advantage. "Although the overall U.S. construction market remains tight, we have seen a slight improvement in our margins. We have accomplished this with clients who, in addition to requiring a fair price, see value in our ability to recognize, communicate and control risk. Many of these clients have experienced the false economy of working with contractors who priced the work at desperately low levels, stumbled while performing and then sought to recover their losses through claims.... A lot of customers who went for the lowest price realize now that it wasn't a bargain at all." He



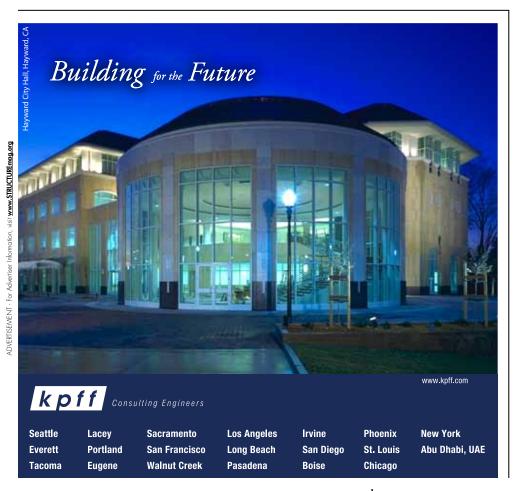
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says that during the worst part of the downturn, Hayward Baker was able to charge reasonable fees, in part, because they understood risk. Some firms downplayed risk and got themselves into financial trouble, he adds.

Like others, Hussin says that public projects are still the strongest source of work but that Congress's inaction on some funding matters is injecting uncertainty into the marketplace. "The biggest question out there is: 'what is the federal government going to do next?' There's just so much that needs to be done in the transportation system, and also in the dams and levees sector." Currently, the company is working on the Thornton Composite reservoir in Chicago, and just completed the Wolf Creek Dam in Kentucky. (See ad on page 34.)

ile Dynamics (www.pile.com), and its sister company GRL Engineers in Cleveland, is helping foundation companies increase profits with a product that can cut testing time and give a fuller reading of any flaws, according to Gina Beim, senior consulting engineer – marketing. The *Thermal Integrity Profiler* or TIP, now in post-beta testing in about 25 projects, investigates

the integrity of drilled shafts in a way that's different and more economically advantageous, says Beim. "The traditional, current way of testing drilled shafts to see if they're adequate or not is by doing crosshole sonic logging. Crosshole is a very good test, but it has two disadvantages: One is you have to wait for the concrete to cure in order to perform the test, so you're waiting a week or so. The second is that you don't really see the entire cross-section of the drilled shaft. You can't see everything that is on the outside of the reinforcement cage." TIP remedies this by measuring the heat generated by the curing concrete which gives a more complete picture. "Because the data is taken while the concrete is curing, you're doing the test 24 to 48 hours after construction of the foundation element and getting answers right away so you can move on with the building process much faster...We see a lot potential in this product." (See ad on page 31.) Economic pressures in 2011 continue to force companies to re-think markets, processes, reasonable fee structures, products and more. With continued uncertainty in global and U.S. economics, success appears to come from an ability to be nimble and adapt businesses to these events and emerging trends.



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