



Orlando HVAC Contractor Juggles Two Demanding Health–Care Projects

Many sheet metal contractors might hesitate before simultaneously taking on two new large HVAC construction projects outside of their familiar home territory.

Both management of McDonald Air and Sheet Metal Inc. and sheet metal workers of Local #15 in Orlando, Florida, proved up to the challenge when they signed on to install massive HVAC systems including, roof top units, equipment rooms, 585 variable air volume boxes and power induction units in two medical facilities located outside of Orlando. The Lakewood Medical Center in Bradenton, Florida, was a fast–track project and the Lee Memorial Health Park, in nearby Ft. Meyers, came with a host of scheduling nightmares.



Lee Memorial Health Park

It's a given that multitasking on two projects will bring coordination and manpower challenges. However, this time working in a new geographic location resulted in not having a core of employees in either location, particularly in the specialty worker and pre–apprentice categories. The first priority was establishing labor resources, a responsibility that fell to the foremen. According to Ralph Carver, president of McDonald Air & Sheet Metal, “The foremen addressed each day’s problems quickly and efficiently as the everyday professionals they are.”



Lakewood Medical Center

The Lakewood Medical Center is a 169,039–square–foot, three–level building that required completion within nine months. Good jobsite access was a blessing on a project of this magnitude. The sheet metal portion of the project required 133,898 lbs. of galvanized rectangular duct up to 16 gage, 9,909 lbs. of 26 gage round spiral duct and 863 lbs. of rectangular .032 aluminum duct



Lee Memorial Health Park

The Lee Memorial Health Park is a nine–level, 206,678–square–foot facility. The sheet metal portion required 174,444 lbs. of galvanized rectangular duct from 26–16 gage, 29,598 lbs. of round duct, mostly galvanized with some stainless steel and 282 lbs. of rectangular .032 aluminum duct. Its location in a densely populated area called for the expertise of the materials handling and scheduling department as no more than three days advanced materials were to be loaded on the floor at any time.

An additional challenge of performing both projects simultaneously was producing timely shop drawings, as fast track projects of this size often are not properly coordinated before starting construction.

McDonald’s CAD department produced the drawings of the Lee Memorial Health Park, while an independent drafting firm handled the Lakewood Medical Center.

LEED's Potential Impact On HVAC Contractors

Contractors seeking new HVAC opportunities may want to investigate the “green” building trend. The concept of building “green” has been around for more than a century. However, now the United States Green Building Council (USGBC) and its green building rating system have gained enough market support to place green building onto the radar screen.

The USGBC green building rating system Leadership in Energy and Environment Design (LEED) was developed as a simple rating system that awards points in six categories: sustainable sites; water efficiency; energy and atmosphere; materials and resources; indoor environmental quality; and innovation and design.

SMACNA’s Technical Resources Bulletin TRB # 5–05 covers select “performance standards” from the overall LEED program rating systems and focuses on HVAC–specific activities.

For example, did you know that the most important LEED credits to HVAC Systems are for energy reductions/improvements? Plus, in all LEED rating systems, there is an emphasis on indoor air quality—both during construction and after occupancy. And finally, an HVAC contractor might consider becoming a LEED Accredited Professional thus earning yet an additional point.

To read SMACNA's "USGBC's Leadership in Energy and Environmental Design (LEED) Background Paper" in its entirety, please view the attached PDF.

Growing Your Commercial Service and Retrofit Market

So you're making money doing what you have learned, the hard way, to do well. You have good relationships with general contractors who let you make a decent profit, pay you in a reasonable time frame and don't nitpick you to death. Your sales people work the plan center and you get your fair share of bids. Your employees do good work and you keep them busy. All in all you're doing all right. So why bother with service work that you don't need to do beyond keeping your generals happy? And why go chase retrofit work that seems like small potatoes compared to the big jobs (with bragging rights) that you've learned you can handle?

YOUR WORLD WILL CHANGE

If you've been around long enough to get this good at new construction, then you've been around long enough to have seen more than one economic cycle come crashing down in your back yard. You know what that means: the cranes disappear from downtown, your good-buddy generals seem to forget just how good a sub you have been, you find several new low-bidding contractors coming out of the woodwork and your immediate future isn't looking too bright. And this is just the beginning as you inevitably face belt-tightening, cost-cutting, downsizing, low employee morale, strained credit lines...need I say more? Got a knot forming in your stomach?

WHAT CAN YOU DO ABOUT IT

So what can you do about this? I can't change the economic realities, but I can share with you what your peers have done. Look at the best-of-the-best contractors across the country and you'll find a large percentage of them have diversified without getting away from their core strengths into different segments of their existing markets. The most logical place to begin this diversification is within your past and current customer group. Why?

- Those you have sold to in the past already chose you once.

Statistically, someone is 8 times more likely to buy from someone they've bought from in the past than someone new.

- You already have a relationship that can be leveraged into new business.

- What you sold and installed needs maintenance.

- What you sold will need service.

- What you sold was in all likelihood the basic product without add-ons or upgrades.
- These customers may have other buildings.
- These customers may have other businesses.
- These customers may be expanding.
- These customers may be remodeling.

In fact, it may be possible that you already have all the customers that you need to start a service and retrofit division.

HOW DO I GET STARTED

Well, nothing happens without a sale. The easiest and lowest-cost way to get started is through expanding your service business by sending letters to past customers asking them to consider you for service. Follow up the letter with a phone call to introduce yourself and ask for an appointment to meet personally. At the initial meeting be prepared to professionally present your company's capabilities and qualifications, with an emphasis on the quality of people you have performing service work. Don't spend too much time on you because "telling ain't sellin'". Be prepared to ask questions about his/her problems and for goodness sake take notes on what she/he says. Based on the information you get, you'll be in a good position to recommend your company and your expertise where it counts. It may not be correct to ask for business on the initial meeting, especially if the customer has gifted you with the all his problems. You will need to look things over a bit before you can recommend solutions.

CREATING CLIENTS

My Dad is an accountant (still working and having fun at 83) and we grew up hearing about his "clients". I didn't appreciate what that meant until one day when a contractor mentioned it in one of my seminars. He said a "customer" was someone he had yesterday and a client is someone you will have tomorrow. Right on! My father's tax clients come back every year, sometimes every quarter. They have an ongoing business relationship.

What can you do to create clients? Sell them a Maintenance Contract! When your customers invests in a Maintenance Contract, they are committing themselves to a relationship with you and your company for some time. They are exchanging their money for the peace of mind they get by knowing you will do your best to prevent problems from happening, and that if they have problems they can call you to take care of them quickly and expertly. Sell Maintenance Contracts.

WHERE DO YOU FIND RETROFIT WORK

From your clients. I made this sound easy so far but you know just finding service work and selling maintenance contracts means you have to hire techs, get them trucks and tools, train them, dispatch them, and so on. Getting a Service Department up and running takes a lot of work, but you can do it.

Okay, so now you have good techs going out seeing happy clients every day. What do you think you want your techs to do while they are out in the field? Look for opportunities! They need to be asked to do this, trained to do this, and managed to do this. Most of them will, I have found, if they are given the tools and the support they need. They will be your eyes and ears and find out when the old equipment is ready for replacement, when the building is being remodeled, when the boss is complaining about high energy bills or the office people have IAQ issues. There's gold out there...and the techs will find it.

I KNOW IT'S A GOOD IDEA, BUT...

Forget the "but"...just get started. The economy will slow down. Your generals will forget you're the good guy who deserves a decent profit. The plan center will dry up. The cranes will disappear.

Get your past customer list out, and get that first letter in the mail. Just do it!

Tom Piscitelli is an HVAC Sales Consultant and Trainer. He has created and teaches two SMACNA seminars, TRUST Service Technician Training and Service Manager Training. For information on those seminars contact your local SMACNA Chapter. Tom can be reached through his Web site www.sellingtrust.com or at 425-985-4534.

SMACNA Recommends MCAA Labor Inefficiency Factors

Recently SMACNA adopted the Mechanical Contractors Association of America's (MCAA) "Change Orders Productivity Overtime: A Primer for the Construction Industry," as an accurate method of estimating a sheet metal contractor's loss of labor productivity in the construction industry.

The MCAA "factors" document is recognized as a reliable guideline to estimate a loss of productivity. It has been accepted by numerous courts and boards of contract appeals as an acceptable means of estimating labor inefficiencies.

The MCAA factors provide valuable estimating information that allows for quantifying labor inefficiencies that arise from such changed project conditions as acceleration, changes in the efficient sequence of construction (disruption), trade stacking, crew size inefficiencies, dilution of supervision and productivity losses arising from the magnitude of change orders. SMACNA members and their financial and legal consultants will find this document beneficial.

SMACNA members may purchase the "Change Orders Productivity Overtime: A Primer for the Construction Industry" (includes book and CD-ROM) from MCAA and receive the MCAA member discount price of \$125. The nonmember price is \$250. To order, contact MCAA's publications department at (301) 990-2200; fax (301) 990-9690. Indicate you are a SMACNA member on the order form to receive the MCAA member price. Download the form at www.mcaa.org/changeorders/.

HVAC Contractors Forum: HVAC Expertise

Having expertise as an HVAC contractor requires SMACNA members to stay informed on a wide variety of industry-related issues. This year's HVAC Contractors Forum on Monday, Oct. 17, during SMACNA's annual convention in Palm Desert, will present timely information on the following issues affecting the HVAC industry.

Early Start-up of Equipment. HVAC Council Chairman, Matthew Smith, will provide an overview of SMACNA's "initiatives" on issues relating to early start-up of equipment. Highlights from the new guideline, "Temporary Heat in Building Construction Projects – the Realities and Risks of Using Permanent HVAC Systems," will be discussed.

Service Contracting Training Initiatives. Ted Kuczynski, ITI administrator and a panel of SMACNA contractors will discuss service contracting training initiatives including environmental service technician training, sound and vibration, TABB and commissioning.

LEED – The Who, What and Why. Developed by the US Green Building Council membership, the Leadership in Energy and Environmental Design (LEED) Green Building Rating System is a national consensus-based, market-driven building rating system designed to accelerate the development and implementation of green building practices. This session will present program basics and implications for HVAC contractors.

Fire/Smoke Damper Life Safety System Certification. Eli Howard, group director of SMACNA Technical Resources, will provide an update on the development of a UL branded Fire/Smoke Damper Life Safety System (LSS) Contractor Certification for the performance, inspection, validation, testing and maintenance of HVAC Life Safety Systems for commercial and institutional facilities.

This LSS Contractor Certification will ensure that contractors have the required credentials, capabilities and qualified staff to perform the aforementioned services in accordance with the current life safety code requirements.

Design Responsibility or Jobsite Coordination. Steve Yoch of Felhaber, Larson, Fenlon and Vogt will lead a discussion on issues relating to shortfalls in design specifications and the ramifications for contractors. The session will also address construction contract language affecting this issue and potential remedies.

HVAC Forum Rap. The forum will conclude with an open microphone session where participants can discuss “hot topics” affecting their businesses and markets.

HVAC Listserv is Up and Running

The HVAC listserv members are available to offer hands-on experience or provide a sounding board for your questions. Created by SMACNA's HVAC Contractors Council, the HVAC Listserv is specifically for SMACNA members with an interest in HVAC, duct manufacturing and service.

This electronic mailing list provides SMACNA members the opportunity to network with colleagues from all over the U.S. and participate in discussions or receive information on various topics, current issues, or areas of concern.

Subscribing is easy. SMACNA members who would like to join the HVAC Listserv should send an e-mail to Jeannette Schluderberg at jschluderberg@smacna.org. Your message can be as simple as “please subscribe me to the HVAC E-mail Listserv.” Once you’ve been added to the list, you’ll receive a confirmation from SMACNA and you’ll be able to converse with the group members. It’s easy to unsubscribe – instructions are included with each e-mail.

HVAC Sound And Vibration Manual Introduced

As building construction becomes lighter and tighter, sound and vibration, previously gone unnoticed, is more often becoming a nuisance to building occupants.

Contractors charged with resolving complaints related to sound and vibration will find the first edition of SMACNA's "HVAC Sound and Vibration" manual an in-depth HVAC-specific guide in the art of sound and vibration measurement and mitigation. This comprehensive guide covers mechanical vibration, acoustical design of mechanical systems, sound generation and attenuations associated with ducts and fittings, mechanical equipment sound and vibration specifications and inspections, plus sound and vibration instrumentation and measurements.

Members may purchase the 222-page "HVAC Sound and Vibration" manual, (first edition, 2005), at the special member price of \$37 for the CD-ROM and \$31 for the PDF download. The IFUS price for the CD-ROM is \$119 and \$99 for the PDF download.

Architects and engineers may purchase the new publication at the discounted price of \$160 for the CD-ROM and \$133 for the PDF download. The list price for the CD-ROM is \$229 and \$191 for the PDF download. (Please note that to download the PDF version a high-speed Internet connection is required due to the file's large size.)

To order, call SMACNA's Publications Department at (703) 803-2989 or visit www.smacna.org/bookstore/.

Materials and Equipment Procurement: Specialty Contractors Provide Owners The Highest Value

The New Horizon Foundations' "Procurement Chain in the Construction Industry" report examines various materials and equipment procurement models in the construction industry. Those models include: the specialty contractor procurement model, the general contractor procurement model and the owner procurement model.

Depending on the situation the project owner is facing, each model provides a certain level of value. Overall, the specialty model and the owner model generally provide the highest value to the owner. The general contractor procurement model does have some positive features, but does not provide the same value as either the specialty contractor or owner models.

The traditional subcontractor purchasing model in which material transfers from manufacturer to distributor to subcontractor offers the most value for the owner for the majority of projects. Subcontractors, via their distributors, have access to the largest number of manufacturers – thereby having access to the greatest product selection. General contractors often run into problems with manufacturers due to the refusal of these manufacturers to bypass distributors and sell material directly.

The study recommends that a new procurement process needs to be developed to achieve better time, cost and quality.

The study is available on the New Horizons Foundation [Web site](#) for a gratis download.

Editor: Rosalind P. Raymond rroymond@smacna.org | Asst. Editor/Writer: Sarah Moore smoore@smacna.org

Sheet Metal and Air Conditioning Contractors' National Association
4201 Lafayette Center Drive Chantilly, Virginia 20151-1209
Tel (703) 803-2980 Fax (703) 803-3732 info@smacna.org



Copyright © 2006 SMACNA. All rights reserved.
Created by Matrix Group International