The Observer & Eccentric® Newspapers

Building Scene

CLASSIFIED ADVERTISING

Marilyn Fitchett editor/591-2300

Monday, March 11, 1991 O&E

Rush job

Deadline pressure for Pine Knob renovations

By Doug Funke
staff writer

Architects get all kinds of attention for designing buildings. Developers get credit for laying the groundwork. Financial institutions get publicity for funding projects.

And general contractors do all the work in relative anonymity.

That is, until they get a high visibility job with a tight deadline like renovations at the New Pine Knob Music Theatre in Clarkston.

Then the spotlight really shines on companies like Frank Rewold and Son of Rochester.

But Frank Rewold, executive vice president and grandson of the company's founder, relishes the challenge.

"This project is going to be done May 15. That's the deal, the prerequisite for us getting the job," Rewold said. "This is Phase 1. I don't know when Phase 2 will go.

"It's in our interest to perform real good and get other phases. That's what we pride ourselves in. Ninety percent of our work is repeat business. We only advertise occasionally, and mostly we don't bid on public projects," he added.

THE GENERAL contractor is in charge of all construction matters on a building site. He's an expediter or producer. He makes things happen.

"We're basically giving the whole complex a facelift as well as adding three or four buildings," Rewold said of Pine Knob. "New siding, new roofing, all new lighting. Painting. Other than sidewalks, everything will look new.

"We're adding three or four buildings, basically bathrooms and concessions, which they desperately need, and adding a couple of new entrances.

"This will make it easier to get in, easier to eat, easier to go to the bathroom and easier to get out," Rewold said.

None of which reportedly was easy in recent years before Arena Associates, owner of The Palace of Auburn Hills, acquired the outdoor concert venue.

A handful of contractors with whom Arena Associates had previous dealings was invited to bid the project, said Tom Wilson, president of Pine Knob and The Palace.

"THEIRS (REWOLD'S) was very competitive with the others," he said. "One thing they established the last two years was quality of service and response time."

Renovations in the initial phase were estimated by Wilson at $5 million to $6 million. Rewold wouldn't reveal the contract price.

Rewold is used to fast-track jobs, but this one probably will be the quickest ever attempted by the company, he said. And it's been that way right from the initial meeting when Arena Associates presented blueprints for a cost estimate.

"We met on a Friday and gave them our quote the following Tuesday. We literally worked all weekend," Rewold said. "We had a second meeting on Friday. I think they called the following Tuesday (a span of 11 days) and said, 'Start.'

"Within days of them telling us we had the job, we started. We're working six days a week, 12 hours a day. If we get down to the wire and we're not done, we'll start working nights," Rewold said.

BUT THAT illustrates the risk under which many general contractors operate. When they bid a job at a specific price, that's what they're paid. They generally eat extra expenses from delays due to bad weather, labor problems or other unexpected circumstances.

There are no early-finish bonus or late-finish penalty clauses on the Pine Knob job, Rewold said.

"I think the penalty clause is very simple," he said. "We know how important the project is for future work. If you don't meet the parameters, you won't be on the next job."

The company is doing several things on this job that, it normally wouldn't do under non-rush circumstances, Rewold said.

"We basically have hand picked our subcontractors, people we worked with before. We picked select contractors to bid. We had better than 50 people in a room and told them the time frame we were working with — the same thing The Palace people did with us. We said, 'If you can't do it, leave now.'

"THIRTY CARPENTERS are working at one time when normally we'd have 10 or 15," he added. "We'll probably pour footings in all four buildings at one time. We'll have one person just dig, another just pour."

More crews on the job means the job becomes more expensive than it normally would, but that's the price people pay for rush jobs.

"These are very aggressive goals, but not unattainable," Rewold said. "It will take good weather, cooperation from the owner and architect (Rossetti Associates). So far, it's been excellent. You've got to have all subcontractors do what they're supposed to do."

Rewold said he holds a few other cards other contractors don't.

"We have a lot of trades in-house — carpenters, laborers, concrete and earth work," he said. "We have 35-40 full time employees. Fifteen are in the office. The rest are in the field. Quality is the reason."

GENERAL CONTRACTING is a risky business.

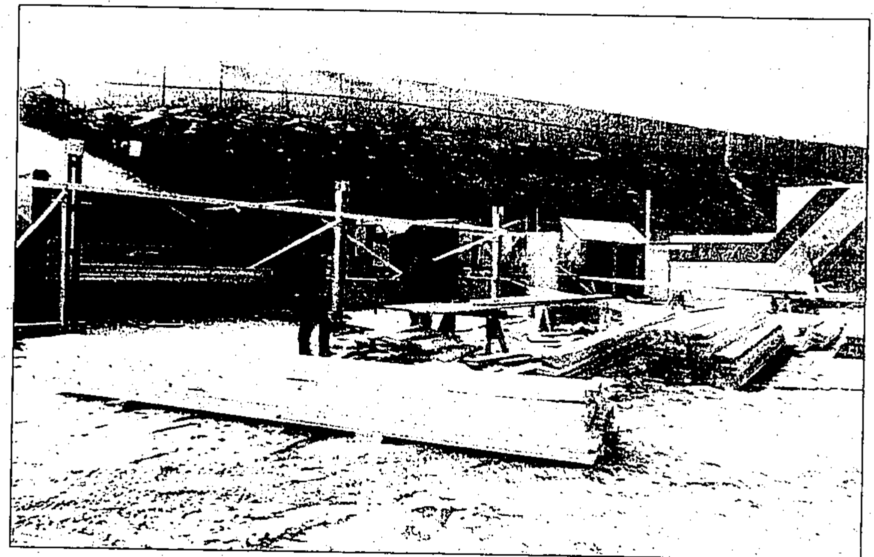
"We don't get paid for anything we do until we do the job," he said. "It's not uncommon for us to spend $5,000-10,000 on a job and get nothing out of it. We probably hit 30 percent (of bids).

"There's definitely easier ways of making a living, probably better paying ones, too," Rewold said. "I like to build things. I guess I like to be a leader rather than a follower. In this business, that's essential.

"I like to be outside. I'm an outdoors person. Plus being a family business had a lot to do with it," he said.

If Rewold could mandate one thing to make his work easier, it would be to work closer with the architect when a project is designed.

"The way the system is now, the general contractor doesn't get the blueprints until they're done and the client says, 'Give us a price.' Then we get calls from subcontractors saying, 'Why the hell did he do this?'"



STEPHEN CANTRELL/staff photographer

General contractors are responsible for taking architects' plans and financiers' money and making projects happen. All kinds of variables affect the pace of construction. The key to success: scheduling subcontractors, said Frank Rewold, executive vice president of the company overseeing the Pine Knob Music Theatre renovations and improvements.

Metal roofing needs paint protection

(AP) — Metal roofing, while adding a unique or period touch to your home, often brings up questions regarding maintenance and installation.

As far as painting goes, terne (copper and tin plate) should be painted as soon after application as conditions will permit with a red iron-oxide, linseed-oil vehicle primer to prevent corrosion. This paint, which is brush-applied, is very slow-drying, with a 72-hour drying time. This is followed with a compatible linseed-oil finish coat.

In the old days, folks just used two coats of the red iron-oxide primer, which is the reason many of us picture old metal roofs as red. Today, the compatible finish is available in a variety of colors. Depending on environmental conditions, expect to repaint about every eight years.

Some of the metal shingles manufactured today are made from galvanized steel, the same way they were at the turn of the century. Like terne, galvanized steel should be painted. This smooth, slick and shiny surface must be etched or roughened up before paint will adhere to it properly. Today, most of the major paint companies sell self-etching primers for use on new galvanized panels.

TERNE-COATED STAINLESS steel (TCS) blends the best of yesterday and today: the durability and permanence of terne in a virtually maintenance-and corrosion-free product. TCS is type 304 stainless steel that's coated on both sides with a terne alloy that's 20 percent tin and 80 percent lead. It's considered self-healing because the terne coating is anodic to the stainless steel.

In other words, if it is scratched, the terne will act sacrificially to protect the base plate. Because of the way it resists corrosion, TCS is a good choice for severe marine or industrial climates. Under most conditions, its unpainted surface will weather to a warm gray.

Another self-healing alloy used in the manufacture of metal roofing is Galvalume, a sheet-metal product with an aluminum-zinc alloy coating.

If you're thinking of doing this type of job yourself, a good book to refer to is the "Architectural Sheet Metal Manual," published by the Sheet Metal and Air Conditioning Contractors' National Association (P.O. Box 70, Merrifield, VA 22116, $75.00 ppd.) Considered the bible of the sheetmetal industry, it's an excellent source for sheetmetal practices that have been timetested and proven.

Real estate interest differs from right to use facility

condo queries

Robert M. Meisner

I have recently heard about a program for the utilization of a hotel-type condominium in Cancun, Mexico. Apparently it is sponsored by a national chain where you buy a week for the use of a particular room or a particular apartment and get to use others within Mexico as well as getting various bonus points at the hotel chains of the sponsor around the world. I was told basically the agreement would be for 45 years although I am not sure whether I am buying a condominium, a time-share or what. Do you have any information on this type of arrangement?

My understanding of the arrangement that you have considered is basically a license agreement that you enter into with the developer whereby you agree for a period of 45 years to have the right to use a suite at the facility in Cancun and various other sites. You also get bonus points to be applied toward airline fares and motel rooms. The average purchase price is around $30,000. You are not buying an interest in real estate but merely the right to use the facility. It does not appear to be a time-share arrangement either as it appears that you will not be assuming any responsibility for the maintenance of the hotel facility. I would, as in any situation involving the buying of an interest in the use of a facility, carefully review the documents and determine how much the carrying charges may be on a yearly or monthly basis over and above the initial cash investment and get and understand all aspects of the arrangement.

I am a developer who owns a marina and am thinking about the benefits that would be gained from converting all or part of it into a condominium. Do you have any idea as to how I might develop that marina project and what benefits would be obtained by the consumer and the developer?

In a conversion of a marina to a condominium, marinas typically offer all slips for sale, or at a minimum, all slips in a particular location within the marina. But transient or short-term rentals of unsold slips may continue while sold slips are frequently sub-let by owners for rental income. Marina condominium consumers pay the entire cost of the slip purchased or leased at the time of closing. Thereafter, the operating cost and reconstruction costs of the marina are assessed annually to marina condominium owners. The marina condominium consumer can benefit in that he is guaranteed dockage and is guaranteed additional benefits through the purchase of long-term lease of a boat slip. Initially, he is provided a real property interest that may appreciate overtime.

Consumers are also better able to predict yachting costs. In a rising market, consumer's dockage costs will be reduced over time. Moreover, the consumer is able to reduce the initial cost through seasonal or transient rental income on the boat slip under good conditions. The obvious advantage to a marina developer is an increased income created through the transfer of ownership.

But you as developer would be freed from the financial burdens of reconstruction and maintenance as the reconstruction costs and maintenance costs are annually assessed to the consumer through the community or condominium association. A marina condominium sale generally reduces or eliminates the debt service for the marina property and you may well be provided the ability to develop the remaining portion of the marina property. You are best advised to consult an experienced condominium lawyer to advise you including the obtaining of requisite approvals, in certain instances, from the Michigna Department of National Resources and the U.S. Corp. of Engineers.

Robert M. Meisner is a Birmingham attorney specializing in condominiums, real estate and corporate law. You are invited to submit topics about condominiums that you would like to see discussed in this column by writing Robert M. Meisner at 30200 Telegraph Road, Suite 467, Birmingham 48010. This column provides general information and should not be construed as legal opinion.

It does not appear to be a time-share as you will not be assuming maintenance responsibility.