



W. A. Heine, President

"...development of a long term relationship... between team members—the owner, the architect, the builder."

Two of Dr. Edward Deming's 14 points that embody his well known and often used Total Quality Management (TQM) approach to business:

#4 "Improve constantly and forever the system of production and service"

#5 "End the practice of awarding business on price tag alone"

Dr. Deming states that "Quality must be built in at the design stage. Everyone must subscribe to constant improvement, and only by use of properly interpreted data can intelligent decisions be achieved. Meeting specifications alone, does not result in constant improvement but ensures the status quo. Reliance on specifications often becomes a barrier for continuous improvement." The John Hancock Tower in Boston had a major problem with windows that blew out of their frames. Both the windows and the frame met specifications, but the windows and frames failed to work together as intended.

To achieve the intended result, and to obtain a better product, requires the development of a long term relationship of loyalty between team members—the owner, the architect, the builder. Deming strongly promotes this approach and deplores the practice of awarding business on price tag alone. "This practice," he states, "encourages a proliferation of suppliers/contractors and multiplies their evils. By selecting on price alone, the comparing companies focus only on meeting the minimum specification; there is no reason, no cost incentive, nor are dollars available to do anything else."

Government agencies generally are required to award building contracts based solely on the lowest price. This system is based on the need to attain impartiality and eliminate fraud. Unfortunately this method does not always result in the best deal for the owner. Studies have repeatedly shown that buildings built in this manner cost more, take longer to build, and often don't meet the owner's expectations. As an alternative, Dr. Deming recommends selecting a contractor based on experience, knowledge, and their ability to meet your immediate and long term requirements. This selection process allows for continuous improvement of quality and service—building tomorrow's buildings to last longer and be more economical.

BANK OF AMERICA BANKS ON AMERICAN

by Kim Lum

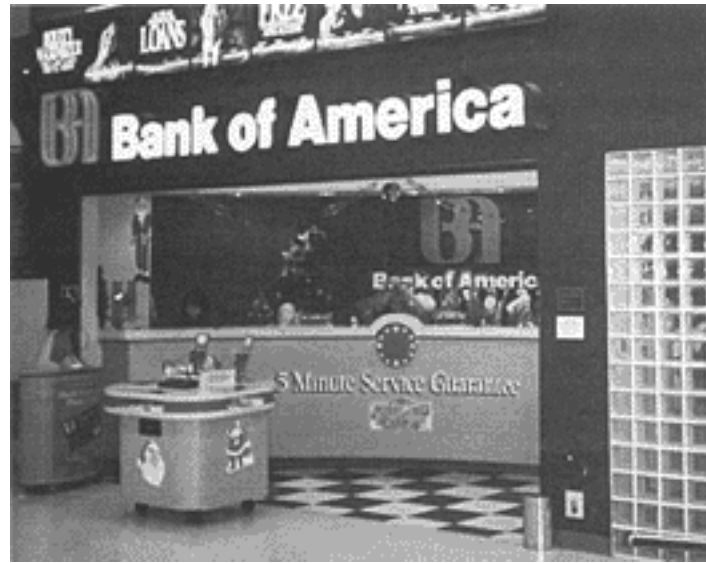
Bank of America has made an aggressive entrance into Hawaii banking with its acquisition of HonFed Savings and Loan. Its supermarket banking concept has provided American Constructors Hawaii with the opportunity to jump on the bank wagon!

In January 1994, American Constructors Hawaii, Inc. [ACHI) was the successful bidder on a package presented by Bank of America for the conversion of several newly acquired branches. By the end of the year, ACHI had successfully completed eight branch conversions and built two new branches for the bank totaling over \$1.5 million in contracts.

Glenn Thistle, Vice President and Project Manager for Bank of America's Construction Division, says "I look for quality and timeliness in a general contractor because most of our jobs are on a tight schedule. Previous experience in this type of work, as well as overall honesty and cooperation, are also important factors." Asked how ACHI has done in meeting his expectations, Thistle says "American Constructors has done a wonderful job for me. Anytime I have any concerns, they are addressed quickly and effectively. I would put American Constructors right at the top of my list."

ACHI's two newest engineers took charge of seven of the branch conversions. Jeff Mindes was responsible for five branches designed by Ferraro Choi & Associates (Architect Fabrizio Medosi), and Sascha Retailleau for two designed by KOYA Architects (Architect Gary Nakatsuka). Both were anxious to get started when they learned that all work had to take place after banking hours. Work on all branches would start simultaneously, and each branch had to open for business the next morning regardless of what happened the night before. Each engineer was issued their very own broom, mop and dust rag, and despite their lack of cleaning experience, (and the Banks need for three months of work done in two months) ACHI completed all the work on time and within the bank's budget.

An additional eight-branch conversion, designed by Leo A. Daly (Architect Christina Roeschel), took place over a single weekend. Abandoning their families, Kim Lum, Tim Somerset and crew managed to transform an existing First Hawaiian Bank branch, on the University of Hawaii campus, into a much improved Bank of America in just 48 hours.



Two new supermarket branches, also designed by Leo A. Daly, were placed in the faithful hands of longtime ACHI foreman Raymond Vee. The first branch, built inside a fully operating supermarket, was completed in just four weeks. The second, which extended an existing supermarket, was completed in less than two months by Vee and fellow foreman Jerry Locquiao.

ACHI looks forward to continuing its relationship with Bank of America as the bank further expands its operations in the state of Hawaii. Again ACHI's dedication to building solid relationships through quality, efficiency and integrity has proven to be "*money in the bank!*"

NEW PEOPLE

New additions to the American Constructors team include: **Dan Horan**, Project Engineer at Lake Travis Elementary School, **Derrick Lormand**, Assistant Estimator, **Dragica "Drex" Mallory**, Accounting Assistant, and **Rob Wilson**, Runner.

Dan and his wife Aileen recently moved to Austin from Endicott, NY after Dan graduated from Cornell University, College of Engineering last May. Derrick, originally from Houston, will graduate in May of 1996 from the University of Texas, College of Engineering. "Drex," originally from Croatia and raised in France, lived in Houston for seven years before she and her husband Will moved to Austin. Rob is currently a Government major at the University of Texas, and will be graduating in July of this year.

Recently joining our California operation is Project Engineer **Bill Lee**, and Assistant Superintendent **Chris May**, who are working on the Lake Arrowhead project. Bill graduated from Auburn University, College of Building Science in 1989. He worked for Turner Construction Co. in Los Angeles until joining ACCI. Bill, his wife Janet and daughter Rachel, live in Los Angeles. Chris is from Riverside, California and now lives in Lake Arrowhead with his wife, Stephanie and three children.

ACI RECOGNIZES EMPLOYEES "YEARS OF SERVICE"



Pat Osuna,
Gabe Navejas



Bille Heine, Tim Cahalane,
Belinda Lasseter, Steve Swanson,
Scott Cooper, Marty Burger



Bruce
Blakely

Bill Heine recently recognized eight employees of the American Constructors team for their "10 plus years of service." They each received a hard hat with a "American Constructors 10 Years of Service" decal on the front and their names on the back. Special recognition was given to our newest members: **Bruce, Pat and Gabe**. The dedication of these individuals to the team, and service to the company and its success, is greatly appreciated.

NEW WORK

ACHI (Hawaii)

In Hawaii, the company is completing a television studio for OLELO TV. The project, which involves complete renovation of the old 30,000 SF KODAK Building in Mapunapuna, includes 1 2,000 SF of interior addition, a television studio, editing and control rooms, and administrative offices. Mike Betz and Raymond Vee are supervising construction.



Additionally, ACHI has made major renovations to Burns Hall, located on the East-West Center Campus of the University of Hawaii. This facility includes a new lobby, conference area, offices and display areas, and also a new air-conditioning system. Jeff Mindes and Raymond Batalan coordinated the company's work.

ACCI (California)

Construction in California is underway at UCLA's conference and resort center at Lake Arrowhead. Project work includes construction of eight Swiss-type chalets that will house 36 units. The project, located on a wooded hillside setting, overlooks beautiful Lake Arrowhead. Americans' team includes Jack Simensen, project superintendent, assisted by Chris May and Bill Lee.



ACI (Texas)

In Austin work is progressing on Lake Travis Elementary School, a 67,000 SF project, headed up by Project Manager Terry Sheehan, Project Superintendent Tim Shelton and Project Engineer Dan Horan. Scheduled completion date is July 1995.



Construction began in February on additions to Leander High School, a 107,000 SF project which includes an athletic facility, performing arts center, classroom additions, agricultural building with a green house and show pens, parking lots and 50 acres of site-work improvements. Construction is being supervised by Tim Cahalane and is scheduled for completion in July 1996.

Phase II of the McAllen Pavilion Shopping Center started in February which will include construction of an Office Max. Phase I, involving the construction of a Burlington Coat Factory, Pier I Imports, and other anchor tenants, was completed in February of 1994. R.C. McMillan is overseeing the site construction and is assisted by Pat Sparks at the company's Austin office.

BUILDING A BUILDING WITHIN A BUILDING **by Greg Parker**

American Constructors California, Inc. is now working on their third *building within a building*. Two years ago, ACCI completed Lois Apartments, a three-story apartment project. In January of this year Hotel Norbo was completed, a four-story single room occupancy hotel. Hotel Edward, a three-story single room occupancy hotel, is now under reconstruction.

All three projects, built in the 1920s, have unreinforced masonry exterior walls. ACCI's job has been to demolish the interior wood framed construction and excavate the interior of the building. In the case of Hotel Norbo, up to 12 feet of unpacked fill was underneath the inside of the building requiring excavation, removal, and replacement with compacted material. ACCI then placed new footings, installed underground utility systems, and built a wood frame and steel structure inside the existing masonry walls. The new structures were fastened to the exterior walls, providing seismic stiffening to the 70-80 year old walls and leaving a historic fabric to the exterior of the building.

Because of the deterioration of the masonry with all three sites, particularly Hotel Norbo, ACCI had to reconstruct large sections of the exterior masonry. This often required removing bricks, extracting the deteriorated mortar and then replacing them. The Hotel Norbo project has 57 rooms, 1 2,000 SF and a contract value of \$1,741,000.

Hotel Edward, the last of the three projects, is due to be completed in June. This project consists of 48 rooms, 12,000 SF and has a contract value of \$ 1.5 million.

The work on these structures is comparable to a "building from scratch"—except for the challenge of having to *build a building within a building*, in a downtown environment and with no staging area.