



# Construction Quote Pad

by E. Dewey Little



urban infill projects. "There seems to be a big trend toward these mixed-use developments that might have a residential component, a retail component, and maybe an office component. That's been a real area of opportunity for us, with a lot of our existing clients."

He cautions that such projects are not for the faint of heart. "Those transactions tend to be a little bit more complicated," Vig said. "They are harder to permit, more challenging to budget, and to analyze responsibility and risk. This is relative to a Greenfield office or industrial building, which is a very straightforward

## Refocusing on Emerging Activity

Refocusing on emerging activity seems to be a dominant theme in more than one construction business today. While waiting for Michigan's automotive market to rebound, that's



Shmina

been the answer for Andrew Shmina, a Brighton-based contractor with a long track record of serving the industrial sector.

"Larger companies are setting up operations across the United States," said Shmina, resident of A.Z. Shmina, Inc. "As a medium-sized construction company, we're really not pursuing a global/national strategy, but one that's more of a Michigan-based strategy. So for that, the sectors we focus on are private buildings, both privately-owned and publicly-owned. We're definitely chasing university work and hospital work. We're pouring a lot of resources into doing medical renovations, not big hospital construction, but focusing more on smaller interior renovations to these facilities throughout metropolitan Detroit."

At the same time, Shmina stays proactive on the industrial side with wastewater treatment work. "We haven't abandoned industrial work," he said. "It's just that to do the kind of automotive work we've historically done would require us to move to the south, east or west, and our strategy is to stay in Michigan. Wastewater is probably one-third of the work in our industrial sector, and that's

keeping us pretty busy in the trades for self-performed concrete, demolition, and excavation. So when the industrial sector does kick into gear, we've got the workforce to be able to slide right back into it."

What adjustments has he made to better serve the active markets? "We are retooling," Shmina said, "and we've been adding certain key people as they become available. As we come across somebody who has talent and ability and fits into our organization, we're adding them to pursue some different things. But we're not massively changing what we've already done, because we've always done institutional, hospital and wastewater, but we're focusing on improving our systems."

Shmina's belief in a business rebound seems to possess the magic of a self-fulfilling prophecy. "We've been around since 1916... for 92 years," Shmina said, "and in that time, I've heard stories (he's only 42) of way worse times than we're going through now. We came through a great depression, World War II and massive unrest. So I'm optimistic. I'd say our business is as strong as it's ever been."

### GROWTH PROSPECTOR



Vig

Another intrepid venturer into construction diversity is Joseph Vig, president and CEO of Taylor-based J.S. Vig Construction Co. One such area of opportunity consists of mixed-use,

proposition. I don't begrudge a municipality for having high standards, as long as there's a clear road map as to what the expectations are. Now, in just about every municipality, you run into one unexpected challenge on top of another."

In terms of clearing the permitting hurdle, Vig said, "I think every municipality or every local unit of government should have a development officer who assists you with a clear road map as to how long the process is going to take, what the issues are going to be, and to help you quantify the cost." As a city with a user-friendly permitting process, Vig cited Romulus, based on projects he has built there. "They are an excellent example of a community that knows how to be proactive in the development process and are a kind of prototype of what every community should have. They have a development official who can help a project cut through a lot of red tape, and can help get things done."

### REUSE REVIVAL

Troubled, dark times seemingly give rise to some redeeming cost and waste conscious values that can favorably impact construction activity. "It's kind of



Roehling

a perverse benefit," said Carl Roehling, CEO & president of Detroit-based SmithGroup Inc. "With the cost of oil prices and the cost of new buildings going up, there's a real demand for existing