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PILE PIVOT

Gulf Coast Pre-Stress reenergizes, rebrands Texas Concrete business



Well Anchored

ENGINEERING, SALES AND PRODUCTION VETERANS FORM LEGACY PRECAST

By Don Marsh



V.P., Plant Operations Richard Schultz



V.P., Sales Tom Haines

U.S. Census Bureau metrics this decade are compounding for Texas, home to eight of the country's 15 fastest-growing cities or towns and five of the 10 municipalities adding the most population. Cities that have welcomed the most new residents since 2011 include Houston, Dallas, Ft. Worth, San Antonio and Austin—all in the market radius of the Lone Star State's newest structural precast/prestressed producer, Legacy Precast, LLC in Brookshire.

Founded in May 2013 by seven partners with deep industry experience and contractor ties, the producer is nearing its first full year of operation on a former rice field about an hour northwest of Houston. Led by Managing Partner Bob Diakiw, the owners have a combined 150-plus years in precast/prestressed plant and project management, sales, accounting, and engineering.

Abutting pasture of a friendly cattle rancher, Legacy Precast's 50-acre plot runs along a state road accessing Interstate 10, linking Houston and San Antonio, and U.S. 290, connecting Houston with Austin and the Capital Region. "We can target all Texas markets from here except El Paso," notes Vice President, Sales Tom Haines, who shifted to Texas after a long tour of duty in Arizona, including an estimator post at the Kiewit TPAC Division, Phoenix. In his present location he sees a construction market with activity akin to Arizona in the early 2000s, minus the volatility manifested in 2006-07 with the housing bubble.

"With an open field, we could start from scratch to create the best flow of materials, product fabrication and storage. There is not much some management team member hasn't seen or done in structural precast," says Legacy Precast Vice President, Plant Operations Richard Schultz. "We started with an experienced crew of 15 last October and have built up to 75 yard staff since. The casting schedule will move from six days to seven days a week this fall. Indefinitely."

Legacy Precast has entered a strong market, he adds, but one with is share of challenges, most related to Texas project dynamics and overall economy. More building jobs are delayed than in the past, the company finds, yet contractors want to hold precast/prestressed producers to original end dates or bids prepared from material schedules drawn from dated pricing. Like many Texas employers, contractors and their suppliers are also encountering competition for site labor and truck drivers from energy interests.

AUDIT CHECK

Production flow and staff development at Brookshire are on track. Over the summer, Legacy Precast attained Precast/Prestressed Concrete Institute Plant Certification C4—Prestressed Deflected-Strand Structural Members, encompassing roof, floor, beam, and joist products, plus all C1 (Precast Concrete Products, C2 (Prestressed Hollow-Core), and C3 (Prestressed Straight-Strand Structural Members). A sister business, Heritage Precast Erectors, is targeting PCI-Qualified Erector Program audit completion this fall, when the charter staff of seven is set to double.

Legacy Precast's initial production phase centers on parking structures: three beds for double or inverted tee beam, column and spandrel, ramp and shear wall and stair fabrication. The first permanent structure at Brookshire, 60- x 220-ft. and dubbed the production services building, houses steel fabrication, carpentry shop and quality control lab. As plant development proceeds, the building will see certain manual processes, steel handling among them, replaced with semi-automated alternatives. A mezzanine above the QC lab will house a plant manager's office with full view of the yard. The production services building is located within 200 feet of three casting beds, eliminating much crewidling that can occur for tool and supply retrieval in long-line precast/prestressed production. Tee member, panel and column fabrication and storage activities move east to west.

The batch plant is a new Vince Hagan transit mixed model charging 9-yd. mixer trucks. It is built between the structural beds and an architectural production line set for early-2016 start up. Output is equal to well over 100 yd./hour of self-consolidating concrete mixes, the exclusive grade at Legacy Precast. A lower capacity, companion batch plant is planned for architectural products.

The Brookshire site suits fast inbound material and outbound product transfer. Legacy Precast sources Type III powder from Alamo Cement Co., San Antonio; Hanson Aggregates' Brazos Sand & Gravel pit in Brookshire; stone from a nearby rail yard that is linked to Hanson's Servtex quarry in New Braunfels; lightweight aggregate from Trinity Expanded Shale & Clay, Dallas; and, fly ash from Mineral Resource Technologies, a Cemex business with three Texas power plant contracts. Independent haulers deliver all materials and finished precast/prestressed product.

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All product is engineered around self-consolidating mixes, designed with Master Builders Glenium superplasticizers. An experienced crew joined Legacy Precast for fall 2013 production start up, easing staff development key to an order log for 2014 and beyond. Housing steel fabrication and carpentry shops, plus QC lab, the plant services building (background) is located along the foot of the casting beds, limiting the distance crews need to navigate for tools and supplies.



Measuring market fundamentals, along with Lone Star State construction volume versus the rest of the country, Legacy Precast partners have done their homework. The state is enjoying a convergence of nonresidential market drivers, led by commercial building work tied to energy production and support industries. In Economic Impacts of Commercial Real Estate, 2014 Edition, NAIOP Foundation and McGraw-Hill Construction chart Texas' top rank in market segments at the core of Legacy Precast's business plan.

The report shows the state leading three of four major categories, Office, Warehouse and Retail, in hard cost (labor, materials, construction management) dollar volume. In Office hard costs, Texas closed 2013 at \$2.65 billion, against \$2.59 billion and \$2.43 billion, respectively, for New York and California. Skewing the latter states' totals are sharply higher wages for union crews—less a factor in right-to-work Texas. The state accounted for 13 percent of the \$20.3 billion that NAIOP and McGraw-Hill estimated for 2013 Office hard cost expenditures nationwide.

In Warehouse project hard costs, there is even more distance between Texas figures and those of the second and third states: \$1.14 billion versus California's \$700 million and New Jersey's \$427 million. In Retail and Entertainment, Texas led 2013 figures with \$1.56 billion in project hard cost totals versus \$1.28 billion each for California and New York.

Legacy Precast's participation in the 2013-14 Texas Office category figures is marked by two Houston projects: Millennium

Three new Travelifts equip the yard with 100 tons' transfer capacity. Tower II and Project Greenfield parking structures. Both are under D.E. Harvey Builders Inc., with Houston headquarters, plus Austin and San Antonio offices. Current Legacy Precast jobs include the Greenhouse Office Park garage, also in Houston, under contract with Hoar Construction.

Like competitors and commercial building stakeholders across the Houston-Woodlands-Baytown area—the nation's fourth largest metro expanse, at 6.3 million residents—Legacy Precast is tracking the 10-year build out of ExxonMobil Houston Campus, the energy giant's new world headquarters. With a first phase opening in 2015, the 385-acre campus will span 20 office and laboratory buildings for 10,000 employees. Located 25 miles north of downtown Houston, the development is on track to embody the largest single construction master plan in Texas history. A new community, Springwood Village, is rising on adjacent land to support the campus.

On the heels of an expedited Brookshire ramp up, coupled with PCI certification and an order log to support a seven-day casting schedule, Legacy Precast can approach contractors and developers at Springwood Village—and up and down Texas' freeways and toll roads—with a message of quality assurance, low cost production, and strong market roots.







Vince Hagan Co. has delivered Legacy Precast a Low Profile Model LP-12B-80-6-600 batch plant with 12-yd. aggregate and cement weigh batchers; 80-ton, six-compartment overhead aggregate bin; 30-in. belt, 34-ft. transfer conveyor; 600-bbl, single compartment main silo for Type III portland; and, 500-bbl split compartment silo for fly ash and white cement. The overhead aggregate bin is charged with a Hagan 24-in. belt, 80-ft. radial stacking conveyor. The free standing Model VH-1094JP central dust collection system, serving silo and cement batch vents, plus truck charging point, has automatic recycle feature.

TEXAS' TIME

The stars continue to align for Texas fabricators of prestressed building, parking structure or bridge members: While the state is friendly to light rail and mass transit, driving is a way of life for many in major population centers, and parking garages are part of a formula for developing commercial buildings along freeways and toll roads. Expansion of public, public-private and private surface infrastructure continues at an accelerated clip to pace increasing automobile and truck traffic.

Building and nonbuilding construction volume is consistent with Texas cities and counties' prevalence in Census population growth reports. Figures leading up to Legacy Precast's plant groundbreaking, and additional trends the Bureau has reported since, paint ever-stronger market underpinnings. From July 2011-2012, Dallas-Ft. Worth and Houston joined Los Angeles and New York City at the top of metropolitan areas with population gains of 100,000-plus. Toward July 2013, Austin—the capital of Texas for nearly 175 years—became the nation's capital for population growth: San Marcos, Cedar Park and Georgetown, each part of the Texas Capital Region, ranked among the 10 fastest-growing cities with 50,000plus population. Houston-encompassing Harris County and Dallas County were among the country's top five counties in numeric population gains, while Texas itself had 11 of the 50 fastest-growing counties.

