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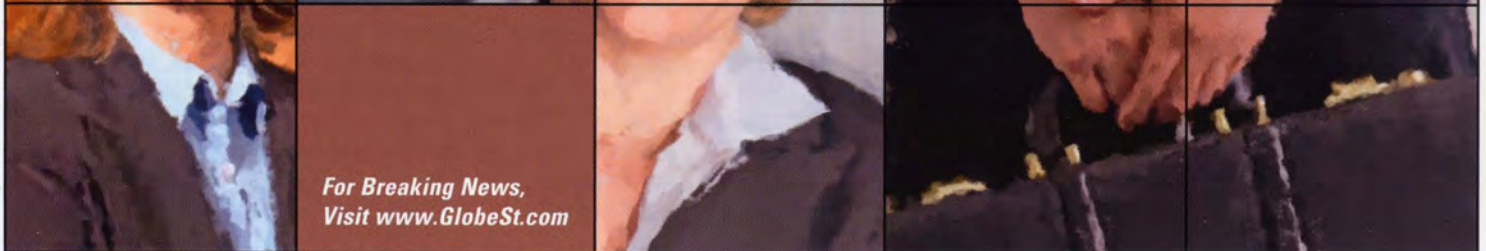
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Life in the MAST Lane

MAST Construction Services tries to iron out problems—everything from underground utilities to escalating material costs to blueprints that aren't in English.

By Sean Ryan
Associate Editor

THE BIGGER A DEVELOPMENT PROJECT is, the more problematic it can be. A glance at the Meadowlands Xanadu project, or Ground Zero across the Hudson, is evidence of that. No one is looking to make communication errors, but they frequently happen, and usually at inconvenient times.

MAST Construction Services of Little Falls is always looking to smooth those problems out. The company does consulting for both public and private projects, getting all the relevant knowledge to the people that need to have it, hopefully saving both time and money. (For the record, it's had no dealings with Xanadu or Ground Zero, the two examples cited above.)

"I like to call us a construction advocate," says Ted Domuracki, MAST's president and founder. "We help developers. We help clients get organized. We put the teams together—which is very important—we put them into a process, indoctrinate them into good habits of documenting what needs to be done, setting goals and deadlines, assigning responsi-

bility to all the parties of a team. That more than anything results in a successful project."

Domuracki founded the nautically named MAST five years ago. "The mast of a ship is strong in the wind, able to handle diversity, bends but won't break," he says. Most of his initial group of employees, as well as most of the 15-person current crew, worked with Domuracki in various capacities over the years.

"Nearly 80% of the people have worked with me for many, many years at other firms in other relationships," he explains. "I totally undervalued my existing relationships from 20 years in the industry, from architects to engineers.

"When we first started, it was predominantly, almost 100% public projects," Domuracki says. "We were very fortunate to get very large projects right out of the box."

MAST's first project was the Hudson County Correctional Facility, a 512-bed "dormitory" facility as an extension of the Hudson County Prison System.

Project executive Lee Karlin remembers the completed jail project as his proudest accomplishment with the firm.

"The jail was a major undertaking. It was our first project as an independent firm, and it took four long, hard years to get it accomplished. The County of Hudson ended up terminating the architect, and we had to bring another architect on board to finish it. Just the gap between the two design teams was a struggle. It's a public bid process, so you only have so much control over the contract."

While preferring private projects, Karlin points to one big advantage to working public vs. private: "With public projects, you know you're getting paid. With private projects, it's usually a simple process, easy to maneuver through with the architect, the design team, the contractors, because you're basically responsible for them. With a public venue, you're really not. I'd much rather work on private, but you have to have both to balance."

"Public sector projects are interesting



Ted Domuracki



John Delutis



Richard Brown



Lee Karlin

in that you often end up with contractors that are litigious," says John A. Delutis, vice president. "They know what your boundaries are, and they're ready to go to arbitration or go to court. There are many that will show up at the first meeting with their attorney. They start with everything in writing, and things can be a lot more contentious. With private work, you've got a little more leeway. Negotiating is easier—you can always threaten to throw someone off the job. It's a lot easier than the public sector."

"More often than not, problems occur because of a breakdown or lack of communication," Domuracki says. "What we're finding in our role is that we bring enormous value just by sharing the problems, pitfalls, needs, requirements or commitments that other firms have of each other in completing their work. Whether that's the public utilities in the streets, the sidewalks, access issues, intersection issues, or being able to start on one project while another is under construction, we are in the middle of coordinating that process."

MAST prefers to get involved in the development process as early as it can, from conception if possible. "An owner has an idea, wants to build a building, and we're the first ones there," Delutis says. "We can help him assemble a team—architects, planners, civil engineers. We've gotten involved as late as after a project is designed and it's going out for bid. We'll take over at that point and during construction, but we can save the most money if we're involved upfront. The later we're involved, the less opportunity we have to save clients time or money."

One of their biggest current projects in New Jersey is the Devils' arena in Newark and all the surrounding redevelopment. MAST is an owners' representative, working for the City of Newark's Downtown Core Redevelopment Corp. to plot out the arena, the public space around it, and some six million sf of surrounding commercial space.

"It's a \$700 million project with multiple developers and a lot of interface with state representatives," says Richard

Brown, vice president. "There are also three other developments—two of them are underway, one of them is to follow. It's probably going to take seven or eight years to get the full build-out, so it'll be completed in stages."

"We oversee and coordinate all of the work associated with completion of the project," says Domuracki. "That entails keeping track of multiple projects, multiple architects. We are very keen on keeping track of the process and information that transpires between the parties, so that information is shared and projects are kept on track."

"One of the major issues we're dealing with right now is the utilities," Brown says. "There are so many different facets involved. It's very hard to distinguish whether utilities are active or abandoned. We're going through a process right now of trying to understand the complexity of the utilities, trying to fit all the new utilities in without disturbing what needs to remain."

In Newark, MAST looked to avoid a communication problem with the utili-

ties by sitting all relevant parties down for discussion. "That included the president of Verizon and the chairman of the Downtown Core Redevelopment Corp.," Domuracki says. "If you get the right stakeholders to sit at the table, you solve the problems that you need to solve."

Brown says that Mayor Cory Booker's new administration has "significantly" changed the project. "The new mayor's come in with a team to try to understand the project itself. He's hired a few different attorneys with a forensic accountant. What he's looking to do is have a team report back to him to fully understand the costs that the city inherits, as opposed to the DOT and the different redevelopers. We've been meeting with them pretty much weekly.

"Initially, there were a lot of parks and plazas that the city was to undertake—it would be their responsibility financially," Brown says. "The new mayor, because he wasn't involved during the original negotiations, has sort of tabled some of the projects until we fully understand what sort of financial impact it has

on the city."

A similar sports complex across the Passaic River in Harrison is in a less developed stage. "The Harrison MetroCentre and soccer stadium project is really just coming out of the gate," Brown says. "It's a slow process, and some of the players have changed."

Communication problems went to a whole new level with the erection of the 9/11 Memorial in Bayonne. Constructed by Russian artist Zurab Tseretelli, the 100-foot tall, 175-ton bronze sculpture had blueprints for its construction—in Russian. Project executive Karlin got to deal with that first-hand, along with working with team members who spoke no English.

"You've got four Russians at one side of the table, you've got five or six people from the American design team on the other," Karlin says. "We're trying to figure out how to erect this thing, what's the best way to do it. Finally, after an hour, someone bangs his fist on the table, and we're speaking the same language.

"You've got Russian artisans working on the project. They have certain demands that, if they told us ahead of time, we could have gotten to them," Karlin says. "We're not a GC, we don't normally do this, but we can arrange it. It's been going well—once we got an interpreter on board."

To clarify, MAST was not involved with the controversial decision to move the statue from its original Jersey City location down the Hudson peninsula to Bayonne. "That was purely a political issue," Karlin says. "That was before we even came on board the project."

In any event, just a few miles north of the new memorial in Jersey City is the Hudson County Community College Culinary Institute. The expansion for the community college also has meeting space for 250-500 people.

"We've finished the first phase, which is about two-thirds of the building," Delutis says. "When you look at what these students lived in and what they were teaching in five years ago, and to see what they're living in now, it gives

you a lot of pleasure.

"We toured the Culinary Arts Institute of America in Hyde Park with the design team and the owners to see what would work best for the college," he continues. "It's a state-of-the-art building now. It used to be a deli."

And in general, "we are all very familiar with each others' working style," Delutis says. "You have to be in our industry, because you only have one person on a job. It's not like a general contractor where you're putting six or seven people on a job. You're putting one person out there, and you've got to be able to trust what that person can do."

"It's really about getting people together to talk," Domuracki says. "And it's about follow-up and commitment and saying what you're going to do."

"And, more importantly, it's about documenting what everybody has to do," he concludes. "Once you put someone's name down on an action list, people take notice, and they're interested in doing their homework, which is what we want them to do." —RENU

The Headache of Rising Costs

One of the biggest headaches for any developer or contractor is the increasing cost of materials. Steel, copper, piping and wood are all having their prices written in erasable ink. The prices keep on going up, leading to a tricky bidding process and the growing risk that bids will be far lower than the actual cost to build.

"Thanks to the economy, we're going through some interesting times with bidding," admits John A. Delutis, MAST vice president. "We've had to rebid several jobs. The escalation of goods over the past several months has hurt some of the public sector projects. Steel contractors normally hold pricing for 30-60 days, but they're holding prices for two weeks now because of the fluctuation of the market."

"Obviously, pre-purchasing helps," says Ted Domuracki, MAST president. "We look forward to pre-purchasing because some subcontractors will not hold any one price for a long period of time. Your budgeting process can be well planned and expect to have a budget, but it changes week-to-week because the subs won't hold the prices."

"We have one project where a contractor has bought the entire project, which runs over three

years," Domuracki says. "And you can imagine what's happened over the last three years with materials. He has bonds, but having a job completed is the most important thing. We're looking at how to address his needs through expending general conditions but not escalation."

"We've got one public contractor that has decided to not bond some of his subs," Delutis says. "The project was a multi-phase, multi-year project. We had the foresight to see we should tie this price up before escalation. We have a bond on the general contractor, but that contractor did not bond all of his subs."

"Therefore, he's lost some of his subs and has encountered some serious financial problems on the job. We're going into arbitration to resolve them," Delutis says. "However, to his credit, he is finishing the project and moving forward."

"Looking ahead, we have set up escalation accounts for clients," Domuracki says, "so they can protect themselves against whatever escalation might occur. But I do believe things will settle down, that the material exodus to China and all those other pressures will settle down."