In speaking with six wall and ceiling contractors around the country who do school work, the good news is that this market appears to be generally on the upswing, which helps make up for other sectors that are not. The bad news is that there appears to be a number of factors that make this market not as appealing as it might be.

In California, with its well publicized financial woes, you might think that the problem would be there would not be enough money for schools. But, says Daniel Cook, vice president of Dasco Construction & Drywall, Inc. in San Jose, Calif, “There are so many new school projects coming out this summer, I don’t know who’s going to do the work.”

Cook, who reports 80 percent of Dasco’s work is schools, and is currently involved in five, from elementary to high school, says a major problem “is too many state inspectors who misapply the codes. They are far stricter than they need be. They can take three hours to look at 30 feet of wall. They hold everybody up. One job is three months behind schedule because of this.”

**Always an Issue: Getting Paid**

Cook says he’s paying probably double the workman’s compensation than he was a few years ago, though that goes into the bid. He adds that though the company has had jobs for a few private schools that went bankrupt, most of the schools, including colleges and universities, are publicly bonded, “so at least we know we’ll get paid.”

“We’ve done an awful lot of schools, which have been very strong in the Midwest for about the past seven years,” says Thomas Panek, president/CEO/owner, Minuti-Ogle Co., Inc, Oakdale, Minn. “At one time more than 50 percent of work was schools. But in about the last three years, a number of school bonds have not been approved, so we’re seeing a shift for us into hospitals and retail. We’re still doing several schools, though not as many as before.”

Some of the challenges in the K-12 plus junior colleges and colleges the firm has done, Panek explains, is that “as opposed to the standard brick-and-mortar buildings in the past, there’s much more veneer plastering. Architects are using innovative wall systems, using curves and skylights. In the auditorium areas, the ceilings have a more commercial look, like you’d find in theaters. The designs are also innovative in terms of multiple use. For instance, at the Wayzata High School we did, meeting rooms are also used for City Council meetings and other functions.”

A major problem in doing school work in the Midwest, Panek says, “is that drywall and plastering has a lot of competition. With a slower general construction market and the large number of contractors, prices have been driven down. We’re not able to get our money’s work or maintain the national average for profitability.”

**Lack of Coordination and Wages**

Adding to the problems, Panek believes, is the schools use of construction managers through whom the bid is sent, as opposed to the general contractor. “I believe the schools do this because they think they will do away with hidden costs. But I’m not too sure this is the case. The construction manager gives the subcontractors a lot of flexibility, but I prefer to work for a general contractor; he stays much more in control of the project and moves it along at a good pace from start to finish.”

Having similar feelings about construction management is Bart Rickelmann, vice president, Acoustic Ceiling & Partition Co. of Ohio, Inc., Dublin, Ohio. “The way the schools are run under
construction management is that the manager will put out the bids. All the subcontractors will make a bid, and, if it’s the correct one, the vendors contract with the owner, and the construction manager does the paperwork,” Rickelmann says.

“But the problem is,” he continues, “is that there is a lack of coordination between the trades. As a drywall ceiling contractor following the other trades, we get bounced around a lot. The general contractor in this situation doesn’t have the clout to get the plumbers, electricians, or other trades moving. The other day they tried to bring cabinets in and set them down while we were doing the ceilings. It got to the point where we almost had to lock the doors. That kind of stuff is stupid. Here in the Columbus area there are hundreds of millions of dollars in schools work. But you have to wonder why you or anyone else wants to go after that. There are so many disruption points. Contractors on site are suing each other. The construction manager has no liability, zero liability. He just shuffles the paperwork. And subcontractors get further and further behind schedule.”

Rickelmann, who reports that about one third of the firm’s work goes to schools, says that another problem with schools is that they have opened bids to the “prevailing wage,” that is to say, to contractors who pay nonunion wages, and this affects him because his company is union. “Every other state project except schools requires union wages,” Rickelmann says.

Glory and Growth

Chris Dutton, project manager at Spectrum Interiors, Inc. in Erlanger, Ky., says there is not so much in new projects as renovation in his area. “About 10 to 15 percent of our work is schools,” he says. “We do both the lower grades and university work. The university work is more complex, with higher degrees of finishes. And with private universities, you can often negotiate a little more.”

For the secondary schools, Dutton says, safety is a big issue, in more ways than one. Parents and taxpayers generally tend to scrutinize the areas more carefully. “Many want to come in while we’re working, and we have to explain nicely why it’s not safe,” Dutton says. “On the other hand, when the work is far enough along, we allow students and others to come in on tours.”

One nice thing about doing schools, Dutton adds, “is there’s a lot of gratitude in school work, much more than in a retail project. Members of the school board, principals and administrators, parents and students get a lot more excited about the project, so you get more satisfaction in doing it.”

Dennis Gittemeir, vice president of GBI, Inc. in St. Charles, Mo., says that schools are only about 10 percent of his work, but he has a particularly interesting one. “Lindenwood College had about 2,500 students in the early 1980s, but now has about 14,000, so it’s really been growing.”
More growth means the need for new buildings. GBI started with a four-story student center in 1999, a $950,000 contract for the $18 million building, plus two dorm buildings each with a $650,000 contract for $14 million buildings, with two contract for two more dorm buildings under way “It’s developing into a nice little niche,” Gittemeir says. “As the school gets more and more students, it needs more and more facilities.”

What’s interesting about the projects, Gittemeir says, “is the school has kept to its traditional look of red brick gothic with white lime stone, roofs with a 45 degree angle pitch to them, big round columns with big capitals at the top, while the insides are completely modern.”

For the student center project, the entire first story of which is a cafeteria, study halls and other activity rooms, with the upper three stories being dorms, GBI won second prize from the local wall and ceiling contractors’ association, for its drywall, metal stud and insulation work.

“The interior of the student center was really modern,” Gittemeir says, “with curved walls and curved ceilings.”

Lindenwood has recently moved up to a higher level in sports ranking, so Gittemeir hopes to find more work in this arena as well.

**Timing Is Everything**

As with all school projects, the client wants the work done before classes start in the fall. But Gittemeir has no complaints about school work, and hopes to do more of it, especially for Lindenwood. “It’s a good school to work with, for it’s a private college, and it actually has the money set up for a project before the work begins. So we invoice by the 30th of one month and get paid by the 30th of the next. Most clients pay from 45-60 days at best, so Lindenwood is one of our best customers.”

Also having only good things to say about school work is Garrett Wickham, president, Acoustic Ceiling & Partition Company, Ann Arbor, Mich. “We do quite a bit of school work, and noticed it’s really grown over the past couple of years, so now it makes up about 35 percent of our business,” Wickham says.

Interestingly enough, Wickham also works through a construction management system. He says, “They control the architect, the bidding project goes smoother and that seems to flow right into the construction.” When told about other contractors who have had problems with this system, he replies, “It works well for us. One of the positive things about working with our construction management system is we get paid well.”

He says there are some scheduling problems, but “I guess where we benefit is that we have a pretty good size work force, upward of more than 200 in the summer, so these jobs need to be done very quickly, but because of our manpower base, we can do that.”

Wickham adds that, “Overall, in our area in Michigan, the economy is still slow on the commercial side, so our added work with schools is really helping us out.”

And now that most schools have sent the students home for summer vacation, it’s time for the contractors who do school construction to get to work.