

Employee Doug Crow replaces a manhole cover after The Hutchins Group crew finishes a manhole replacement in Jeffersonville, Ind. (Photography by Patricia Longmire)

On the Level

A Louisville contractor builds a business around replacing leaky manhole chimneys and sagging water valve boxes using an innovative technology

By Ted J. Rulseh

While it may not be obvious at first glance, there are similarities between telecommunications and municipal water and sewer – like laying pipe, building networks, and installing and maintaining manholes.

Derek Hutchins saw them and built businesses around them. After a career in telecommunications, Hutchins went into business for himself in 2007. He now owns two companies: Hutchins Telecom, which installs communication systems as well as water and sewer lines, and The Hutchins Group, which replaces manhole chimney sections and water valve boxes using a specialized and highly efficient technology.

The Hutchins Group, now 18 months old, is reaching out across most of the United States, from home base in Louisville, Ky., to spread the word about its manhole system, which dramatically boosts efficiency, leaves behind a structure precisely level with the street, and effectively curtails clear-water inflow and infiltration.

The company's eight employees are willing to travel almost anywhere in the lower 48 states (except the far west and southwest) to help municipalities fix manholes that leak and create annoying bumps for traffic.

Across industry lines

Hutchins started a career in telecommunications construction after one year of college ("It just wasn't for me," he says.) He started out working for Vermeer Manufacturing, traveling around the country training people on horizontal directional drilling (HDD) equipment and locating systems.

After that, he worked for a series of telecommunication companies, progressing to project manager, division manager and vice president positions. He

PROFILE

THE HUTCHINS GROUP, LOUISVILLE, KY.

OWNER: Derek Hutchins
FOUNDED: 2008
EMPLOYEES: 8
MARKET AREA: United States except west and southwest states
SPECIALTY: Manhole chimney and water valve box replacement
WEB SITE: www.thehutchinsgroup.com





Upper photo: Phillip Ratts, left, and Nathan Pedigo tighten the speed plate of the Mr. Manhole system into place. The plate allows the cutting head to cut the old manhole loose from the street and remove it. Right photo: Ratts guides the cutter head over top the manhole. The head cuts into the pavement to release and then remove the old manhole.



founded Hutchins Telecom in 2007 and was soon also in the water and sewer business.

"Hutchins Telecom builds networks for data and communications companies," he says. "We put in underground piping and manholes, pull all the cable, do all the conduit inside the buildings, take the fiber to the communications room, and do all the terminating and splicing," he says.

"The company I ran before I went into business on my own had a water and sewer division. I had hired a close friend, Steve Klein, to head that division. By the time I was in business for about a year, he had his own small com-

"We often built and raised manholes on the telecom side, and we had done it the old way for years. It was very time-consuming, and it didn't really get rid of the I&I. And at the end you couldn't make it perfectly level with the street."

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pany, and he wanted to sell out and come to work for me. So I took over his equipment and took on that sector, and we just grew from there."

Klein is still on board as vice president of the Hutchins Telecom water and sewer division, which does about \$2 million to \$2.5 million in business per year installing water mains, gravity sewer mains, and force mains and making service connections.

Solving a problem

Along the way, Hutchins saw a promising niche business in manhole repair. "We often built and raised manholes on the telecom side, and we had done it the old way for years," he recalls.

That meant saw-cutting a square of pavement around the manhole, breaking it out with a jackhammer, digging and cleaning out around the chimney, raising and rebuilding the structure with brick and mortar, and restoring the street. "It was very time-consuming, and it didn't really get rid of the I&I," Hutchins says. "And at the end you couldn't make it perfectly level with the street."

He started looking for a system that would create a better end product, reduce labor, cut cost, and enable a crew to complete more than one repair and rebuild in a day.

REACHING THE WATER SIDE

The Hutchins Group owns a Mr. Manhole system designed for repairing water valve boxes, but so far has not used it extensively. Expanding valve box replacements is a goal for company owner Derek Hutchins.

The valve box technology is basically the same as the manhole chimney replacement system and has similar benefits in efficiency, cost and quality of the final result. "But it's a different process than the municipalities are used to, and they haven't grasped onto yet," Hutchins says.

One reason is that the system requires actually destroying the valve box and replacing it with a new one. Cities and water utilities so far prefer their traditional manual method, in which they reuse the old valve box and simply try to restore the street bed and pavement around it.

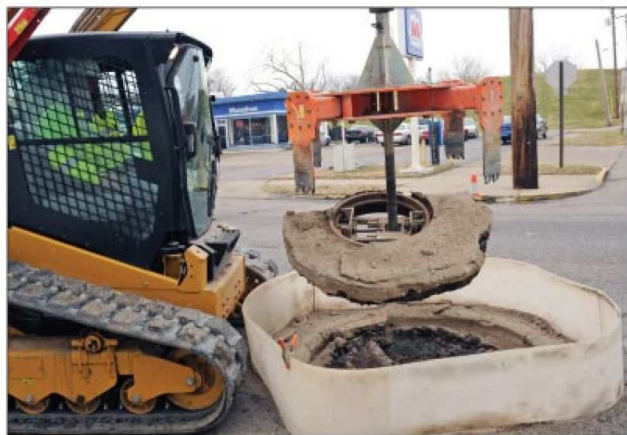
"They bust out a square of pavement around the valve box and clean it out, and then they unscrew the valve box a little to get it back to the street level," Hutchins says.

Then they fill it with gravel and lay asphalt around it. But with cars driving over it all day, pretty soon they're back to exactly what they just tried to fix.

"I've seen cases in our town where they do the repair, and a week later it's going back to the same way it was. I'm trying to convince them that if they did it our way, that wouldn't happen – they wouldn't have to worry about it. Our rebuilding process keeps it from settling again."

Hutchins believes the main reason for slow adoption – aside from discomfort with something new and different – comes down to scarce funding. "Cities are reluctant to spend money right now, in part because they're waiting on the federal stimulus funds," he says.

"In addition, their main concern is their sewer systems. They are under pressure from the EPA because of the I&I they're getting from leaky pipes and deteriorated manholes. That's where they're concentrating their efforts right now. Once more stimulus money gets released and municipalities know exactly how much they'll be receiving, we should start seeing more activity in water valve box repairs."



Brandon Harrison operates a Cat 279C skid-steer to remove an old manhole on a job in Jeffersonville, Ind.

Searching the Internet and reading trade magazines, he came upon the Mr. Manhole Systems, based in Delphos, Ohio.

"They'd been around for about three years at that time," Hutchins says. "I studied up on their system for about eight months before I actually made a call. I went to Ohio and met with them. They took me through their facility. We sent our people through their training process and ended up purchasing the system. Right now, we are their only certified contractor in Kentucky." The Hutchins Group now owns two manhole repair systems and one system for water valve box replacements.

Innovative method

The Mr. Manhole system includes a cutting system that attaches to a skid-steer loader (The Hutchins Group owns a Cat 279C from Caterpillar Inc.).

The principal components are a circular cutter/extractor and a ring saw. The cutter consists of two 44-inch-diameter disks. Four adjustable arms extend out from between the disks, and cutting blades extend vertically from the arms. Each blade has four teeth positioned so that when the cutter spins, it cuts in a circular path. The adjustable arms allow the cutter to be set to varying diameters.

The cutter's replaceable blade can dry-cut through concrete or asphalt and remove the old lid, the casting, and the road overcut in one piece. After the extractor removes the casting, a new insert liner is installed. The liner stops water infiltration and protects the collar from the effects of gases that accumulate inside the manhole.

The gasoline-powered ring saw with an adjustable cutting depth trims the liner at the angle required to match the slope of the road. Then crew members apply a top sealant, reinstall the casting and pour a new concrete collar.

Learning the process wasn't difficult. "It's a really simple system to run and figure out," Hutchins says. "All my guys who work on that side have been certified with the system. They went to the Mr. Manhole facility in Delphos, Ohio, and spent a day and a half in their training facility."

"If we can convince the engineers in a municipality, we've pretty much got it sold. We offer a CD for the engineers that has the specification for the technology."

Derek Hutchins

Making the case

To sell the technology, Hutchins and his team began cold-calling on municipalities with a strong value proposition. "We're able to raise the manhole level with the street and get rid of water flowing in from the top," says Hutchins. "It's a lot more cost-effective than rebuilding the old way."

"We're also able to complete five to 15 a day, versus going in and doing one. The process costs about 50 percent less than the conventional way, and they also save money by reducing I&S and taking that load off their wastewater treatment plant."

The first customer was Veolia Water in Hardinsburg, Ky. — the company repaired 30 manholes there in one week. Meanwhile, municipalities that read about the process called the company, or contacted Mr. Manhole, which referred callers in and around Kentucky to The Hutchins Group. The business is slowly expanding into electric utility manholes: The company has done demonstrations for Louisville Gas & Electric and AmerenUE in St. Louis, Mo.

Demonstrations are the best-selling tool. "There is some resistance to the process because it's something new," Hutchins says. "When we approach a community, we might offer a demo to prove to them that ours is the best way to go. We do the first manhole in an arrangement where they supply the material and we supply the equipment and labor."

"If we're dealing with a city farther from our home area, we'll charge for the demo."

"If we can convince the engineers in a municipality, we've pretty much got it sold. You may need to get the mayor and department managers there also, but it's really critical to have the engineers' approval. We offer a CD for the engineers that has the specification for the technology."

Building the team

Hutchins assembled employees for the manhole work starting with people from Hutchins Telecom who were skilled in construction and experienced with concrete work. Team members are cross-trained so that when the manhole business is slow, they can easily shift to telecommunications or water and sewer installation projects.

When hiring from the outside, Hutchins looks first to people he has worked with before or knows through industry contacts. "Or I might have a manager who knows someone who would fit in very well with us," he adds.

"We hire people who have good communication skills, can work with and respect their colleagues, and have pleasant personalities. Experience is definitely a plus, but we're willing to hire people with no experience and train them. We offer good pay, health insurance, a 401 (k) plan, vacations, holiday pay and other benefits."

"We believe in promoting from within. So far, we haven't hired outside the company for



Phillip Ratts guides a manhole ring saw around the pipe to get a straight cut.

management positions. I'm not saying we'll never do that, but a number of our people who started out as laborers have advanced to foreman and supervisor roles."

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Seeing potential


The slow economy has kept the business from taking off as well as Hutchins would like, but he sees strong potential. The water and sewer work done for communities under Hutchins Telecom creates opportunities for cross-selling.

"We're talking to a lot of municipalities now where as soon as they get the grant money or stimulus money they're waiting for, we're going to get the work. They want to do it. They just need to have the funds." There is potential for the manhole system in the telecommunications sector, too.

Hutchins knows he's in the right place with the right technology. He believes the right time will be here soon. ■

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