

Maintaining A Good First Impression

Nate Lee

An RPM Pizza's facility coordinator discusses his approach to parking lot maintenance

What is your official title, and how long have you been at RPM Pizza, LLC? I am a Facilities Coordinator and have been at RPM Pizza since October 2014.

How many restaurants does RPM Pizza have? How many are you responsible for, and in how many states do you operate? RPM owns 187 stores and partners with an additional 24 franchise stores. RPM will also build eight more stores in 2017. I am currently over 187 stores spanning five states.

What pizza chains are operated, and how long have they been in business? RPM Pizza is a franchise of Domino's Pizza and has been in business for 36 years.

How many freestanding locations do you have? We have 85 in Mississippi, Louisiana and Alabama, and 15 in Indiana.

How does RPM budget for yearly capital and expense repairs for parking lots, and is every parking lot's condition surveyed? Parking lots are inspected every quarter by RPM and Domino's corporate auditors. If there is a major problem developing, the auditors will bring it to Facilities' attention. We begin our budgeting process in October for the following year. We assess our parking lots and document problems that may become brand damaging or could cause a safety concern for team members and customers. Our last survey in 2015 revealed that out of our 18 asphalt parking lots in the south, three needed to be repaved, one needed minor work and eight needed to be sealed.

What is RPM's yearly capital spend on parking lot maintenance? It is between \$150,000 and \$200,000 a year.

What is the minimum dollar amount for a capital project? In most cases, it is \$2,500. For roofs, it is \$3,500, and \$5,000 for parking lots.

Does sealing and striping amount to a lot of capital? Sealing and striping can vary from \$4,000 to \$12,000. Striping by itself has ranged from \$750 to \$1,200 depending on the vendor. We are working with a vendor now whose prices range from \$500 to \$800 depending on travel.

What is the book life, in years, of a new or overlaid parking lot? The capitalization limit on parking lots is \$5,000 and is depreciated over three years.

How do you determine a major repair versus total replacement? The big questions we ask are: How long will we be at this location? Is there a safety concern? Can the condition damage the brand?

How many asphalt contractors does RPM use, and how are they chosen? We have used about four different asphalt contractors, and the price has differed significantly. Our current parking lot vendor does the job for around \$3.20 per square feet.

Are the major parking lot replacements bid out to numerous vendors or negotiated with one? We have used multiple vendors in the past, and the price was not always in line with what we wanted to pay. We do have a specific vendor, but we still put the job out for bid to make sure we get the best price.

Does RPM have asphalt specifications, or do you use the contractor's specs? We use state-mixed asphalt. We use base asphalt, which is a coarser grade for depressions, potholes and grading. For the final inch, we use a top coat that isn't as coarse and leaves the parking lot with a smoother finish.

How many total parking lot overlays are planned in 2017, and what is RPM's total parking lot maintenance capital budget in 2017? We have six sealing and two or three overlays planned in 2017.

You recently finished a complete parking lot overlay at the Baton Rouge Domino's location. How large was the parking lot? It was a little more than 9,100 square feet. We had major potholes due to the recent flooding in the city. Also, ruts were developing in the broken-up concrete due to the trash truck's load and shock of dumping the can.

In this instance asphalt was placed over concrete, which was in terrible condition. What was the cause of the deterioration, and how was the lot prepped prior to asphalt placement? The failed areas were identified. We removed the concrete in key spots to make sure the foundation dirt in the spot was solid. One area had to be tamped and filled in with crushed concrete, then base asphalt was used to bring it up to grade. The parking lot was then laid with base coat and finished with top coat. We extended the dumpster pad so the trash truck could put its front wheels on the concrete pad when picking up and dumping the can.

We used a separate vendor to stripe the parking lot. He was able to stripe the parking lot for \$800, which also included painting the caution striping around the walkways, the bollards, railing and height pole. We also had all the other Domino's in the vicinity touched up at the same time.

How long did the project take? Was the lot closed down during the work? With any project we do, we try our best not to impact operations. I requested the contractor do the work overnight and early morning.

What was the approximate cost, per square foot, for this job? It was \$3.20 per square foot. The flat price for parking lot grading/ repair and dumpster pad was \$7,000 with a mobilization fee of \$2,000.

In hindsight, what, if anything, would you do differently for the Baton Rouge project? After the job was complete, there was a 2-inch height on the dumpster pad that I wasn't thrilled about. In the future, I will state in the scope of work that the dumpster pad should be flush with asphalt. Also, due to the width of the original pad and the placement of the neighboring fence, in the future, I may suggest the pad be 10 feet wide instead of 8 feet to make sure the truck can easily access the can. Typically, dumpster pads are at the edge of property lines so if a neighbor erects a fence, it may pose a problem for dumpster pads that are not wide enough.

With 187 stores across five states under his purview, Nate Lee is the Facilities Coordinator for RPM. He has a bachelor's in industrial engineering technology and logistics, a combined eight years of experience in the restaurant and service industry, and five years of project management. RPM Pizza is the largest franchiser of Domino's.