

SACRAMENTO Business Journal

ENTERPRISE

From the April 2, 2004 print edition

Awash with potential

Startup cashes in on liquid construction waste, sees lucrative future

Celia Lamb

Staff Writer

The owners of Concrete Washout Systems Inc. want their bins to become as routine as hard hats at construction sites across the nation.

A year ago the Wilton startup was just getting ready to introduce a new kind of bin for handling wash water from concrete trucks.

"We've experienced phenomenal growth in the first year," said Concrete Washout Systems president and co-owner Mark Jenkins. Annual revenue has topped \$1 million, 20 percent higher than the original business plan -- and more than investors put in.

The company is profitable, he said, declining to elaborate.

The company has licensed about 220 bins to Elk Grove Waste Management, which is owned by Concrete Washout's owners, and to two construction waste firms in Southern California, said Roger Engelsgaard, a partner with the firm. By the end of April the company expects to license 40 more to the Southern California firms. It is working on a deal to license with a company in Placer County.

New market: Concrete Washout Systems has captured a market that didn't exist a few years ago. Tougher regulation of storm-water pollution, following the enactment of U.S. Clean Water Act provisions, has changed the way construction firms handle waste.

"It used to be, before concrete became 'toxic,' we would just wash the trucks out anywhere," said Mike Regan, a salesman for Concrete Inc., a Stockton maker and seller of concrete.

Now that kind of practice would land a hefty fine. Concrete residue raises the pH of runoff that washes

into storm drains, potentially harming aquatic organisms once it reaches a creek or river.

David Kreisher, storm-water pollution inspector for the city of Elk Grove, thinks portable bins will eventually become mandatory in California.

"If it was up to me that would be happening this week," he said. "I recommend it to almost every job site out here."

On the day Kreisher spoke, he had just finished inspecting a cleanup at a homebuilding project in Elk Grove using a plastic-lined pit to store wash water instead of a bin. Extremely alkaline water leaking out of the pit had flowed into a nearby storm drain. Kreisher ordered the builder to pump out 400 feet of drainage pipe and then run a camera into the line so he could see what it looked like.

The cleanup probably cost the homebuilder \$5,000 to \$6,000, money that could have been saved with the use of a bin, Kreisher said.

Regan of Concrete Inc. said that all of his company's trucks have \$1,500 wash-water recovery systems installed in case of emergency but that using them would take more time than simply dumping wash water into bins.

'Totally worth the money': Consolidated Fabricators in Galt makes the bins for Concrete Washout at a cost of about \$3,800 each, Engelsgaard said.

Concrete Washout licenses the bins to waste companies for about \$50 per month. Licensing, rather than selling the bins, allows Concrete Washout Systems to control their use, Jenkins said.

"It's not like a trash Dumpster," he said, because it requires maintenance. The bins are low, long and slanted to allow a concrete truck to back up and dump out wash water. When the bins fill up, a vacuum truck removes the water, leaving a residue of gravel and sand that can be recycled.

Waste companies licensing the bins can charge what they want. Elk Grove Waste charges \$200 per month to leave the bin at a job site, \$100 to vacuum out the water and \$325 to pick up the bin for dumping at a recycling plant.

The system garnered Concrete Washout Systems an environmental innovation award from the National Ready Mixed Concrete Association in March.

"It's totally worth the money," said John Shiner, a senior builder working on a Morrison Homes project in Elk Grove "It's cheaper if you say I could have had an \$80,000 fine for having suspended particulates of an unknown source in my storm runoff."

Could Concrete Washout bins become the standard in the construction industry?

"I can't see why not," Shiner said. "It's a good system. It works. Everybody likes it."

Jenkins said Concrete Washout plans to pitch its product at national trade shows, including the Waste Expo, a major industry conference planned in Dallas in May.

Jenkins expects more fast growth.

Concrete Washout now has 11 employees, Jenkins said, a figure that "could easily triple by this time next year."

© 2004 American City Business Journals Inc.

→ [Web reprint information](#)

All contents of this site © American City Business Journals Inc. All rights reserved.