

CONSTRUCTION ADVANCEMENT PROGRAM OF WESTERN PA

CAPsule Report
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Happy 2nd Anniversary!

BreakingGround

What are your thoughts on the first two years of BreakingGround?

**To locate all issues visit
www.mbawpa.org.**

CAPsule Report

Published monthly by the CAP Staff

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www.mbawpa.org

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Volume 40, No. 4

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Important Dates

September 1, 2008
Labor Day Holiday *

October 2, 2008
Young Architects & Young Constructors Present BIM Seminar **

October 3, 2008
Building Excellence Awards Submissions Due

October 28, 2008
Best Value Contracting Seminar **

December 4, 2008
YC Holiday Party

January 16, 2009
MBA Annual Dinner

February 26, 2009
The Construction Industry Evening of Excellence

*** MBA Labor Agreements grant denoted days as holidays.**

**** Tentatively Scheduled**

History & Facts

In 2007, "Places Rated Almanac" ranked Pittsburgh as the most livable city in the nation. This ranking is well documented by local media and politicians, but what has received very little attention is that Pittsburgh is the only city to place in the top twenty each year of this ranking since its inception in 1981.

The Key Role of Construction in PA The Price Pains Continue

In Pennsylvania, the construction industry employed 260,000 workers in May 2008, 4 percent of the state's non-farm employment of 5,804,000 and a decrease of 1.1% from one year before. Nationally, construction accounted for 5% of non-farm employment but fell 5.1% over the year as homebuilding shrank.

Construction contributed \$21 billion to the state GDP of \$531 billion in 2007.

Annual pay in 2006 in construction averaged \$47,774, 16% more than the private sector average of \$41,019. Nationally, construction pay averaged \$44,496, 5% more than the national private sector average of \$42,414.

Small business is big in the construction industry. Pennsylvania had 30,000 construction firms in 2005, of which 92% employed fewer than twenty workers. In addition, Pennsylvania had 98,000 construction firms without employees, mainly sole proprietorships in 2005.

Pennsylvania's population grew 0.2% from July 2006 to July 2007, 41st fastest of all states; the national growth rate was 1%. Population growth affects the demand for many types of construction.

Another factor affecting the demand of construction is the cost of materials. The construction industry continues to exceed even the elevated rise in the overall producer price index (PPI). In July, the PPI jumped 1.2%,

seasonally adjusted, and 9.8% over 12 months, the biggest one-year gain since June 1981. But the PPI for inputs to construction industries, a weighted average of materials that go into every type of construction plus items, such as diesel fuel, that are used by contractors, jumped 2.0% for the month, not seasonally adjusted, and 11.9% over one-year.

Unfortunately, increases could be just as large in 2009 and beyond.

The information in this article was supplied by AGC's Chief Economist Ken Simonson. Mr. Simonson publishes a weekly email, DataDigest. To be added to the email list, contact the MBA office.

MBA Launches Safety Video Library For The Membership

Safety is a top priority at the MBA. To further assist members with promoting safety awareness amongst its employees, the MBA Risk Management Committee launched the MBA Safety Video Loan Library. Video topics include Confined Spaces, Fall Protection, Substance

Abuse, and much, much more. The procedure for the video library is an MBA member can visit the safety library website and click on a category which will direct you to a webpage with all selections under this category. To borrow a selection, click on a title

and an email will be generated from you to the MBA. The borrower will have 30 days to return the video to the MBA. For more information find a link to the MBA Safety Webpage by visiting www.mbawpa.org or call Bob McCall, Director of Safety, at 412-922-3912.

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MBA Committee Corner: MBA Legislative Committee Update

The MBA Legislative Committee has been ensuring the voice of the MBA contractor is represented. The committee's mission is to monitor local, state, and federal legislation affecting the construction industry and to take action when necessary; opening communication with elected officials so they better understand the construction industry.

Recent actions of the committee include:

- Assisting the General Contractors of PA in launching the association's website: generalcontractorsofpa.org. GCAP is the unified voice of

union contractors in PA. The website offers updates on state legislation and the official stance of GCAP on the issues.

- Continuing to serve as a member of the Construction Legislative Council of Western PA. Prior to recessing for the summer, the CLC held executive board elections and Jon O'Brien of the MBA was elected to serve as Secretary.
- During the state legislature's summer recess, MBA Legislative Committee Chairman John Busse testified at a hearing on contractor licensing. No action is expected

on this issue during the current legislative session, but the MBA wants its voice heard as it is assumed this topic will resurface next session, which begins January 2009.

- The MBA was represented at the recent PA Gaming Control Board meeting to decide on whether to transfer the Pittsburgh casino license. MBA Board of Director Dean Mosites testified on behalf of 23 contractors that are owed money for the North Shore Casino Project.

To receive email updates from the committee, contact the MBA.



AGC "Leader, Innovator, Advocate, Educator" DVD

On June 4, 2008, the AGC was the first association to receive the Honor Award, the highest recognition given by the National Building Museum.

For the remainder of 2008, the AGC will hold this historic distinction and the opportunity to remind AGC members that the industry's leaders and experts have recognized AGC efforts to advance the quality,

safety and vitality of construction.

"This distinguished honor was made possible by the AGC Chapters and members nationwide who exemplify the leadership and innovation of the construction industry," said Steve Sandherr, CEO of AGC.

The AGC would like to share the prestigious honor with its membership by allowing chapters to

offer its members a chance to view a DVD produced to commemorate the event. MBA members can either purchase or borrow the DVD by contacting the MBA office at 412-922-3912 or email jobrien@mbawpa.org.

For more information on AGC, visit www.agc.org. For more information on the National Building Museum, visit www.nbm.org.

AGC, ASA & ASC Approve Two New Construction Guidelines Locally, AIA & MBA Prepare for Release of Recommended Guidelines

The AGC, American Subcontractors Association and the Associated Specialty Contractors gave a final approval to two new construction guidelines: *Warranty for a Construction Project*; and *Terminations & Suspensions*.

These two documents have been added to the "Guidelines for a Successful Construction Project."

The Guidelines are a collection of more than 30 best-practice statements that provide practical advice for those in the construction industry. To view, visit www.constructionguidelines.org.

Locally, the AIA-MBA Joint Committee, with the assistance of the AIA Young Architects Forum and the MBA Young Constructors,

are a few months away from introducing the updates to our region's "Recommended Construction Practices".

To receive a notification of when the AIA-MBA Joint Committee releases its updates, visit the committee's homepage, www.mbawpa.org/aia-mba.

MBA News



MBA Welcomes New Members—The MBA Board of Directors announced that the following companies have applied for membership and have been accepted:

REGULAR:

FMS Construction Company

ASSOCIATE:

Carpenters For Hire, Inc.

AFFILIATE:

Helbling & Associates

The new members have been added to the website.

Career Center:

Does your company have an open position? If so, contact the MBA today to fill the position in the next edition of the CAPsule Report.

The following resume was received since the last CAPsule Report. Contact the MBA to receive a copy of the resume:

- Construction Superintendent with over 18 years experience.

Wage Rates Updated—The following wage rates have been updated:

- Asbestos Workers Local 2
- Greater PA Carpenters

- Plumbers Local 27
- Roofers Local 37
- Sheet Metal Workers Local 12
- Bricklayers Local 9
Bricklayers
Stone Masons
Terrazzo I & II
Tile Setters
Marble Masons
Tile & Marble Finishers

To view all area wage rates, visit www.mbawpa.org.

MBA Members Join AGC Specialty Contractors Committee:

Chud Fuellgraf, Fuellgraf Electric
Ralph Pagone, Richard Goettle, Inc.

First Contract Addressing BIM Hits the Industry AIA's Young Architects & MBA's Young Constructors To Host BIM Seminar

In June the Building Information Modeling Addendum was released by ConsensusDOCS, a significant step forward utilizing BIM as a collaborative tool. This new document, ConsensusDOCS 301 BIM Addendum, will bring the construction industry's future into reality. It is the first and currently only industry standard document to address the legal uncertainties associated with BIM.

BIM is the process of generating and managing computerized, multi-dimensional models linked to databases that house the design specifications, schedules and other documents related to a construction project. BIM provides all parties involved on a project with shared, current project data, subsequently allowing for a richer design process, increased budget control through predictions about a project's

construction process and fewer surprises with respect to potential design and scheduling conflicts.

This BIM Addendum, plus an interactive discussion from those with BIM experience, is part of a joint seminar which will be presented by the AIA's Young Architects Forum and the MBA's Young Constructors. To receive an e-notice on event, contact the MBA.

Miscellaneous News

OSHA & P.J. Dick Form Partnership—OSHA & the P.J. Dick/Hunt joint venture joined forces to form an OSHA Strategic Partnership during the construction of the Penguins arena. The partnership's focus is to reduce injuries by 3% by implementing effective safety and health systems by all site contractors

PA Building Code Officials Database—In July 2008, PA launched a database of all municipal Building Officials. The database will be maintained on the PA Dept. of Labor & Industry website under the UCC webpage. To obtain the database, contact the CAP office at 412-922-4703 or jobrien@mbawpa.org.

Engineering Sustainability 2009—The Univ. of Pittsburgh Mascaro Sustainability Initiative and the CMU Steinbrenner Institute announce the first call for papers for **Engineering Sustainability 2009: Innovations that Span Boundaries** to be held on April 19-21, 2009, Pittsburgh, PA.