

Impact of Development

Commercial real estate development and construction is a perpetual and valuable economic engine, with spending and directly related outlays generating a significant financial impact and helping to counter the recessionary forces that have undermined the economy's performance since December 2007.

In a new report issued by the NAIOP Research Foundation, the compounded economic impact of commercial development and construction spending reached \$288 billion in 2009, as follows:

- ◆ \$148.6 billion in hard costs (actual construction costs)
- ◆ \$139.4 billion in soft costs (architecture, engineering, marketing, legal, management), site development and tenant improvements
- ◆ An additional \$2.52 billion were spent on building operations (maintenance, repair, custodial services, utilities and management)

Development and construction spending declined in 2009 due to the recession's economic contraction, yet it still generated an overall positive contribution to the U.S. economy. Direct outlays for construction spending for office, industrial, warehouse and retail

totaled \$46.6 billion, down 48 percent from 2007. And although an additional 264.6 million square feet of building space was added to the inventory, it represents a decrease of 68.5 percent compared to 2007.

"This decline in construction spending has resulted in a noticeable effect on the nation's economy, and it has negatively impacted the ability for communities across the county to pull out of the recession," said Thomas J. Bisacquino, NAIOP president and CEO. *"This report reconfirms that a healthy real estate economy is vital to a prosperous U.S. economy, and the industry is depending on lawmakers and the administration to continue to free sources of capital so that development can recommence, and the trickledown effect will be seen in increased employment numbers and consumer spending."*

Share Ideas

"Strapped with tightened budgets and diminished staff, we need to share ideas that help us work smarter", remarked Jeff Slade, Miller Construction. **Solution:** CASF IT Committee. Send your IT professionals to discuss successes and struggles with their peers. Meeting date to be announced. To sign up, go to: <http://www.casf.org/>

Member News

Allegiance Crane & Equipment and Prophet Equity have completed the purchase of the assets of General Crane USA. Retaining more than 100 employees of General Crane USA, Florida-based Allegiance Crane & Equipment is already expanding its workforce, with many projects underway or in the pipeline, according to the company's President, Jim Robertson.

Hypower Inc.'s Renewable Energy Division Federal branch has expanded into California after being awarded a turn-key design/build Solar Photovoltaic (PV) System for the Veterans Affairs Outpatient Clinic in Mare Island, California as part of its GSA Schedule contract. The 109 kW system uses crystalline silicon panel technology with a ballasted roof mounting system requiring no roof penetrations.

The Hypower designed Solar PV system provides maximum energy generation and best return on investment for the Department of Veterans Affairs.

Cyrus Technologies, Inc. is now part of Prenova, Inc., a privately held energy management company that provides a variety of services to help its customers control energy costs.

Cyrus Technologies continues to deliver solid building control solutions that allow building owners and managers improved access to the critical information and control functions they need to make their facilities safer, smarter, and more efficient to operate.

February 2011
Vol. 22, No. 02
Ft. Lauderdale,
Florida

Superior Service With Attention to Details

For over thirty years, Coastal Masonry has provided extensive experience, scope evaluation and scheduling capabilities to their customers' projects. Located on a 5-acre parcel in Pompano Beach, Coastal Masonry has been company-owned and operated for more than 30 years, opening their doors in 1974. Their high level of customer service is evident in the fact

that they that have completed more than 100 projects to date and have finished every project that they have started.

Coastal Masonry is fully equipped and maintains all of their own delivery trucks, pettibones, pumps and equipment. This capability allows them to supply their projects with the materials and equipment necessary to get the job done. In addition, Gordy's Equipment, Coastal Masonry's sister company, can supply just about any construction-related equip-

ment to help fulfill the needs of their projects. This adds an impressive support structure and team member to their crew. Their entire team strives to deliver a superior service and product to each project in which they are involved and constantly focus on the finer custom details.

Coastal Masonry is committed to delivering value and creating the positive team environment that is crucial to getting any project completed on time and within budget. Their track record of successful masonry projects of all sizes is further proof to their dedication to this formula. Their years of experience give them an ability to evaluate every project's scope and provide expertise in scheduling and value engineering on a case-by-case basis.

Coastal Masonry is one of very few southeastern masonry contractors that employ a full time safety director. They have received numerous awards for their proactive and innovative safety programs. All of their

superintendents' and foremen are 30-hour OSHA certified and their labor leads are either 30-hour or 10-hour OSHA certified. They are proud to provide a safe working environment for their employees and projects. Coastal Masonry is also widely recognized for their sophisticated estimating services. Each of their estimators utilizes state-of-the-art technologies including; digitizers, custom engineered estimating applications, on-screen takeoff and 3-D modeling CAD software. Their estimators also provide added value with the years of experience they bring to every project. They are often relied upon to identify potential design efficiencies that eliminate material waste and realize significant cost savings for their customers. Since most of Coastal Masonry's customers issue lump-sum contracts, they always provide them with detailed bid proposals including a "set in stone" scope of work. They are always looking to provide their customers with the most efficient and reliable estimating services in the industry, giving them the "Coastal Masonry Peace of Mind."

Some of their notable projects include: Ten Museum Park, Met 1, Bellamare, The Setai, St. Regis Hotel, Brickell on the River, Las Olas Beach Club, Jade Ocean, and the Mandarin Oriental.

Coastal Masonry, Inc. is located at 1909 NW 16th Street, Pompano Beach, FL 33069. For more information, call 954-984-0600, or visit their website at www.coastalmasonry.com.



CONSTRUCTION ASSOCIATION of South Florida

2929 North West 62nd Street, Ft. Lauderdale, FL., 33309
Phone: 954-974-6333; FAX: 954-974-6633
casf@mindspring.com

OFFICERS

Geoffrey Bunnell, James A. Cummings, Inc., President
Bill Bower, Southeast Mechanical Contractors, First Vice President
Doug Wallace, Stiles Construction Company, Second Vice President
Bob Baer, Central Florida Equipment, Secretary/Treasurer

BOARD OF DIRECTORS

•**Russell Anderson**, Moss & Associates •**John Bennett, Sr.**, Baker Concrete Construction
•**Sidney Blaauw**, Steel Fabricators, LLC •**Michael W. Fee**, Lotspeich Co. of Florida, Inc.
•**Donald Ferguson**, Cayman National Manufacturing •**Frank Frione**, GFA International
•**Craig Heiser**, Whiting-Turner Contracting Co. •**Thomas C. Murphy, III**, Coastal Construction Group
•**Brad Meltzer**, KM-Plaza Construction Services •**Jeff Slade**, Miller Construction Company

IMMEDIATE PAST PRESIDENT

Richard W. Schuergger, John Moriarty & Assoc. of FL.

•ASSOCIATION EXECUTIVE VICE PRESIDENT, **John C. Siegle**
•FINANCIAL ADVISOR, **Robert Benson**, Crowe, Horwath, LLP
•LEGAL ADVISOR, **Alexander Williams**, Ferencik, Libanoff, Brandt & Williams
•CONTRIBUTING WRITER, **Gerry Klein**

Construction Focus is the official publication of the Construction Association of South Florida. Article suggestions and submissions for publication consideration should be forwarded to the Executive Vice President.

Conscious Fuel Management Saves \$\$\$

Any company can improve their fuel efficiencies. It takes work and commitment from the head office to your people on the road and at the job sites. More and more companies are making changes in their operating practices to cut costs now and to be prepared for even higher costs in the future.

Ten Ways to Cut Fuel Costs:

1. Train and educate your drivers: It starts with the people who have their foot on the gas pedal. Your drivers can control fuel consumption each time they fire up their engines, and proper training can improve fuel efficiency, economy and emissions. Hard acceleration, speeding and idling are the biggest causes of fuel waste. Initiate a training course for drivers and reward participation.

2. Decrease idling: Be aware of the time engines idle. No longer can we leave machinery and equipment running all day long. **Stop your engines!** Excessive idling adds to your fuel costs by as much as 50% and can shorten the life of engine oil by 75%, adding more costs. Initiate a campaign to reduce idling time and reward participants. Allowing an engine to idle more than 3 minutes causes expensive damage which harms efficiency, shortens engine life and increases maintenance costs. It all adds up.

3. Start off slower: This is another lesson your drivers must be taught. Jackrabbit starts waste fuel and save less than 3 minutes per hour driving, but can result in using 40% more fuel and increase toxic emissions by

400%! What's the rush?

Ease up on the gas pedal and your efficiencies will improve.

4. Slow down: Speeding is dangerous, it wastes fuel and creates higher levels of toxic emissions.

5. Lose Weight: Excess weight places unnecessary strain on your vehicle's engine and greatly affects its fuel efficiency. By removing as little as 100 pounds you can significantly improve your gas mileage. Check each vehicle and pitch out that unnecessary weight!

6. Use a Fuel Management System: This is the most powerful way to lower fuel costs and increase productivity. Automated fuel tracking (*which details every gallon pumped into every vehicle by date, time, quantity and fuel type*) to telematics (*which measures overall fuel efficiency, vehicle performance, tracks fuel waste due to idling, speeding, etc. and identifies critical areas to improve efficiency and reduce fuel costs and emissions.*) The technology exists so you can stay on top of your fuel consumption, one vehicle at a time.

7. Upgrade your Fleet: Whenever possible, invest in modern, fuel-efficient vehicles. Modern diesel engines are far more fuel-efficient and perform better with modern diesel fuels such as ultra low sulphur diesel and biodiesel. Though it may seem expensive, new diesel vehicles can save thousands of dollars in maintenance, fuel and productivity per vehicle. Measure each piece of equipment for fuel efficiency and get rid of the bad ones! Replace and upgrade your equipment

regularly. It may hurt now but it will pay you back.

8. Tune-up vehicles regularly: Do you have a stringent, well-managed maintenance policy? Many companies "*fix it when it breaks.*" This attitude costs too much in wasted fuel. A well maintained vehicle performs better, improves fuel efficiency, reduces toxic emissions and, in the long run, will cost less to maintain.

9. Pump it up: Proper tire inflation improves gas



mileage. Statistics show improperly inflated tires can cost up to 2 weeks worth of fuel per year! How big is your fleet? Two weeks per year per vehicle adds up to thousands of dollars in lost profits! In addition, proper inflation results in improved vehicle and braking performance, and increases tire life.

10. Implement Advanced Mobile Asset Management Technology: Wow, that's a mouth full! You can measure and manage your fleet better when you have the right information. Tracking miles traveled, average speed and engine efficiency is critical to cutting fuel costs. Less time on the road means less fuel consumed, less wear on vehicles, decreased expenditures and overall increased productivity.

Once you have made a total commitment to managing your fuel better and changing some of your bad fuel habits, results will follow. Stick with it. Unfortunately, fuel prices are only going up.

Unspoken Conversation Causes Accidents

At CASF's January Safety committee, Sergio Clavijo from Sunshine State One Call of Florida led a discussion on five unspoken conversations that affect safety in the workplace.

It is often uncomfortable for some workers to address issues that may put them or their fellow coworkers at risk on the job, even though they are aware of workplace dangers that could result in injury or death.

Unspoken conversations that endanger workplace safety are:

1. **Get it done.** Unsafe practices that are justified by tight timelines. Many believe that dangerous short cuts cannot be discussed with their supervisors.
2. **Undiscussed incompetence.** Unsafe practices that stem from skill deficits that

can't be discussed.

3. **Just this once.** Unsafe practices that are justified because they are exceptions to the rule.

4. **This is overboard.** Unsafe practices that bypass precautions because management or workers consider them excessive. Old habits often trump new or changing rules.

5. **Are you a team player?** Unsafe practices that are justified for the good of the team, company or the customer. Few speak up if they see a threat.

What can be done?

1. **Draw attention to issues.** Make it comfortable for workers to speak up about safety issues. Share information and start a dialogue around building a culture of accountability.

2. **Baseline and measure regularly.** Managers who are serious about building

accountability regularly survey how well people are doing at addressing different kinds of crucial issues.

3. **Invest in skills.** Most safety managers and front-line employees lack the confidence to address sensitive issues. Individuals need to be trained how to speak up about emotionally and politically risky issues in a way that will work.

4. **Hold senior management accountable.** Investing in employee competence is necessary but holding managers and executives accountable for encouraging crucial conversations is the other half of the formula.

5. **Reward.** People who take a risk and raise crucial conversations on the job should be rewarded. The key to getting people to speak up is to publicly reward the first one who does.



ROUTE 10:

3500 NW 9TH AVENUE
FORT LAUDERDALE, FL 33309

CONSTRUCTION ASSOCIATION OF SOUTH FLORIDA



CONSTRUCTION