

New Construction Climbs

New construction starts are forecast to rise 6% this year to \$506 billion, according to the Midyear Update to the 2013 Construction Outlook from McGraw Hill Construction (<http://construction.com/>), a division of McGraw Hill Financial. This is the same rate of increase for total construction starts that was predicted last October, and follows the 8% gain that took place in 2012.

"The recovery for construction continues to unfold in a selective manner, proceeding against the backdrop of the sluggish U.S. economy," stated Robert A. Murray, vice president of economic affairs for McGraw Hill Construction. *"While the degree of uncertainty affecting the economy seems to have eased a bit from last year, tight government financing continues to exert a dampening effect on both the economy and the construction industry. On the positive side for construction, the demand for housing remains strong, market fundamentals for commercial building are strengthening, and lending standards for commercial real estate loans continue to ease gradually. On balance, the recovery for construction is making progress, but at a single-*

digit pace given the mix of pluses and minuses by major sector."

Following are the main points by sector for the 2013 construction market:

- ◆ Multifamily housing will climb 23% in dollars and 20% in units, helped by the gains reported for occupancies and rents over the past year.
- ◆ Commercial building will grow 15%, after the 11% increase reported for 2012, although this year's level of activity in dollar terms will still be 39% less than what was reported during the 2007 peak year. The pace of store construction is picking up, joining earlier gains registered by warehouses and hotels. The increase for office construction will remain relatively subdued in 2013, as more privately financed office projects are countered by fewer government office buildings.
- ◆ The institutional building market will slide an additional 5%, after falling 10% in 2012. While state fiscal health has shown some improvement, state and local budgets remain tight, further dampening school construction. Uncertainty related to hospital mergers and the implementation of the Affordable Care Act is

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Member News

Dash Door has been awarded the Fire Door package for the Port of Miami Tunnel project with Bouygues Civil Works Florida! Dash Door's scope entailed the furnishing and installation of all swinging and sliding fire doors.

Jordan Gruber, a Florida Certified General Contractor and veteran of high-end residential construction in Miami Beach and South Florida, joined **Plaza Construction's** Luxury Residential Division as Co-Director overseeing all phases of preconstruction, new construction and large-scale renovations. He is a graduate of Florida State University.

Moss & Associates

Construction announced completion of the new Student Activities Center and the Schwartz Center for Athletic Excellence.

The \$45.5 million Student Activities Center, started in 2011 at the campus's center along Lake Osceola, will be the new hub for student activities, designed to centralize campus amenities and unite the student body.

Crawford-Tracey Corporation helped architects raise \$2,750 for Habitat for

Humanity at this year's 2013 AIA Florida Annual Convention in Orlando through AIA's annual social responsibility raffle.

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Florida



Jordan Gruber



Ray Crawford presents check

When You Need Response, Who Do You Call?

Each month Construction FOCUS features a CASF member company, selected by drawing a business card from among those attending the monthly networking breakfast. The next breakfast, sponsored by Pirtle Construction, will be held on Thursday, September 19, 7:30 a.m. at the Courtyard by Marriott-Cypress Creek in Ft. Lauderdale.

DECON Environmental has been a leading environmental remediation firm operating throughout South Florida since 1987. The company, founded by Samuel Levin, continues to operate on a commitment for excellence. Their services and success broadened over the years to

DECON
Environmental



include an array of services including asbestos & lead abatement, mold remediation, emergency response, and crime & trauma scene clean-up.

DECON Environmental is a family-owned company celebrating their 25th year in business! Their team provide the highest quality of service and professionalism to their clients, with an emphasis on responsive-

ness and immediate compliant action. The entire staff is extensively trained and certified to handle all environmental needs with experience and credentials that are unmatched. Reputation is a key factor to their success and growth. The company currently employs about 50 people and a few key employees include Vice President Alon Levin, Director of Operations Angel Magobet, and Director of Business Development Jonathan Finch. *"One of the best things about working for DECON is that our work environment gives each team member a sense of family and everyone is equally respected and committed to contributing to the future success of the company"*, states Finch.

One of the company's recent success stories happened in June 2013 when

Tropical Storm Andrea brought a significant amount of rainfall to the area. DECON Environmental was already responding to a 3,000 sq. ft. flood at an oceanfront hotel in Ft. Lauderdale when they received the call. The issue was that a renovation construction project had accidentally caused a break to occur in the main drain line which then became clogged with debris causing the rainwater to backup. The backed up rainwater level reached over five feet deep in the courtyard area and flooded several of the theaters, backstage areas, dressing rooms, and basements. Within hours, DECON Environmental fully responded with multiple sump pumps, water extraction units and manpower to get the flooding under control. Once all of the water was removed they brought in large tractor trailer sized desiccant drying units in order to get all of the areas dried up before the next show taking place in a few days! They successfully dried out all of the affected areas and the next show came in right on schedule!

DECON Environmental just joined CASF two months ago. *"CASF has already proven to be a great resource for qualified vendors to partner with as well as integrate with developers and the work they produce. The varieties of events foster the ability to get to know the members on a personal level,"* expresses Finch.

DECON Environmental is located at 2652 NW 31st Avenue, Fort Lauderdale, FL 33111. For more information call 954-485-8800 or visit www.DECON.com.

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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.

Exchange Notice Requirements for Employers

Beginning *Jan. 1, 2014*, individuals and employees of small businesses will have access to insurance coverage through the Affordable Care Act's (ACA) health insurance exchanges, which are also known as Health Insurance Marketplaces. Open enrollment under the Exchanges will begin on *Oct. 1, 2013*.

The ACA requires employers to provide all new hires and current employees with a written notice about ACA's Exchanges.

The Department of Labor (DOL) released **Technical Release 2013-02** in May to provide temporary guidance on the requirement to provide employees with a notice about the Exchanges. The name the DOL uses for the Exchange notice is the "*Notice to Employees of Coverage Options*."

In connection with the temporary guidance, the DOL announced the availability of Model Notices to Employees of Coverage Options for employers to use to satisfy the ACA's Exchange notice requirement. The DOL also set a

compliance deadline for the Exchange notices. Employers must provide employees with an Exchange notice by *Oct. 1*.

In addition, the DOL's temporary guidance includes a new COBRA model election notice, which has been updated to include information regarding health coverage alternatives offered through the Exchanges.

Affected Employers

ACA's Exchange notice requirement applies to employers that are subject to the FLSA. In general, the FLSA applies to employers that employ one or more employees who are engaged in, or produce goods for, interstate commerce. In most instances, a business must have at least \$500,000 in annual dollar volume of sales or receipts to be covered by the FLSA. However, the Exchange notice doesn't have these same limitations.

Required Content

Under the temporary guidance, the Exchange notice must:

- ◆ Include information regarding the existence of an Exchange, as well as

contact information and a description of the services provided by an Exchange;

- ◆ Inform the employee that the employee may be eligible for a premium tax credit if the employee purchases a qualified health plan through the Exchange; and

- ◆ Contain a statement informing the employee that, if the employee purchases a qualified health plan through the Exchange, the employee may lose the employer contribution (if any) to any health benefits plan offered by the employer and that all or a portion of such contribution may be excludable from income for federal income tax purposes.

What Is the Deadline for Providing the Notice?

ACA required employers to provide the Exchange notice by March 1, 2013. However, on Jan. 24, 2013, the DOL announced that employers would not be held to the March 1, 2013, deadline and that employers would not have to comply with the Exchange notice requirement until more guidance was issued.

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restraining construction of healthcare facilities.

- ◆ The manufacturing building category will drop 8%, as firms hold back on plant investment given the sluggish U.S. economy and slow export markets.

- ◆ Public works construction will rise 3%, helped by growth for highways and bridges. The transportation sector was largely exempt from the federal spending cutbacks under the sequester, and the current year is seeing a number of large bridge projects reach the construction start stage.

- ◆ Electric utilities will see a 40% plunge in the value of new construction starts, following the record high that was achieved in 2012 which included the start of two large nuclear facilities. With new generating facilities coming on line and capacity utilization rates dropping, the near term is seeing downward pressure on new power plant construction.

In addition to the Midyear Update, Murray is the author of the annual Dodge Construction Outlook, providing a look at the year ahead, which is released each October at McGraw Hill Construction's Outlook Conference in Washington, DC. For more information about the conference, visit <http://Outlook2013DC.com/>.

CONSTRUCTION
FOCUS
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ROUTE TO:

Annual Membership Appreciation Party

Hugh's Culinary, Thursday, August 22



2013 Golden Mic Winner -
Rich Magner, Miller Glass Co.