



The Construction Zone

The official newsletter of the Construction Institute

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CI Board installs new Officers for FY02

During a recent meeting at the ASCE Conference in Houston, the Construction Institute Board of Directors installed its new officers for the current fiscal year that began October 1. Officers chosen to serve until September 30, 2002 include:

Treasurer – Mr. Gerard A. Neumann, President & CEO, Spearin, Preston, & Burrows, Inc., New York. Jerry is a graduate of the University of Notre Dame, and a former Diving Officer with the United States Navy. He has served as Vice Chairman and Treasurer of the New York Building Congress, President of the General Contractor's Association of New York, President of The Moles, and on the Board of the Associated General Contractor's of New Jersey.

Vice President – Mr. Brian C. Kaub, Area Manager, Granite Construction Company, California. Brian is a graduate of Michigan Tech, and past nominee for "Construction's Man-of-the-Year" as awarded by Engineering News Record (ENR). He is an active member of ASCE and The Moles.

Senior Vice President – Mr. John F. Donohoe, President & CEO, Moretrench American Corporation, New Jersey. John has a BS in Civil Engineering from the University of Notre Dame. He has served as Chapter President of the Associated General Contractor's of New Jersey, National Director of the Associated General Contractor's of America, and President of The Moles.

President – Mr. Robert L. Polvi, President, Bechtel Civil (retired). Bob has a BS and MS in Civil Engineering from Oregon State University. He has served as President of the US Commission on Large Dams, and is an active member of The Moles, The Beavers, and the Oregon State University College of Engineering Advisory Board.

Please join us in welcoming Jerry, Brian, John, and Bob to their new positions on the Construction Institute Board of Directors!

OSHA Steel Erection Standard to take effect in 2002

After several years of consensus building and official procedure, a standard developed by the Steel Erection Negotiated Rulemaking Advisory Committee goes into effect on January 18, 2002. Developed in concert with union and industry groups, the rule is expected to prevent 30 fatalities and 1,142 injuries annually, saving employers nearly \$40 million per year according to an OSHA press release. Matters of interest include limits on fall protection for connectors, a ban on shop installation of shear connectors, and a new definition of the term "employer."

For additional information, visit www.osha-slc.gov/steelerrection/index.html.

Good Contractors Monitor these Trends

The construction industry is truly an industry driven by, focused on, and centered around people. Because of this focus, contractors are becoming increasingly aware that they cannot concentrate primarily on the technical aspects relevant to their industry and ignore the people who work for them; social and economic conditions currently in play will require many organizational changes.

The following listing examines some of the trends in the operational arena. Companies that address these trends now will have a greater chance for success in the years to come.

Work Force

- Shrinking labor pools has been and will be the number one limitation to growth in most markets. The unavailability of skilled labor has led many organizations to desperately try and reduce turnover by focusing more attention on working conditions, benefits, and employee morale and to put more effort into and resources toward employee recruiting.
- Entry-level workers in the open shop environment have fewer technical and basic skills. This shortage means that organizations must conduct more internal training to develop a quality work force.
- With the paucity of qualified workers, many organizations are looking to nontraditional labor pools among women and minorities. This development, in turn, has driven a need for employee training in diversity, English language, and gender sensitivity.

Procurement

- There is a shift toward teaming of construction stakeholders to provide one-stop shopping for purchasers of construction products. This is being accomplished through short-term joint ventures, long-term strategic alliances, and vertical integration through mergers and acquisitions.

- Design/build continues to grow as a delivery method, even in the public sector, as owners and agencies begin using alternative procurement strategies focused on “best value.” However, hard bid, for now, is here to stay.

Project Delivery

- Project schedules continue their trend of time compression, and cycle time for construction processes will be the major focus of the next decade. The industry has progressed from “fast track” to “flash track,” and there is no looking back. This trend puts additional pressure on the need for effective project management and field productivity.
- The overwhelming amount of timely information necessary to complete a project is driving the need for more effective communication tools. Solutions such as project intranets on the Internet, project e-mail systems, video teleconferencing, and digital photography are only the beginning. Organizations that can effectively use these tools will have the competitive advantage.

Field Productivity Improvement

- Formalized field productivity improvement efforts will become commonplace for labor-intensive contractors. Like safety, continuous improvement efforts will focus heavily on the operations side of the business, where 85 to 95 percent of dollars are spent.
- Management training and development for superintendents and foremen continues as a major focus for progressive contractors. These contractors will place heavy emphasis on developing superintendents into leaders, as opposed to relying solely on their technical competence.

*Lee D. Smither
Director, FMI Corporation
919.785.9243*

To read an extended version of this article, please visit the CI Web site at www.ConstructionInst.org.

CI Services Directorate

The mission of the Services Directorate is to provide value to the construction industry and the members of CI by representing the service providers to the industry. These services include expertise in the business of the legal profession; banking; consulting, including management consulting, claims consulting, risk management consulting and employee benefit consulting; suretyship, both from the surety writer's perspective and a surety brokers' perspective; insurance underwriters; finance and accounting; and technology. It is the purpose of the Services Directorate to enhance the knowledge and understanding of business issues for every member of the Construction Institute.

The Executive Committee (ExCom) of the Services Directorate reflects the broad-based knowledge needed to bring value to all of the business facets of construction. Our ExCom consists of:

John Lamberson, Director - Lamberson Consulting
Christian Burger - Burger Consulting - technology consulting
Tony DePadua - St. Paul Construction Insurance - insurance underwriting
Tom Finnegan - Kellogg LLC - construction claim consulting
Bob Frentzel - La Salle Bank - construction banking
Jim Kesl - Willis - risk management
Peter Kutil - King & King - legal
Lee Smither - FMI Corporation - management consulting
Dick Yeazel - Zurich Financial Services - surety underwriting

The Directorate also has access to additional services resources that can be of considerable benefit to the construction industry. As an example, Neil Wiley of McNeil, Silveria, Rice, Wiley & West, who is considered to be an acknowledged professional in construction tax accounting issues, will make his knowledge available to the Directorate, as have large accounting firms who specialize in the construction industry.

Additionally, the Computing in Construction committee, whose purpose is to stimulate and influence the effective application of computer technology in construction, falls within the responsibility of this Directorate. This committee is chaired by Foad Farid, PhD, who heads up the WEBSPERTS Institute.

The Services Directorate and its ExCom is committed to bringing knowledge and professional capabilities in any segment of the services industries that the construction industry needs to effectively manage its everyday business issues.

For more information on the Services Directorate or to find out how you can get involved, please contact the CI office at 703-295-6390 or ci@asce.org.

CI Board of Directors

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Robert L. Polvi
President - Bechtel Civil (Retired)

Senior Vice President:
John F. Donohoe
President & CEO - Moretrench American Corporation

Vice President:
Brian C. Kaub
Area Manager - Granite Construction Company

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A Message from the P r e s i d e n t

Fellow CI Members and Friends:

During CI's first year, under the very able leadership of Charles Mergentime, great strides were made in organizing this new Institute to serve the needs of all individuals working within the construction industry. By combining the Construction and Materials Divisions of ASCE and opening our membership to non-Civil Engineers, we have established a membership base of nearly fifteen thousand individual members and twelve corporate members during our first year of operation. What a tremendous accomplishment! With a great thank you to Charlie for getting us off and running, I am happy to assume the position of CI President and continue with the leadership of CI.

During this coming year, our primary objectives will be to increase our visibility, membership base, and service to our members. The Construction Institute has much to offer. Our task is to spread the news to everyone that works within the construction industry. Before the establishment of CI, most people serving the construction industry did not qualify for or benefit from membership in

ASCE. This has changed. Anyone who wishes to belong to this large, prestigious organization may join as an ASCE/CI member or an Institute-only member. Either way, you will receive the many benefits of CI membership, such as seminars, conferences, publications, and networking. You will be a part of a growing organization developed to meet your needs.

On a personal note, I would like to take this opportunity to express my sympathy and condolences to everyone affected by the horrible events of September 11, 2001. As an American, I am extremely proud of the response of the American people, our President, our government, and fellow members of ASCE and CI. We will unite, rebuild, and persevere.

I appreciate this opportunity to serve as your President. Together, we will continue to grow CI into an organization that truly represents every facet of the construction industry.

With Best Regards,



Robert L. Polvi

**Construction Institute
to exhibit at the
World of Concrete**

**New Orleans, LA
January 9-12, 2002**

The Construction Institute will be exhibiting at the World of Concrete. We will be handing out membership information and increasing awareness about the Institute.

Meet major manufacturers, learn the latest techniques, and examine the capabilities of the tools of the industry at this event. The World of Concrete is expected to attract 1,600 exhibitors and 60,000 construction professionals. Join them in New Orleans and outfit your business with the best tools and equipment, sharpen your skills, and prepare for the season ahead.

For more information, visit the World of Concrete Web site at www.worldofconcrete.com.

If you attend the conference, be sure to visit us at booth #10535. We hope to see you there.

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Spotlight on our Corporate Members



With a rich history that dates back to 1871, Ingersoll-Rand (IR) has become one of the world's most diversified, multinational manufacturers of industrial and commercial equipment and components. IR employs 50,000 worldwide and serves four global growth markets. Within these markets IR produces a wide array of products - from air compressors to heavy construction equipment to security locks.

IR Portable Power, based in Mocksville, NC, produces compressors, generators and light towers that are used for a multitude of applications. IR Portable Power prides itself for being one of the innovators in its market. The machines are well built and reliable, and are backed by an extensive dealer network providing powerful solutions to their needs.

The IR Road Development Group, based in Shippensburg, PA, produces heavy equipment such as asphalt pavers, compaction equipment and telescopic lifts. Strides in technology include Road Development's patented impact spacing meter that provides consistent, uniform compaction of

asphalt. Other innovations include compactors with automatic vibration control and a manual push button vibration switch. Also, many IR compactors have been outfitted with a five-position rotating operator's console for excellent visibility.

IR Drilling Solutions products are all around the world. Drilling Solutions manufactures rotary drills, rock drills, and crawler drills. They are used in a variety of applications including general construction, utilities, pipelines, bridge repair, commercial development, highway and heavy construction, government agencies, gas, oil and water well drilling, quarries, mining, and mineral exploration.

Some of the biggest strides in product innovations have come from these three divisions. Drilling Solutions has devised an automatic drilling system that continually regulates hole straightness, accessory life and performance. Portable Power

continually engineers new innovation into its products. For example, they offer light towers that raise from a horizontal position to a vertical position by use of dual, hand-operated winches with a patented automatic safety brake. Road Development Group developed a state-of-the-art hydrostatic propulsion system for better asphalt compaction. All the business groups within Ingersoll-Rand have combined cutting-edge technology with customer satisfaction to be a market leader in their respective industries. These groups have the experience, expertise, and determination to continue their success in the future.

Further information about Ingersoll-Rand Company or any of the products they offer can be found on the company's Web site at www.irco.com.

IR Ingersoll-Rand

- Blaw-Knox[®] Paving Equipment
- Bobcat[®] Skid-steer Loaders & Mini Excavators
- Club Car[®] Utility Vehicles
- Air & Hydraulic Crawler Drills
- Rotary Blasthole & Waterwell Drills
- Portable Air Compressors, Light Towers & Generators
- Asphalt & Soil Vibratory Compactors
- Variable Reach & Straight Mast Rough Terrain

www.irco.com

Calendar of Events

Meetings

Board of Directors Meetings:

New York, NY
January 31, 2002

New York, NY
May 2002

CI Regional Seminars:

Los Angeles, CA
January 18, 2002

New York, NY
January 30, 2002

CI will be hosting two regional seminars in cooperation with the LA and NY Metropolitan Sections. The CI Services Directorate will make presentations on claim avoidance, surety, financing, insurance, and other topics of interest to the construction services industry. Mark your calendar and plan to join us for one of these free seminars. For additional information, please visit our Web site at www.ConstructionInst.org or call 703-295-6390.

Conferences



World of Concrete
New Orleans, LA
January 9-12, 2002

CI will be exhibiting at the World of Concrete. This is a great opportunity to meet with manufacturers, learn the latest techniques from industry experts, and examine the latest equipment offered in the marketplace. For more information on the World of Concrete, visit their Web site at www.worldofconcrete.com.



International Builders' Show
Atlanta, GA
February 8-11, 2001

CI will be exhibiting at the International Builders' Show. It is the world's largest construction industry showcase - covering home building, commercial building, land development, real estate sales, engineering, and architecture. This event also includes the International Commercial Construction Exposition (ICCON) and the TechHOMEExpo. For more information, visit their Web site at www.buildersshow.com or call 800-368-5242 or 202-266-8111.



CONEXPO-CON/AGG 2002
Las Vegas, NV
March 19-23, 2002

CI is a cooperating association and will be exhibiting at this conference for the construction, construction materials, and power transmission industries. For more information, visit their Web site at www.conexpoconagg.com or contact them at 800-867-6060 or via email at info@conexpoconagg.com.



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Spread the Word

Tell your colleagues about the Construction Institute and you could receive a free gift.

When you recruit a colleague to join CI before December 31st, both you and your recruit receive a free T-shirt with the CI logo. As an additional incentive, your colleague receives free membership for the remainder of 2001 when making full payment for 2002. Be sure to list your name and member number on the application before passing it along to make certain you receive your T-shirt. The free gift will be mailed to the member address as listed in our database. For more information on CI membership or for an application packet, please contact the Construction Institute at 703-295-6390 or via email at ci@asce.org. You can also visit our Web site at www.ConstructionInst.org.

Share your Thoughts

Thank you for reading *The Construction Zone*. If you have an idea for a future article in *The Construction Zone* or if you have any other comments or suggestions, please contact the Construction Institute. We look forward to hearing from you.

Contact CI

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