

## 2019 Outlook: Normal Price Increases Expected

Our estimating department is planning on the typical four to five percent escalation for 2019. We expect normal price increases on metals, aluminum, gypsum drywall, and concrete materials, as well as labor costs. In busy markets, such as Dallas, and soon in San Antonio, prices may be higher than normal because of the high demand for services. The continued fluctuations in oil and fuel prices, and the ongoing discussion of tariffs may cause some temporary spikes in some material costs. While long-term impacts are unclear and we anticipate future changes, make sure your construction manager evaluates the market for real-time cost fluctuations as they develop project estimates.



*Exterior mock-up for the new Barshop Institute for Longevity and Aging Studies at the University of Texas Health Science Center at San Antonio*

## Moisture Issues May Void Roof Warranties

Over the last few years, manufacturers of adhered roofing systems have experienced a surge in warranty issues associated with moisture in the concrete decks under their roof systems. The manufacturers have struggled to find ways to address it, since relative humidity testing in an area that is not climate controlled is generally a waste of time and money. To compensate, manufacturers are now stipulating the warranties may be voided if the roofs fail due to concrete deck moisture issues. Owners may want to discuss roofing system warranty requirements during the design process to ensure the warranty covers application over concrete decks.



*Roof installation at Houston Methodist Willowbrook Hospital, Ambulatory Surgery Center Expansion*

## Labor Shortage: 30 Years in the Making

Although the construction industry has been experiencing labor shortages for at least five years, an unskilled craft workforce has been a problem in the making for 30+ years. The problem has been compounded by compressed schedules and aggressive speed-to-market strategies. Trade contractors have been forced to solve the problem with the advent of single-trade prefabrication and the utilization of technology such as BIM and even robotic brick layers (see photo). How can your construction manager help attack the problem? Ask them to evaluate the project for opportunities with off-site, multi-trade prefabrication of systems such as skin, restroom pods, head walls, etc. Factors to consider:

### Cost Factors

- Wage scales
- Manpower constraints
- Warehousing
- Trucking/Shipping
- Hoisting

### Schedule Factors

- Commitment to early decisions
- Item/system on critical path
- Skin leave-out required
- Favorable weather conditions
- Deadline for changes



*Semi-Automated Mason, or SAM, a brick-laying robot created by New York-based Construction Robotics*