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BUILDERS'

Business Breakfast

Trends in the Construction Industry

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January 11, 2011

A new year, will it be any better than the previous for the construction industry? According to January's Builders' Breakfast panel of building industry professionals, yes if you plan accordingly.

January's breakfast featured four designers and presented them with the opportunity to provide us with the knowledge of where they see their specialty market segment heading for the New Year. The attitude: upbeat but not without stipulations.

Steven M. Hingtgen, P.E., president of RLF, began the morning with the topic of healthcare and the pressure that is being put on existing medical facilities. The need for bariatric wards are on the rise with America's obesity percentage reaching an astonishing 34% in 2010 and with this, current facilities must be retrofitted with wider doorways, bed lifts, and additional accommodations for patients to be treated. Technological advances provide a constant need for renovations in order to maintain required operational efficiency. Financing for new facilities may not be available but the healthcare sector knows these renovation projects must be accomplished.

Modernization through renovations and replacements are also on the forefront for education. Nathan Butler, representing C.T. Hsu + Associates, shared insights that mirrored that of Hingtgen with regards to the lack of new construction projects but Butler emphasized a focus towards the goal of energy efficiency. Many facilities are outdated and need both infrastructure and utilities to be upgraded to meet current technology, communication, and security standards. School districts are currently redefining these standards, and meeting with design firms to create master plans. Building relationships with the school board and becoming involved in the master planning process will be key.

Lonnie Peterson of Cuhaci & Peterson Architects also put an emphasis on the redevelopment of existing retail and senior living facilities. Financing may be hindered in this sector for new construction but as new businesses open or new customers are desired these facilities must be retrofitted to the preferred needs. Peterson stated that this is the year to focus on expertise but be prepared to travel further while keeping an eye out for new multifamily developments designed for student housing and assisted living.

The federal sector is also targeting energy efficiency with federal mandates that set various sustainability goals with specific deadlines. Robert Smedley from BRPH provided members with valuable insights about the directions the government wants to take future construction projects. Design Bid Build is fading while Design Build will consume an estimated 70% of projects in 2011. Centers of Standardization (COS) will create 44 facility types that will save money by replicating designs for Adapt Build Projects. These projects rely on standardized BIM process that will provide contractors with 95% complete drawings. The question arose on how to break into the federal sector and Smedley's response was find your target and team with a company that has already broken in.

Hingtgen, Butler, Peterson, and Smedley all have the knowledge, experience and insight in the construction industry and were able to open our eyes for what's to come in 2011 and provide our industry with assistance in making New Year's resolutions worth keeping.

2011 is the year to fill your company with knowledge, know your master plan, and take every opportunity to network.