

East Construction Round Table Situation Report

Summary

as of April 15, 2020

Session Presenters

- James Vermeulen, Vermeulens
- Earl Meyer, Getinge LS
- Ian Sobole, Steris

Vendor Insight, Getinge

- **Manufacturing site operational; no schedule delays.** All shipments from China are on schedule, even with customized equipment (build to order), lab equipment, etc.
- **Supply chain currently intact;** no significant component supply issue
- Factory Acceptance Testing (FAT) activity is at risk since customers are unable/relevant to travel. Adapted to remote FAT to accommodate the clients but some clients have elected to postpone. If FATs take longer to take place, then onsite/offsite storage has been discussed along with possible warranty concerns
- **Delays on installs** due to travel limitations and site restrictions
- No issues with ocean freight but there's a major issue with air freight

Vendor Insight, Steris

- **Manufacturing continues without issue;** global manufacturing is being done in Mexico, Quebec, and Finland. All factories are active. Some PM and APMs are working part-time to comply with CDC guidelines
- **Supply Chain; no major impact,** but at the mercy of suppliers; at the moment, there are no major delays
- Customer Service; staff is currently working remotely but no issues observed
- **Service;** maintenance, repairs, certification, and decontamination have all been **adjusted to comply with CDC** guidelines; all service visits are ensuring social distancing as much as possible prior to technician arriving onsite

Round Table Summary

- Commodity prices remain low
- Trade Prices holding at Jan/Feb 2020 levels
- Sense of fear and low morale on construction sites
- Construction shutdowns (Boston, New York, etc.)
- Sub-trades with shutdowns have furloughed on site workers
- Unemployment benefits outweighing some non-union labor rates
- Shift work and screening may be costing subcontractors a 10% premium
- Bonds and Insurance should revert back to and revisit standard contracts
- 17.5 M job losses so far to April 4th
- Interest rates at all-time lows 0.00% - 0.25%
- Corporations working to communicate and socialize with remote staff
- Many Owners are moving ahead cautiously with design and construction



Open Forum

- Dave Slomsky, Suffolk
 - **Preconstruction continues** as before
 - Subcontractors need added time to price; **pricing spreads getting larger despite improved coverage**
 - Jobsite safety plans being submitted
- Joubin Hassanein, Shawmut; Dave Parenteau, Suffolk; Joe Reilly, Trident Project Management
 - **Workflow being affected by anxiety in jobsite temperature taking**; being taken throughout the day
 - **Seemingly small instances can shut down a project**
- Allan Ames, BR+A
 - Many **healthcare projects** on hold with **attention being diverted to current activities**
 - **Higher education has uncertain future**, some projects going on hold and others taking advantage of empty campuses
 - **Developer based projects moving forward**

Future Topics

- Virtual Inspections
- MBE Participation
- Vendor Participation, Nora Flooring
- Subcontractor Insight, Drywall
- Subcontractor Insight, Steel Manufacturing
- Subcontractor Insight, Curtainwall
- Impact on Institutional Planning and Programming
- Health Insurance, Personal & Corporate

