

Friday | December 16, 2022

Business Engagement and Compliance

Construction Employment up by 20,000 in Nov.

By Associated Builders and Contractors

The construction industry added 20,000 jobs on net in November, according to an **Associated Builders and Contractors** analysis of data released by the **U.S. Bureau of Labor Statistics**. On a year-over-year basis, industry employment has risen by 248,000 jobs, an increase of 3.3%.

Nonresidential construction employment increased by 16,300 positions on net, with growth registered in all three subcategories. Nonresidential building added 8,200 net new jobs, while heavy and civil engineering and nonresidential specialty trade added 5,300 and 2,800 jobs, respectively.

The construction unemployment rate fell to 3.9% in November, while unemployment across all industries remained unchanged at 3.7%.

"Today's employment report will be celebrated by many, including jobseekers and other labor market participants," said **ABC** Chief Economist Anirban Basu.

"Despite some recent high-profile layoffs, employers continue to hire aggressively and are increasing compensation in an effort to retain employees in the context of the 'great resignation.'

"Normally, such dynamics would be celebrated by all," said Basu. "However, for those who want inflation to abate, interest rates to fall and markets to be less volatile, the November jobs report is rather bad news. Those operating in real estate and construction are likely to be discouraged, as these segments are heavily influenced by interest rates, and rising borrowing costs make it more difficult to finance the next generation of construction projects.

"Moreover, while some will claim that this jobs report makes it less likely that recession is coming next year, the reality is quite the opposite," said Basu. "The **Federal Reserve** will be forced to push interest rates higher for longer, and that makes a downturn more probable over the next 12 months." (Source)



Words matter: Are your words building bridges or creating chasms?



Tempe Sending
Entertainment District Plan
to Voters



Developing a Strong West Valley Workforce



Nonresidential Construction Spending Down 0.3%

- **EVENTS**
- **OPPORTUNITIES**
- ► EXTERNAL LINKS



NEWLY CERTIFIED DBE FIRMS:

- Montel Technologies LLC
- Brightportal Resources LLC
- D'leon Consulting Engineers Corporationdrago Vantage LLC
- Tate Consultants DBA Tate Strategies & Insurance Solutions
- Teams By Design Inc
- DRAGO Vantage LLC
- Keleusmatic Technologies Inc
- Mater Inc DBA SBarro
- MC2 Underground
- Moe Acres, LLC DBA Moe Acres Industrial Services



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Words matter

Are your words building bridges or creating chasms?

Everyone has words or phrases that rub them the wrong way. Maybe it was unsolicited advice from your parents, or maybe a sibling has a way of pulling up a memory that is still a tender spot.

"You really should..."

"Do you remember how your Uncle Bob suffered when he...."

"Are you going to get another plate of...?"

"Is it time for you to grow up and....?"

Even in the workplace, you probably have word sensitivities that conjure bad memories of a long ago boss or supervisor.

"If I have to tell you again...."

"Just do what I say and I will handle the rest."

Words and phrases matter. Communicating well is both art and science: the art is understanding effective ways to impart or share information, and science is that human behavior is at the heart of communication. The root of the word "communication" is late Middle English, and comes from the verb, "to share." (Thanks dictionary.com)

So, the best type of communication is to create a common understanding or mindset, and when words create chasms, they are not being used effectively. Good communication builds bridges.

A recent online article by Morgan Smith (@thewordsmithm) sheds an interesting perspective on words that many business owners use every day. Smith's article, "Avoid these 10 'cringeworthy' phrases that are annoying your co-workers" digs into recent research about words, and the news is a bit surprising.

Words we use everyday might be creating chasms.

According to Smith, the most annoying corporate buzzwords are:

- 1. Synergy
- 2. Outside the box
- 3. Take ownership
- 4. Value-added
- 5. Circle back
- 6. Reach out
- 7. Going forward
- 8. Proactive
- 9. Takeaway
- 10. Make it happen

Smith's article says that some of these may be passive aggressive, and others exclude some folks who may not understand idioms or other jargon. Many have a negative connotation that is off-putting.

"The best approach to enhancing communication with your colleagues is the simplest, according to Jaime DeLanghe, senior principal product management at Slack," says Smith. "As your colleagues what their communication preferences are."

When professionals understand the impact of words and phrases and work with colleagues and clients to find common points of view, then the business outcomes are likely to be more productive and enjoyable. Building bridges with words is a better solution that creating chasms.

The entire article can be found here.





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Tempe Sending Entertainment District Plan to Voters

By City of Tempe

Residents are likely to get the opportunity to vote on the **Tempe Entertainment District** now that the **Tempe City Council** has approved key aspects of the plan.

The **Arizona Coyotes** have pledged to collect the needed petition signatures to refer the project to the ballot as soon as May 16, 2023. If voters approve, the 46-acre project could be built with a planned Coyotes hockey arena, hotels, multifamily residential, retail and more.

The developer will use largely private funding to build the 4MSF development and, according to the agreement approved Nov. 29, will pay Tempe \$50.3 million for the land. This includes \$40 million in non-refundable cash up-front before environmental remediation of the land.

Mayor Corey Woods praised the due diligence of city staff's and outside experts' proposal evaluations and the openness and transparency of the process.

The council's unanimous vote came after two public hearings, including the first on Nov. 22, as well as months of negotiations, city due diligence and developer-hosted public meetings. Three aspects of the primarily privately funded Tempe Entertainment District proposal from **Bluebird Development**, the affiliate for the **Meruelo Group** and the Arizona Coyotes, were approved:

- A zoning map amendment and a planned area development overlay,
- A general plan amendment, and
- The development and disposition agreement.

The development agreement includes the specific elements of the proposed development, which are all commitments between the city and the developer, including the environmental remediation of the land and the developer's purchase of the city land.

The city council unanimously agreed at its Nov. 10 special meeting to reserve a spot on the county's May 2023 special election ballot regarding the proposal. The council's action indicated the possibility of holding a special election on May 16, 2023; however, it does not mean the council has placed this

issue on the ballot. State law requires governing bodies to provide a call of election at least 180 days in advance of any election.

Bluebird Development pledged at the Nov. 10 meeting to collect enough valid signatures to place the measures on the May 2023 ballot.

Now that the council approved these items, their inclusion on the May 2023 ballot would require Bluebird or any other interested party to get the required number of qualifying petition signatures. Tempe voters would then decide whether the project should move forward. According to the development agreement, if Bluebird does not successfully refer the items to a ballot, the city council may within 90 days thereafter rescind the development agreement.

Full details about the project and the approved formal agreement between the city and developer are at tempeEntertainmentDistrict. A simple summary of the development agreement is available here. (Source)





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Developing a Strong West Valley Workforce

Education and workforce groups discussed how to build up the numbers to strengthen area labor supplies at the recent **West Valley Workforce Forum** hosted by **Westmarc**.

The 15 communities that make up the West Valley have a total population of approximately 1.8 million and have experienced major growth in industrial, healthcare and education sectors. More than 100 million square feet of new space is expected in the next 20 years. Key growth factors include transportation infrastructure, land availability and convenient access to California.

That growth, however, can only be achieved if there is a pipeline of workers to fill and support it. Westmarc has identified seven industry sectors that are key targets for workforce development, including:

- Advanced business services,
- Advanced manufacturing,
- Aerospace/aviation,
- Construction,
- Transportation,
- Logistics,
- · Health services, and
- Information technology.

Westmarc has been working to implement the West Valley Pipeline, a five-year workforce development plan that looks to increase high-wage employment opportunities, address workforce needs and improve quality of life issues for residents. Key

components of the plan include industry/education partnerships, community outreach and communication strategy.

Westmarc is applying for several grants to fund and implement workforce development innovation programs.

Skilled workforce development is also a key focus of educational organizations, including training students to work in the semiconductor industry. Estrella Community College has developed a quick-start program with Taiwan Semiconductor Manufacturing Company to teach basic semiconductor industry skills. (Source)



Nonresidential Construction Spending Down 0.3%

By Associated Builders and Contractors

National nonresidential construction spending was down by 0.3% in October, according to an **Associated Builders and Contractors** analysis of data published by the **U.S. Census Bureau**. On a seasonally adjusted annualized basis, nonresidential spending totaled \$898.4B for the month.



Spending was down on a monthly basis in seven of the 16 nonresidential subcategories. Private nonresidential spending was down 0.8%, while public nonresidential construction spending was up 0.6% in October.

"While economists have spent much of 2022 watching interest rates march higher and fretting about recession, contractors have been working through their lofty backlog and improving America's built environment," said ABC chief economist Anirban Basu. "Despite the rising cost of capital, elevated materials prices and equipment shortages, contractors have generally remained upbeat despite a worsening outlook, according to ABC's Construction Confidence Index.

"These data suggest that nonresidential construction activity is weakening," said Basu. "Spending declined in a majority of nonresidential subsectors in October, and residential spending has now fallen in each of the previous four months. The only bright spot: the 0.6% increase in publicly financed nonresidential construction spending. The infrastructure package and excess pandemic relief funds should allow the public sector to retain momentum even as the broader economy weakens." (Source)



INDUSTRY EVENTS

Friday | December 16, 2022

ATTENTION TO ALL FIRMS

Need help preparing DBE Affidavits?
Please see our tutorial video below:
"Preparing DBE Affidavits"

Business Engagement and Compliance









DECEMBER



NAIOP: The Practical Benefits of Real Estate Tokenization and Secondary Trading Webinar

2 p.m.

Location: 4105 N. 20th St., #230,

Phoenix

JANUARY



ASA AZ: New Year, New ASA Networking Mixer!

4:30 p.m. - 7:30 p.m.

Location: 15 E. Monroe St., Phoenix



ABA: Lean Construction Core Principles: As learned from Toyota Production System's (TPS) Business Principles

9 a.m. - 10 a.m.

Location: Online Only



AAED: Arizona Economic Development Updates

11:30 a.m.

Location: DoubleTree by Hilton at Reid

Park, 445 S. Alvernon Way, Tucson

19

IFMA PHX: Roadmap to Success - New Member Orientation

2:30 p.m. - 4 p.m.

Location: 6991 E. Camelback Road,

Ste. C-151, Scottsdale



AZCREW: Foreign Direct Investment Update

11:30 a.m. - 1 p.m.

Location: Kitchell

1707 E. Highland Ave., Phoenix



ABA: Construction Trends and Outlook Recession or Resurgence

12 p.m. - 1 p.m.

Location: Magestic Neighborgood Cinema Grill, 1140 E. Baseline Road,

Tempe



2023 IREM/CCIM Economic Forecast

7 a.m. - 12 p.m.

Location: Arizona Biltmore, 2400 E. Missouri Ave., Phoenix



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Featured Federal-Aid Projects

CURRENT OPEN SOLICITATIONS

Due Date	Project Valuation	DBE Goal	Solicitation / Project Number	Туре	Project Owner and Description	Contact
1/6/23 11 a.m. MT	\$16 million	4.55%	086-A(224)T; F036001C; ITO-0(211)T; T026401C	<u>IFB</u>	ADOT - Why-Tucson Highway (State Route 86): BIA 135 to BIA 030; IR34 & IR42, Tohono O'odham Nation. The work consists of pavement rehabilitation for asphalt concrete roadway.	Iqbal Hossain, Group Manager of Contracts & Specifications, at ihossain@azdot.gov
1/20/23 11 a.m. MST	\$30 million	3.68%	008-A(237)T; F034401C	<u>IFB</u>	ADOT - Pavement rehabilitation, Yuma-Casa Grande Highway (I-8): Aztec to County Line. The work consists of milling the existing asphaltic concrete pavement & replacing it with new AC & AR-ACFC, including replacing guardrail & guardrail end terminals, replacing barbed wire fence & cable barrier, constructing bridge barrier transitions, installing pipe liners, & replacing pavement marking.	Iqbal Hossain, Group Manager of Contracts & Specifications, at ihossain@azdot.gov
1/20/23 11 a.m. MST	\$4 million	10.81%	YYV-0(210)T; T028401C	<u>IFB</u>	ADOT - Shoulder widening, Tissaw Road to Beaverhead Flat Road, Yavapai County. The work consists of widening the existing shoulders, installing rumble strips, constructing drainage facilities, replacing guardrail, signing, & pavement marking.	Iqbal Hossain, Group Manager of Contracts & Specifications, at ihossain@azdot.gov

External Links:

ADOT Current Advertisements

ADOT Advertised Alternative Delivery Projects

ADOT Engineering Advertisements

Bidding Opportunities Around the State

ADOT Public-Private Partnership Initiatives

DBE SUPPORTIVE SERVICES PROGRAM

1801 W. Jefferson St., Suite 101, Phoenix AZ 602.712.7761

DBESupportiveServices@azdot.gov

I-17, ANTHEM WAY TI TO JCT. SR 69 (CORDES JUNCTION)





STAY CONNECTED

For additional information and future event dates, visit our website at: https://www.kiewit.com/business-with-us/dbe-opportunities/l-17-anthem-way-project

DBE participation goal established for this project:

10.16% for Professional Services

10.88%

for Construction Work

OUR TEAM

The Kiewit-Fann Joint Venture (KFJV) is a strategic partnership between two trusted Arizona firms that have extensive experience working in rural environments, delivering highway projects. KFJV team members have an extensive history together on successful design-build and CMAR projects and have long-standing relationships with ADOT, local jurisdictions, and the community.

POTENTIAL SUBCONTRACT OPPORTUNITIES

KFJV is assembling a team to pursue the I-17 Anthem Way project. We are seeking diverse and local firms interested in professional services and construction subcontract opportunities. Scopes of work include, but not limited to:

- · Construction Water
- · GGL Pile Testing
- Utilities
- Permanent Barrier
- PVC / HDPE Pipe Materials
- · STS Drill Bits
- Light Plants
- Deep Foundations Drill Shafts
- Tieback / Rock Anchors Shoring

- · Fence and Handrail
- Powerline Install and ROW
- · Sign Drilled Shafts
- Potholing
- Sound wall footing
- · Furnish & Install Precast Girders
- Bearing Pad Testing
- · Traffic Control

TAKE THE FIRST STEPS

Head to https://www.kiewit.com/business-with-us/opportunities/i-17-anthem-way-project/ to complete the Subcontractor Questionnaire and create an account with Building Connected.

INTERSTATE

QUESTIONS? CONTACT US!

Contact us to learn about anticipated subcontract opportunities on the I-17 Anthem Way project at Flex.Outreach@kiewit.com.

KFJV is committed to meeting or exceeding stated project participation requirements upon award of ongoing and upcoming Arizona Department of Transportation projects; assisting interested DBEs in obtaining bonding, lines of credit or insurance; providing interested DBEs information related to the plans, specifications and requirements for work to be subcontracted or supplied by these DBEs; assisting interested DBEs in obtaining necessary equipment, supplies, materials or related assistance or services; sub-dividing bid items into economically feasible work units to DBEs every advantage to quoting the project.

KFJV is an Equal Opportunity Employer.

