AACE ATLANTA SECTION
Newsletter
05 September 2023

Announcements

Atlanta Section ACE Mentorship Program.

More information on the program and volunteering can be found at: https://www.acementor.org/affiliates/atlanta-ga/

AACE Mentoring Program

Headquarters is working to revitalize the AACE mentoring program, if you have an interest, more information is at: AACE Mentor Network.

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Coming Events

Please join us for the **September Virtual Technical Meeting** on **Tuesday, 19 September 2023**, beginning at **Noon ET** as **Ron Sanders** presents **The Bim Gap: BIM Adoption Pitfalls.**

BIM and the digital representation of materials has been available for decades. What stands in the way of the design producing a preliminary estimate?

Ron Sanders of Full on Eagle, is an Expert Product Services and Support Professional with over 20 years of onboarding experience in business applications and proprietary software. He is experienced in developing and managing implementation and support programs using multiple mediums for small to large size companies. Ron specializes in guiding and directing software development to effectively meet client needs. He partners with internal cross-functional teams to ensure line of business communication planning activities and ensures each team has understanding around customer needs and the competitive landscape as it pertains to pricing, product offerings, and usage. In addition, he works with strategic partners to increase collaboration.

Microsoft Teams meeting

Join on your computer, mobile app or room device:

Click here to join the meeting

Or call in (audio only)

+1 571-267-5840,,8920598#   United States, Herndon

Phone Conference ID: 892 059 8#

Economic News

Year-to-Year construction costs were mostly flat **in July** as seen in the Bureau of Labor Statistics (BLS) Chart below. Construction material prices (Inputs to Nonresidential Construction, Goods) were mostly flat and ***decreased*** month-to-month at a slight **-0.06%** rate from June 2023 to July 2023 (modestly greater than the -0.01% rate *decrease* from May 2023 to June 2023). The BLS PPI now reflects a **year-to-year *decrease* in materials costs of -2.69%** (±1.8% lower than the *revised* -4.54% decrease experienced in June and reflecting the moderation in Material Costs in July of 2022 (after the spike in June 2022) relative to the relatively flat value in July 2023). Labor costs increased in July year-to-year and according to BLS data, total compensation costs for **all employees in construction now stands at a 5.43% increase** (up from the 4.73% year-to-year increase last month). And Labor Costs for **Non-Supervisory and Production Employees increased to 5.81%** Year-to-Year (up from the 5.67% last month). For a 52% Material to 48% Labor (all Employees) mix, the year-to-year **overall escalation rate is now 1.21%**, reflecting an increase from the 0.09% last month. If we use only the **nonsupervisory employee data, that Year-to-Year rate increases to 1.39%,** a percentage point higher than the 0.36% increase last month.

PPI Commodity Data
Original Data Value

Series Id: WPUIP2312001
Not Seasonally Adjusted
Series Title: PPI Commodity data for Inputs to nonresidential
Group: Inputs to industries
Item: Inputs to nonresidential construction, goods
Base Date: 201006
Years: 2013 to 2023

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	151.852	156.358	162.112	162.970	166.150	168.361	165.064	163.120	162.723	163.240	161.884	157.458
2023	159.932	160.369	160.808	161.432	160.733	160.721	160.619					

Data Source: U.S. Bureau of Labor Statistics (BLS)

	Jul-23	Jun-23	May-23	Apr-23	Mar-23	Feb-23
Materials Mo-to-Mo (JUN23-JUL23)	-0.06%	-0.01%	-0.43%	0.39%	0.27%	
Materials Year-to-Year (JUL22-JUL23)	-2.69%	-4.54%	-3.26%	-0.94%	-0.80%	2.57%
Labor (NonSupervisory JUL22-JUL23)	5.81%	5.67%	5.97%	6.67%	6.62%	6.13%
Labor (NonSupervisory JAN22-DEC22)	5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
Labor (All Employees JUL22-JUL23)	5.43%	4.73%	5.10%	5.42%	5.39%	5.27%
Labor (All Employees JAN22-DEC22)	5.05%	5.05%	5.05%	5.05%		
Typ Project Year-to-Year Direct Cost Escalation Rate (All Employees)	1.21%	-0.09%	0.75%	2.11%	2.17%	3.86%
Typ Project Year-to-Year Direct Cost Escalation Rate (NonSup Employees)	1.39%	0.36%	1.17%	2.71%	2.76%	4.02%

To remove your name from our mailing list or for other questions or comments, contact Atlanta Section Communications Director, Wade Martin, CCP at wade.martin@rib-uscost.com