

Grossmont-Cuyamaca Community College

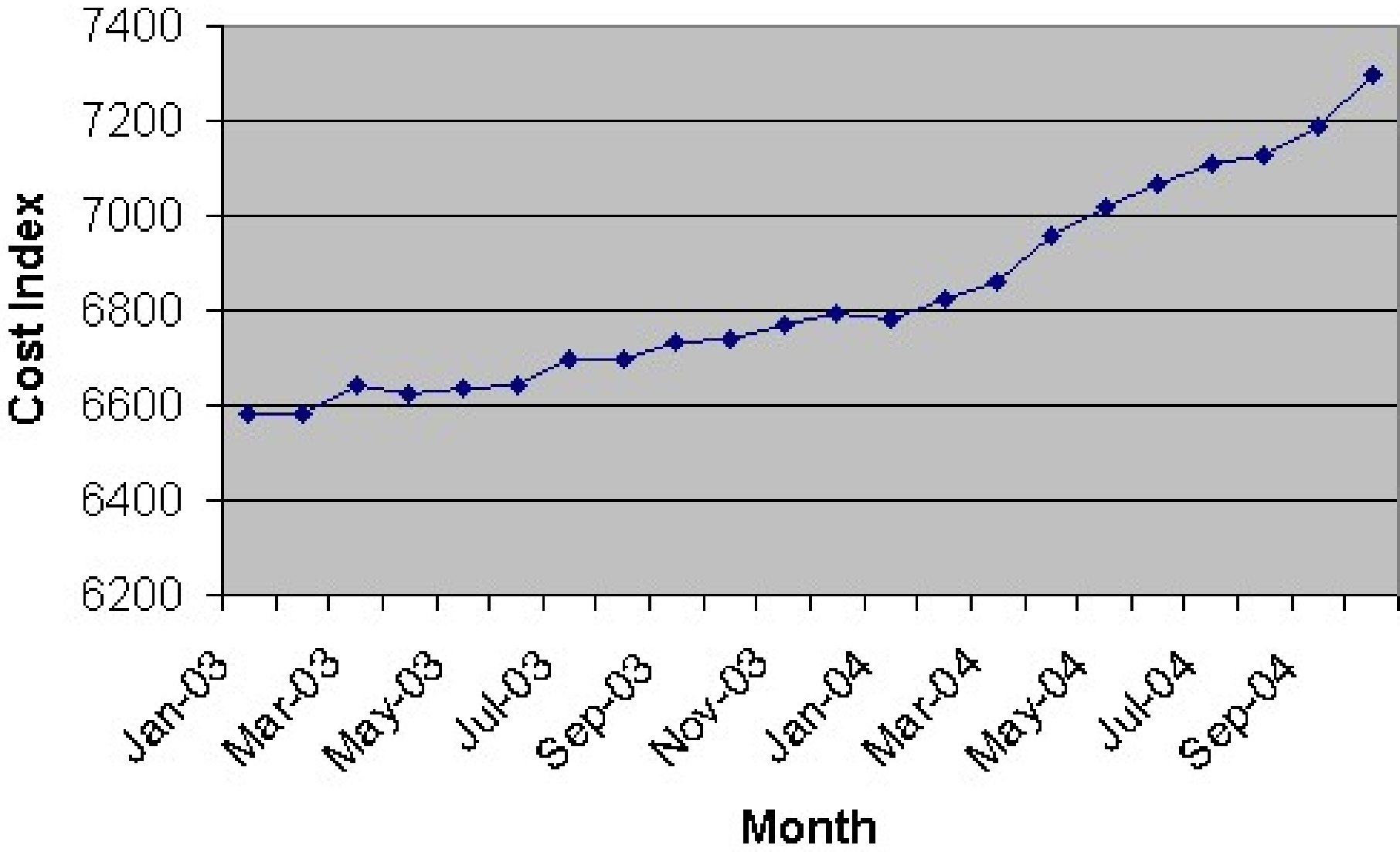
Construction Costs
September 13, 2004

IT'S A NEW AND UGLY WORLD



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

Construction Cost Index



A dramatic photograph of a lightning bolt striking a storm cloud over a grassy field. The lightning bolt is bright white and jagged, extending from the top right towards the center. The sky is dark and stormy, with a large, dark, swirling cloud formation on the left side. The foreground shows a green, grassy field under a dark sky.

Current Construction Market Analysis “The Perfect Storm”

Originally Prepared: 11 June 2004

Updated: 29 July 2004

Questions and/or Comments, Please Call:

Impact to Steel Material Prices

National impacts by May 2004, annual cost increases:

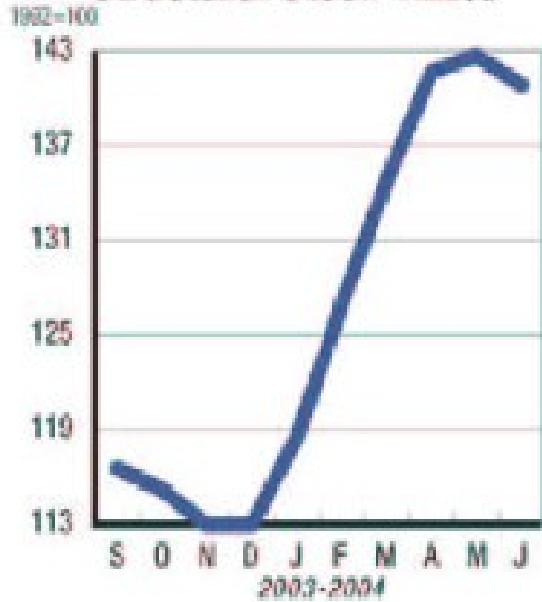
Structural Steel:	21.3% increase
Reinforcing Bar:	40.5% increase
Stainless Steel Sheet:	17.4% increase

Source ENR, 24 May 2004

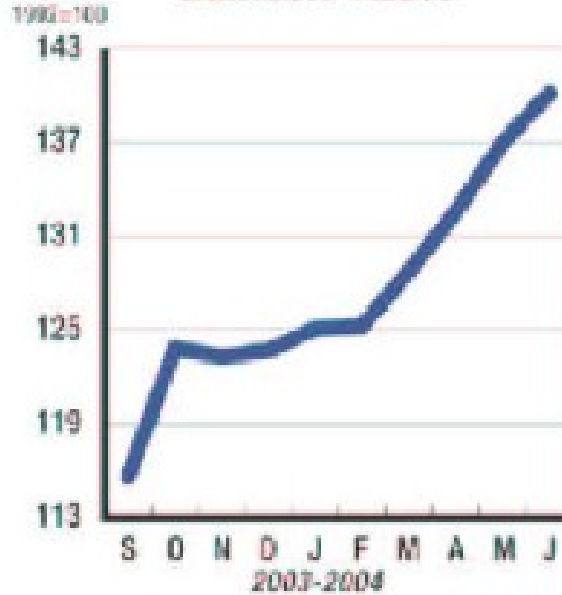
Locally, price increases have been more extreme:

Structural Steel:	40-50% increase
Reinforcing Bar:	50% increase

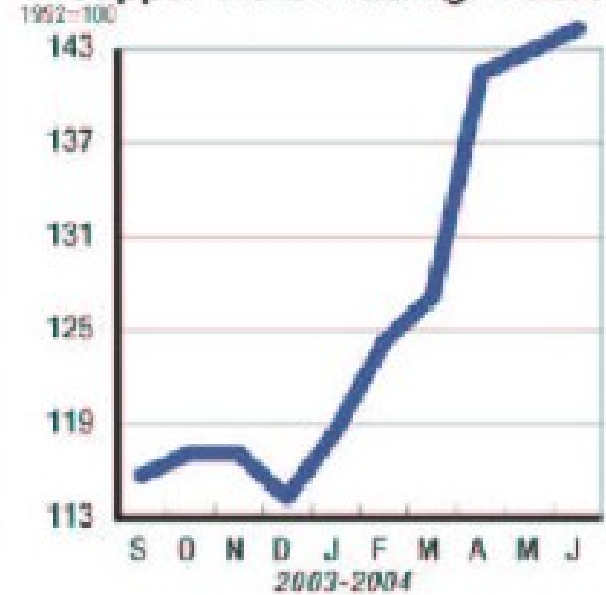
Structural Steel: +22%



Lumber: +28%



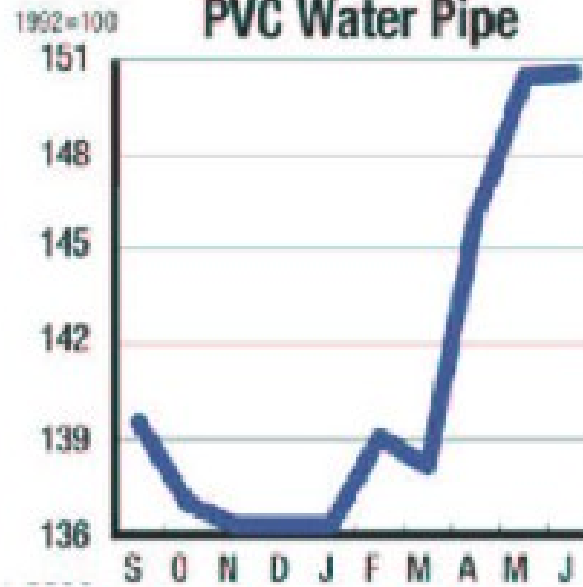
Copper Water Tubing: +32%



Stainless Steel Sheet



PVC Water Pipe



SOURCE: ENR CONSTRUCTION ECONOMICS DEPT. 20-CITY AVERAGE PRICE. PERCENT CHANGE IS JUNE VS. JULY

In Terms to Local Unit Prices Installed:

Item	Bid Sept 2003	Bid June 2004
Structural Steel	\$1,850 per ton	\$2,650 per ton & rising
Reinforcing Steel	\$0.55 per lb	\$1.00 per lb & rising
Metal Studs-6", 18 gauge	\$4.25 per sq ft	\$5.90 per sq ft & rising
Metal Ductwork, Galvanized	\$6.25 per lb	\$7.05 per lb & rising

Total Trades Impacted

Reinforcing Steel	Misc. Metals	Flashing & Sheet Metal
Hollow Metal Doors & Frames	Metal Decking	Plumbing (Piping)
HVAC (Ductwork/sheet metal)	Drywall/Lath/Plaster	Roll-Up Doors
Electrical (Conduit/Wire)	Structural Steel	

- The world of construction budgeting has changed dramatically since July 2003.
- The best possible July 2003 estimates are totally inadequate today.
- Given the new construction cost reality, creating a revised funding plan that meets our goals will be very challenging.

