

# NAVIGATING OPPORTUNITIES

BUSINESS INFORMATION FOR CONSTRUCTION PROFESSIONALS

## WHO WILL BUILD NEW YORK?



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**Where is the Talent?**

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**The Paradox of the  
Small Contractor**

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**Building MTA's  
Mega Projects**  
Blue Ribbon Panel Advice

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**How They Did It**  
Industry Leaders Share Their Stories

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# WHO WILL BUILD NEW YORK?

Does New York's construction industry have the talent and the capacity to meet the City's massive construction agenda? Where will new talent come from? Are there enough companies to do the work? How will MWBEs be recruited? What more do we need to do? Learn more about what industry leaders see for New York's booming construction industry.



## INSIDE

Follow the careers of some of New York's leading professionals. Who is leaving their mark on the City's construction industry? [More on page 44](#)



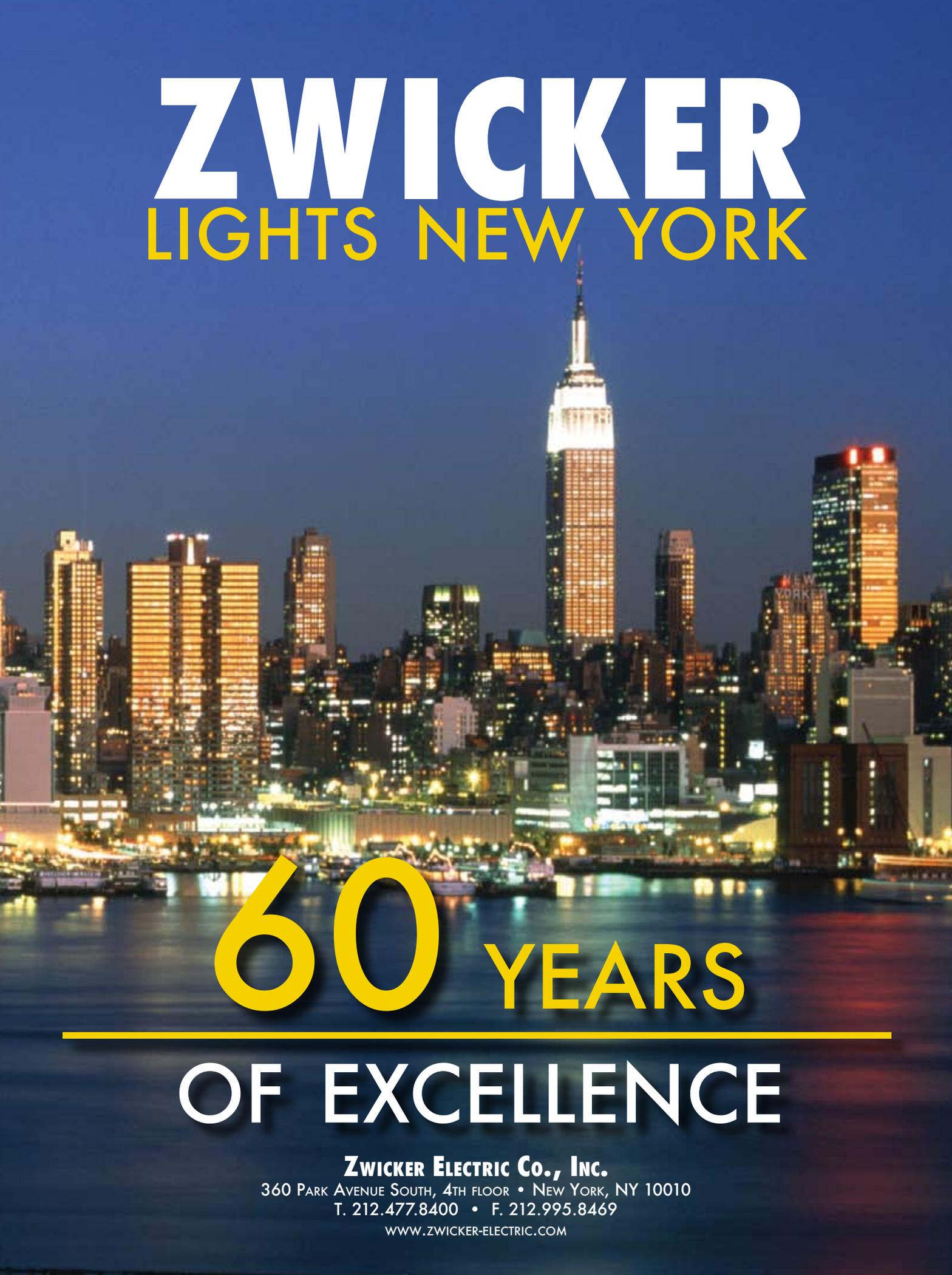
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**Building New York City's  
Transportation Infrastructure**

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# THE FUTURE OF NEW YORK'S CONSTRUCTION INDUSTRY

Recently over two dozen industry professionals gathered at McGraw-Hill's conference center in midtown Manhattan to participate in **Navigating Opportunities'** first 2007 Industry Issues Roundtable. The goal was to share thinking about the challenges confronting New York City's explosive construction market. The topic was a critically important one: the current capacity – talent, technical and financial – of New York's contractors, subcontractors and their resources to build New York.

**Who Will Build New York?** is the first in a series of issue-oriented special advertising supplements designed to provide a platform to challenge, provoke and stimulate professionals on topics of industry interest.



**Vince Peters**  
Publisher, *New York Construction*

Welcome to **Navigating Opportunities, Business Information for Construction Professionals**, a special advertising supplement to **New York Construction Magazine**.

**New York Construction** is the premiere voice of New York City's construction industry. Part of our tradition has been to complement **New York Construction** with special advertising supplements. In the past, you have read about select companies and their special achievements. You'll continue to receive those as part of your **New York Construction** subscription. Our new supplements will focus on industry issues and topics that may be of interest to you.

Through these special opportunities, we intend to expand our reach and as a result present new ideas and perspectives. It is also our goal to focus more on the leaders and personalities who drive New York's Construction Industry. We hope you find these advertising supplements valuable as an information tool and also take advantage of them to reach your market.

Do let us hear from you. We would like to learn more about the types of industry issues with which you are concerned. You can always email me at [vince\\_peters@mcgraw-hill.com](mailto:vince_peters@mcgraw-hill.com)



**John Lovett**  
Lovett Silverman, Construction Consultants  
Guest Editor

It was my pleasure to serve as the moderator for this 2007 **Navigating Opportunities** Issues Roundtable. We gathered over two dozen experts into one room and created a provocative conversation that has led to some significant recommendations for new industry initiatives.

Our conversation was expansive. Ideas were exchanged and the result is this special supplement. Thanks to all who participated in this special roundtable for their candor and insights. We plan to regroup again to continue our examination of industry challenges.

You'll read about a variety of topics in the pages that follow. One theme ran strong throughout the entire session: our industry is strong today and with new ideas such as the many suggested at the Roundtable, we as an industry will continue to grow and expand prudently.

As you will see from the pages that follow there is great need for change in the way we recruit new talent as well as the public procurement processes that must attract and retain the best contractors and subcontractors to our industry.

Enjoy the read.



**Renee Sacks, PhD.**  
Sacks Communications, Inc.  
Special Projects Consultant

**Navigating Opportunities** are advertising supplements and events designed to present topics and issues that capture your interest and inform you about business ideas to help you better run your company, practice and projects.

Our first issue of **Navigating Opportunities: MWBEs Changing the Face of New York's Construction Industry** was successfully received. Future issues include:

**November: Women First**, featuring many of New York's leading women in construction, design and development.

**December: Building Schools, Building Opportunities**, a special advertising supplement providing information on how to do business with New York City's School Construction Authority. Also, mark your calendar for **Monday, December 3, 2007** and join us for a special Business Forum that will examine why you should include public works projects in your portfolio.

**January: Next Generation of Builders**, a look at who's assuming leadership in many of New York's leading construction, development and design firms. Mark your calendar on **January 31, 2008** for a special luncheon to meet the construction industry's next generation of outstanding professionals.

# BULL CONSTRUCTION MARKET

## BARE WORKFORCE

***Is the current construction workforce adequate to meet the increasing demands of the industry? According to experts, the answer is NO!***

The construction labor pool has dwindled with more engineering students opting for the quick money, glamour and lifestyle they feel they can achieve on Wall Street. Construction work though lucrative, notoriously does not have the exposure or hype that the Finance Industry has attracted. Not many candidates are enticed to enter the field and with demands reaching an all time high for talented labor, it's an issue that really needs to be addressed and soon by the industry. How does it lure a new crop of loyal, devoted and steadfast employees?

Hank Harris, President, FMI, a global consulting firm specializing in mergers and acquisitions for the construction industry explains, "We are in crisis mode as we go through one of the longest bull markets that this industry has ever seen."

John Lovett, President, Lovett Silverman Construction Consultants, a national construction consulting firm, explains that "by the year 2030, there will be 900,000 new residents in New York City. That's the equivalent of all of Boston and all of Miami. By 2010, over 200,000 new residents will be living in New York. There will be huge needs for housing, transportation, and schools," says Lovett. "Construction is skyrocketing. Mayor Bloomberg's PLANYC 2030\* calls for 165,000 new housing units, the construction of playgrounds in over 100 neighborhoods and work on nearly 3000 miles of subway tunnels."

Layout the numbers, Regina Armstrong, Principal/Founder, Urbanomics, reports, "Construction spending in New York City now stands at \$26 billion and will soon reach \$30 billion." This is due in large part to the rapidly growing population in the five boroughs.

### **Industry Needs New Recruitment Strategy**

The challenge is clear: how will industry replenish the work force? Armstrong cites the current construction workforce at 120,000 union industry employees. "Despite these numbers, this workforce is not nearly sufficient to meet demand. With the vast numbers of baby boomers retiring and withdrawing from the workforce, there needs to be an aggressive refill strategy. In addition, new positions demand new, qualified personnel," says Armstrong.

The employment demand is not only a localized one. According to the United States Bureau of Labor Standards, by 2012 there will be approximately one million new jobs for workers in the construction industry across the country.

Jay Badame, COO, Tishman Construction and a member of the MTA's Blue Ribbon Panel charged with reviewing the challenges that the MTA will face to implement its capital plan, notes that the availability of qualified and trained work force is a vital issue. "While the exact numbers are not yet in, he estimates that an additional 10-15% of the workforce may need to be recruited to meet projected 2010 project demands.

The Industry on a whole must make firms and opportunities more attractive. It appears it will have to invest more time and money into recruiting and developing talent if New York is going to secure the manpower it seems to desperately need to match up with it's rapid growth.

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\*For more information on the Mayor's PLANYC 2030, visit [www.nyc.gov/planyc2030](http://www.nyc.gov/planyc2030)

# 3R's Redefined

## New Keys to Job Success

**Reading, writing, and arithmetic just aren't going to cut it anymore.**

Today's graduates will need to exhibit strong skills in a newly defined 3R's— Rigor, Relevance and Relationships. That's according to Bill Gates who is promoting a new vision for the country's educational system.

Gates and his educational foundation, The Bill and Melinda Gates Foundation, which has already invested over \$1 billion in America's educational system, proposes that the new 3Rs are key ingredients in effective education:

**Rigor** Challenge students to take subjects they avoid, *i.e.*, higher level math, writing, chemistry.

**Relevance** Subjects must relate to students' interest and lives in a changing world.

**Relationships** Every student needs an adult mentor who knows them, advises them and promotes their success.

It's not that the old R's aren't relevant. They are certainly needed to build a solid educational infrastructure. But the new 3R's can provide a more purposeful learning environment in which students can actually succeed. In addition, these new 3R's emphasize "soft" skills that can emerge from an emphasis on the way in which learning is acquired and used.

### **New Hires Often Lack 'Soft Skills' Needed for Job Success**

For many who hire today's current crop of graduates, whether high school or college, general consensus confirms that new hires have limited core competencies in communication and abstract thinking.

In a 2005 survey conducted by the National Association of Manufacturers, 84 percent of respondents reported that schools are not doing a good job of preparing students for the workplace. That study is not alone. Marginal high school and college graduation rates across the country point to critical flaws in our educational system.

### **Education Skills, Job Skills – An Overlooked Relationship**

Purposeful learning is not promoted in most modern American classrooms. And, abstract learning is the most difficult to effectively teach and acquire. So it's not surprising that a common complaint of industry workplace leaders is that new employees are sorely lacking in applied skills such as teamwork, critical thinking, and communication. Many contend there is also a problem with disciplinary skills such as work ethic and punctuality.

### **Communications Skills – The Missing Tool**

A recent study by FMI, one of the country's leading management consulting firms, examined the challenge of talent development in the construction industry. FMI's analysis, *The 2007 US Construction Industry Talent Development Report*, acknowledges that of the top five core competencies that predict success (*i.e.*, communication, leadership, strategic thinking, operations and risk management), communication was rated the most difficult skill to develop across several categories of employees, including field managers, project managers and senior managers.

For field managers, communication, coaching and leadership skills were rated the top three most difficult. The list changed for project managers where control, communication skills and business development ranked the highest. And, for senior managers, the study reported communication was number one, followed by strategic planning and team building.

### **Education on the Job**

Some construction companies have taken on the responsibility of professional development and continuing education in house. There are internal programs at many of the leading construction management firms. For example, Turner Construction has embarked on an ambitious initiative for professional development through Turner University which offers courses and programs to educate its own personnel as well as subcontractors and MWBEs. According to Hilton Smith, Senior Vice President of Turner Construction, "we saw the need and we have institutionalized training and professional development to ensure our workforce is successful and effective for our clients."

The New York City School Construction Authority also offers programs to its Mentor companies in all aspects of construction through a rigorous training program that Michael Garner, its Senior Director of Business Development calls a 'Learn and Earn' Program.

Some of the trade associations also provide training to their members. The New York Chapter of the National Electrical Contractors Association (NECA New York) has a full-schedule of training programs for its subcontractor members and their staff in all aspects of project management, bidding and estimating and project supervision. According to Edwin Lopez, NECA New York's Chapter Manager, "We rely on our National umbrella organization, The National Electrical Contractors Association and the resources of the Electri Foundation to provide added educational resources to our members. It's an advantage that our organized electrical industry has over non-union electrical contractors."

For a copy of FMI's 2007 **U.S. Construction Industry Talent Development Report**, contact Kelly Chisholm at 919.785.9215 or email her at [kchisholm@fminet.com](mailto:kchisholm@fminet.com) For a Turner University Bulletin of courses, visit [www.turneruniversity.com](http://www.turneruniversity.com) For more information on NECA New York's Educational Program, contact Bruce DeShay at 212.431.0534 or email him at [bdeshay@nyeca.org](mailto:bdeshay@nyeca.org)



# WHERE IS THE TALENT?

The construction industry is not attracting adequate numbers of college graduates into its workforce. Some construction professionals blame it on the lack of a positive industry image and the inability to compete with more attractive career options in finance, entertainment, law and other better branded professions.

## YouTube, MySpace, Text Messaging New Tools to Reach Your Next Hire?

“Being in New York is a double-edged sword because of the vast market place opportunities and the intense competition our industry has to compete against for talent,” says David Pinter, President and CEO Zwicker Electric, one of the New York’s leading electrical contractors. “If you speak to college grads today, they’re all vying to interview with Goldman Sachs and Bear Stearns. They see the investment banker who is a millionaire at age 30 as their career model,” says Robert Peckar, senior partner at Peckar & Abramson, the country’s largest construction law firm.

From the Architecture and Engineering (A/E) perspective, Brian Newman, a second generation principal of Newman Design confirms the challenge: “It’s hard to attract new talent to the A/E side of the market. Even my contemporaries – now in their mid 30s looked for positions in finance and investment banking. A/E talent is hard to find. Today, I see firms considering acquisition of smaller A/E firms as one business strategy to acquire new talent.”

Traditionally, construction has had a ‘blue collar’ brand image. Career entry through the trades -- electrician, plumber, carpenter – served to discourage college bound students from entering the industry. If your family owned a construction company, it was likely you would join the company. That traditional succession plan has guided the growth of many of New York’s leading large and small subcontractors.

**“Construction is a  
‘Brown Bag’ industry”**

Hank Harris, FMI

According to Hank Harris, President, FMI, “Construction is a brown bag industry. It’s unrealistic to think that you’re going to get a silicone valley guy, or a high-tech guy, or a guy with an MBA and a law degree to decide that he wants to work in construction.”

# NAVIGATING OPPORTUNITIES

## BUSINESS INFORMATION FOR CONSTRUCTION PROFESSIONALS



### Next Generation of Builders Awards Luncheon

Mark your calendar as we recognize our industry's next generation of leadership at a special awards luncheon on **Thursday, January 31, 2008.**

For details, visit  
[www.newyork.construction.com](http://www.newyork.construction.com)

## There is great talent among us!

There is new talent emerging in your firm. Second and third generation sons and daughters and protégée executives stand ready to take their place in leadership positions in the hundreds of companies and professional firms who serve New York's real estate, design and construction industries.

### Nominate Your Firm's Next Generation Builder

You are invited to submit the name of your company's future leaders. Help us identify your **Next Generation of Builders** and feature them in the February, 2008 issue of **Navigating Opportunities**, a special advertising supplement to **New York Construction**.

#### Step1

Please complete the form below and submit the names of your nomination.

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Facsimile: \_\_\_\_\_

Email: \_\_\_\_\_ Website: \_\_\_\_\_

#### Step2

Please attach a short 200-word biography of your nominee(s) and a clearly labeled high resolution photograph (300DPI). Indicate why this individual(s) represents New York's **Next Generation of Builders**.

#### Step3

Don't miss the deadline – October 31, 2007. Please fax your form to Preeti Chhibber at 212.904.2335 or email her at [preeti\\_chhibber@mcgraw-hill.com](mailto:preeti_chhibber@mcgraw-hill.com). Any questions contact her at 212.904.2332



## “It may be a brown bag – but it’s one that can be filled with money.”

Pat Di Filippo,  
Turner Construction

Pat Di Filippo, Executive Vice President at Turner Construction counters that “It may be a brown bag industry, but it’s one that can be filled with money. It is important to show potential employees that this is a financially attractive industry.”

“If you want to attract people into this industry, you have to present it as a competitive and financially attractive profession where people can make a living” says Jeffrey Levine, President of Levine Builders. Levine goes on to explain that “the [real estate and construction] industry is cyclical. There are booms and busts. That makes for a very unstable lifestyle until a certain degree of success is achieved.”

## “The best sales pitch we have is the growth of the industry. Just show them the numbers.”

Richard Wood, Plaza Construction

But the sheer volume and scope of construction, current and projected, changes the situation. According to Richard Wood, President of Plaza Construction, “The best sales pitch we have is the growth in the industry.” Simply put he says, “Just show them the numbers.”

But earnings are not the only barrier to enter the industry. Levine notes a generational shift in concerns: ‘How much will I make?’ has evolved into ‘What kind of lifestyle will I have? Will I be traveling? Will I have to relocate? Am I going to have adequate time for my family? For women, what is the company going to do for me if I have a child?’

John Rapaport, General Counsel and Director of Operations at Component Assembly Systems, a national carpentry and dry-wall subcontractor, adds, “If you want to reach *dot com* talent, you have to do *dot com* things. At our firm, we have created an off shore estimating group, we implemented a firm wide intranet to facilitate communications and have created our own proprietary software to make our projects more efficient. It is also useful to prove to younger employees that they would be at the forefront of industry change. An effective incentive is to demonstrate that new employees would be represented in the growth and direction of the company, not simply an employee.”

## “Go after them early.”

Michael Garner, New York City  
School Construction Authority

Michael Garner, Senior Director of the New York City School Construction Authority says that “the industry needs to borrow a page from the way colleges recruit potential athletes. Go after them early, not just juniors and seniors in high school, even at the middle school level. We must put our brand on these kids’ mindsets early on. Train them so by the time they come of age, they can be offered a good job.”

Garner adds, “Companies should have an internship program not for the sake of having an internship program, but as an opportunity for us to train our future talent. Hank Harris agrees If you’re going to attract new people into the industry, you have to capture their hearts and minds, and you have to do it early.”



## COST-EFFECTIVE BEST PRACTICES: Single-Vendor IT Services Available for the Construction Industry

Outsourcing critical communication functions is fast becoming an accepted construction industry best practice. The use of integrated technology that will seamlessly connect a company’s corporate office and its job sites is an important advantage for ensuring efficient, continuous and reliable communication. The use of a single vendor to provide all services with reliability, continuity and comprehensive documentation is fast replacing multiple vendor contracts in a critically important part of the construction industry.

Advanced Networks, a New York-based information technology firm, has pioneered a new model that manages communication with an emphasis on a single source business relationship. The company’s CEO, Peter Mogollón, maintains that “when our clients use Advanced Networks, it’s like having an in-house IT department without the overhead. The benefits over multi-vendor jobsite setups are speed, automation, standardization, cost savings, and ongoing support.”

### Plan Before Your Implement

The process begins with the design and implementation of the network infrastructure for a construction firm’s corporate office. Ongoing support by certified, experienced technicians that are available for both onsite and remote service make it possible for construction firms to grow by focusing on their core business, leaving technology issues to Advanced Networks. Additionally, connectivity and rapid implementation on the jobsite become an automated, standardized process.

“By offering ongoing support and network monitoring,” says Mogollón, “common IT problems are easily resolved. Project managers and executives in the construction trade need to stay focused on the projects at hand, and when a problem arises with their network or computer systems, contacting every technology vendor to figure out who’s responsible is very inefficient both in terms of time and money. We eliminate that problem in two ways: First, our clients only have to make one call. Second, with ongoing support and monitoring, we’re able to anticipate and resolve most problems before they ever affect work at the jobsite or at the corporate office.”

### Where’s My Software?

Even relatively overlooked challenges to rapid jobsite setup, such as software procurement and license maintenance, are integrated into the jobsite setup process. Advanced Networks hosts all the most popular applications of the construction trade for project management, digital takeoff and architectural design on its servers, so that managing and renewing multiple software licenses is no longer necessary.

The IT solutions offered by Advanced Networks are scalable as well. Their Single Vendor IT model can be utilized by individual contractors or by larger construction firms. For more information, visit [www.a-networks.com](http://www.a-networks.com).

A SPECIAL PROMOTIONAL EVENT

# NAVIGATING OPPORTUNITIES

BUSINESS INFORMATION FOR CONSTRUCTION PROFESSIONALS

## BUILDING SCHOOLS BUILDING OPPORTUNITIES

A Forum to Explore Doing Business with  
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Preeti Chhibber at  
212.904.2332 or email her at  
[preeti\\_chhibber@mcgraw-hill.com](mailto:preeti_chhibber@mcgraw-hill.com)

**When & Where**  
Monday, December 3, 2007  
Breakfast - 7.00 am – 8.00 am  
Program - 8.00 am – 3.30 pm  
McGraw Hill Conference Center  
1221 Avenue of the Americas  
Second Floor Gallery and Theater

**McGraw Hill  
CONSTRUCTION**

**New York  
Construction**

**New York City  
School Construction Authority**

Event Design & Production:



The Conference Center

a subsidiary of Sacks Communications, Inc.



# BUILDING NEW YORK CITY'S TRANSPORTATION INFRASTRUCTURE



## How will the MTA Capital Projects Get Built? Advice from a Blue Ribbon Panel

**“The MTA’s Capital Plan is critical to the economic future of the region and our competitiveness globally. The goal of this Blue Ribbon Panel is to develop a roadmap for large capital projects in a difficult environment to enhance the likelihood that these projects will be built on time, within budget, and with high marks from the traveling public.”**

- Elliot G. Sander, MTA’s new Executive Director and CEO

The Metropolitan Transportation Authority (MTA) is undertaking the largest expansion of its system in decades. The projected scope of the MTA’s mega projects will require critical resources of talent, workforce, technical capacity financing, among other factors, that will challenge New York City’s construction community.

Public trust in the MTA lies in the balance. Can the projects be built under current public procurement conditions? Can the MTA and New York’s construction industry create a competitive environment that will bring these projects in on time, on budget and keep New Yorkers moving?

At least three mega projects are currently underway: East Side Access, Second Avenue Subway and the Extension of the #7 Line, each expected to cost billions of dollars. These projects are managed by MTA’s Capital Construction Company (MTACCC), which was established specifically to implement these and other mega projects, free from the responsibility of operating any of MTA’s transit systems.

Led by Mysore Nagaraja, MTACCC’s President, the organization has a small staff of highly experienced engineers and project managers, which draws staff through a matrix organization from New York City Transit as well as utilizes consultants.

### **A New Project Breed**

Mega projects are a different breed of project. They are not just larger projects. Their complexities lead to their own management and logistical challenges and risks. These often cause them to go over budget and schedule.

This situation is further complicated by the schedule of a number of other large regional projects that will be implemented at the same time. In addition to the MTA’s three projects, there is the new PATH Center at the World Trade Center site and New Jersey Transit’s (NJT) “The Tunnel” to connect NJT’s main

line with a new 34th Street Station. Governor Eliot Spitzer has also identified the Tappan Zee Bridge project and enhancing Stewart Airport as future priorities. MTA's capital program also includes many other large, multi-million dollar projects across all of the MTA operating agencies.

**Limited Bidders, Higher Construction Costs**  
MTA's Mega Projects RFP's have returned few bids and those that did come in significantly exceeded both budgets and estimates. Escalating costs mean that fewer projects included in the current 2005-2009 Capital Program can be implemented and this challenge will impede the necessary pace of system renewal and improvement.

## MTA Industry Blue Ribbon Panel Established

Established by newly-appointed Executive Director and CEO Elliot Sander, and under the co-directorship of Mysore Nagaraja and Ronald Saporita, Director of the Office of Construction Oversight, the goal of this Blue Ribbon Panel is to develop a roadmap for large capital projects within the current construction environment to enhance the likelihood that these projects will be built on time, within budget and with high marks from the traveling public.

The work of the Blue Ribbon Panel will encourage knowledge sharing to create opportunities to improve overall project management techniques and success at the project level for all MTA projects. MTA will be able to take advantage of the Panel's expertise to identify risks and to provide proactive measures to mitigate them.

The Blue Ribbon Panel includes practitioners and industry representatives recognized for their expertise in implementation of large capital projects, labor

supply availability, contracting industry capacity and the dynamics of competition in the building industry created by concurrent large projects as well as other factors. Panel results are expected in several months.

The Panel is co-chaired by John Cavanagh, John A. Cavanagh Consulting Services, Inc. and James Jones, President, TDX Construction Corporation.

Results are expected fourth quarter 2007.

## What Will the Panel Examine?

### 1. Bonding capacity

Lack of bonding capacity could limit competition for regional projects. What conclusions may be drawn from an assessment of the capacity vs. bookings for major contractors? How can we be more effective in attracting a wider contracting community beyond just the metropolitan area?

### 2. Availability of labor

Lack of labor could also limit competition or increase durations. What conclusions may be drawn from comparisons of the trade labor forecasts vs. availability?

### 3. Marshalling logistics

Are there overlapping logistics issues posed by the number of projects that will be planned for the region?

### 4. Availability of materials

Are there material supply issues that are of concern?

### 5. Scheduling

Would a simplified regional interagency coordinated schedule be of value to assess changing risks? If so, is there a model for implementation?

### 6. Planning system requirements

New technology systems projects often prove especially difficult in their application to pre-existing transit operations, given

the need for unique applications. Is there a best practice approach to implementing complex new technology systems?

### 7. Procurement methods

Can different procurement options increase competition/decrease costs, such as RFP's, Design/Build, Construction Management at Risk, Open Book, etc.,

### 8. Contractual methods of increasing competition

Can contractual means to increase competition be identified and prioritized, such as:

- a. advanced mobilization payments,
- b. escalation clauses for materials exhibiting price volatility.
- c. changes in risk sharing for undisclosed conditions.

### 9. Increasing competition through bid documents

Can modified bid documents be used to increase competition, such as packaging bids to maximize trades' efficiency (resulting in more bid packages for a contract and increased coordination by MTA or its' consultants),

### 10. Matrixed operations

New York City Transit (NYCT) provides matrixed resources to MTACCC. MTACCC also contracts with outside consultants to provide

staff extension resources for construction management. Is there an optimal approach for matrixed design/construction organizations to interface with the agencies/consultants from which they draw staff?

### 11. Client communications

MTACCC and the capital program departments of the agencies depend on many user departments for design input, testing, acceptance and turnover, which add to the potential for changes and delays. Is there a suggested model for this type of interface?

### 12. Stakeholder communications

What are the best practice models for successful communications with stakeholders to ensure public confidence in the MTA's ability to implement large capital projects, while managing property takings, construction impacts, cost increases, etc..

### 13. Commissioning/acceptance

Contract completion depends upon testing and turnover/acceptance of the user group. Is there a best practice model for the commissioning process that provides efficient/timely acceptance?

### 14. Other areas of efficiencies

The Panel will address any other area to improve efficiency and reduce risk for capital projects.

# WHO WILL NEW YORK

**No one questions that New York City's construction industry is confronting a shortage of talent and qualified companies to complete the construction agenda that will build and rebuild New York over the next decade.**

**New York's capital construction agenda is full. Over the next decade, \$100 billion of new construction is planned, the funds are in place, the capital budgets approved and even additional funding is expected for some agencies. But, while the work is there, fewer bidders are showing up for this plethora of public work.**

**In contrast, the private sector is strong with owners competing for contractors to take their next job and break ground as soon as possible. New York's City's construction market is in an explode mode. Even national market corrections don't appear to be softening demands for apartments and office space.**

## **The problem: Who will build it?**

*Twenty-four industry experts convened to discuss Who Will Build New York? Moderated by John Lovett, President of Lovett Silverman Construction Consultants, industry experts candidly explored the questions of refueling the construction industry. Here was their take on the critical shortage of, management talent, qualified contractors and manpower that the City needs to meet its construction goals.*

## **Construction Anyone?**

The construction industry is one of the top three economic drivers in New York. But for the most part, high school and even college graduates are not pursuing careers in construction. Outside of a few programs in New York that attract a few hundred candidates, there is no institutionalized path into the construction industry.

Traditionally, construction was a 'pass me down' profession, often relying on family relationships to provide entry. You could enter the industry in several ways: one, your family was in the business; two, you earned a degree in Engineering or Architecture, or three, you entered through the building industry trades as an apprentice on the path to a journeyman.

The well-built doors to the construction industry have never been readily open to New York's high school and college graduates. Complicating access, the path traditionally has been hidden, unless of course, you were part of a construction family. Many leading real estate developers and builders who comprise New York's successful real estate community have their roots in the construction industry.

Of the several colleges and universities in New York City, just a few have real estate, development and construction programs. New York University boasts the Real Estate Institute which offers both degree and certificate programs in Real Estate and a Master of Science in Construction Management. Baruch College's Zicklin School of Business includes The Steven L. Newman Real Estate Institute which has been in operation since



# NEW YORK CAN WE BUILD NEW YORK?



1996. Columbia University, which recently launched a Master of Science Degree in Real Estate Development, houses its new program in its Graduate School of Architecture.

But these handfuls of programs are recruiting either college graduates or even more likely professionals already in the field who are considering advancement routes within their own companies or with competing firms. With the exception of individual companies attempting to recruit talent from top level colleges, there is little being done to attract a new crop of construction talent from colleges and universities in New York City as well as from across the country.

Finally, apprentice positions have been difficult to obtain. Today, with the efforts of programs such as Construction Skills 2000, the industry is making some headway into attracting young people into the trade apprenticeship programs. However, the numbers are still small in contrast to the labor need.

## A Fragmented Construction Industry

The creativity of top management is the answer, says FMI's Hank Harris. "The industry will not solve the problem. It's too large, too fragmented. The solution can only be found company by company," he says. "For example, one large company in Alabama created its own full university. Another small cement contractor in Virginia created a position called 'Office Engineer' to attract women. The point is to think outside the box and be creative," recommends Harris.

## CHANGES THE INDUSTRY NEEDS TO CONSIDER

### Overhaul New York's Public Procurement Process

Public agencies are in immediate need of massive procurement change. Prompt pay, damages for delay and change orders rate highest for policy change.

### Develop Capacity for Smaller Firms

The construction industry needs a long term strategy to develop smaller firms. The need for a realistic and consistent capacity-building program for MWBEs must be an important part of the plan

### Create a New Industry Image to Recruit Talent

The industry needs a new image to attract new talent to compete with other higher profile industries.

### Establish Constructability Benchmarks

Constructability benchmarking standards for all projects must remain unified for all types of construction projects.

### Share Industry-Wide Best Practices

Shared best practices are long overdue in the industry and require an industry-wide action strategy to both unify the industry and illustrate New York's construction dominance.

### Examine Best Practices

Review how companies, nationally and domestically, are getting things done. What are their methods? Are they more efficient than ours? How can we incorporate some of their building practices?

### Introduce Technology to Create Efficiencies

The construction industry is gaining speed in implementing new technology to increase construction efficiency and control costs. The need to examine how new construction technology can be adopted industry wide is a high priority.

### Improve Relationships with Banks, Sureties

Financing and bonding limit the capacity of contractors to take on more work. The construction industry needs to establish and/or renew its relationships with the banks and sureties to ease restrictions and allow qualified contractors access to capital and increased bonding capacity.



**Wanted: A New Industry Image**

Richard Wood agrees. A 30-year construction veteran who worked himself up the construction ladder says, "There are opportunities to offer new, well-paying careers to people. Our industry needs to take a hard look at that. We haven't made the construction industry a high profile industry," says Wood. "Maybe we need to create a new image for it?"

Turner Construction's Hilton Smith recommends "that the industry collaborate and develop a collective marketing plan to sustain its future and stability." Robert Medina of Medina Consultants, agrees that the industry must take action quickly. "For the most part, academics usually don't keep up with industry. We have to change the whole perception of the industry. We have to make the pie bigger," says Medina, "and attract more candidates into the industry."

**The Ephemeral Millennial Worker**

"Even when you find good staff, they often don't stay in place for more than a year or too," says Pat Di Filippo of Turner Construction, "The greatest disruption on many jobs comes from changing personnel," says Di Filippo. "The current generation doesn't look at job stability – they expect to move seven or eight times before they settle down. However, there are other models we can look at that control this trend. Companies like Peter Kiewit make their employees partners and they've resolved the transition problem. They've created employees for life."

**Attracting Qualified Companies**

"It's a great private market," says Robert Peckar, "but the public sector is less vibrant now than it was 35 years ago," Peckar recalls that his father's company was a one of those competing for New York City building work. He remembers the many firms competing for New York City public work. Not so today he observes. "Until you change the current paradigm, you can't build all the work the city wants to build. It's not going to happen."



"Financing is the single biggest obstacle to any trying to open a construction company" says Louis J. Coletti, BTEA's President and CEO. According to Coletti, "We're (construction) a risky business. Banks don't like to loan money to new emerging contractors. They sometimes don't even like to loan money to some of us around this round table. Bonding has the same problem."

"We need to get the banks to the table" recommends John Lovett. "They are

refusing to take the risk with us." Lovett recommends a similar strategy for dealing with sureties. "We need to be in discussion with sureties. We need to identify alternative surety strategies so that contractors on smaller jobs can get the bonding they need."

Coletti sees the political side of the dilemma. "We need political strength. Our politicians may need to meet with banks and discuss creating a loan pool for the industry."

"There's another challenge to fueling the construction industry with qualified contractors and subcontractors" according to John Rapaport, Director of Operations for Component Assembly Systems, Inc. "Lots of people get into the industry because they have contracting knowledge and skill, but no insight into the financial aspects of the business." Says Rapaport, originally trained as an attorney and now helping run his family-founded contracting firm, "Construction Management Schools teach how to oversee a project. Labor schools teach how to build it. But there is no one teaching how to start and run a company."

**Recruiting Qualified MWBEs**

Attracting minority and women-owned enterprises into the construction industry has always been a challenge. That's the challenge of Michael Jones Bey, Executive Director of New York State's MWBE Contract Procurement Program who is carrying forth the mission to expand business opportunities for MWBEs through out New York State. He is doing so under the mandate of Governor Eliot



Spitzer and Lieutenant Governor David Paterson who have pledged to increase MWBE utilization rates in construction contract procurement, among other areas.

According to Coletti, the industry is heading in that direction with 54% of the apprentices being African American, Latinos and Women. But Patricia Lancaster, New York City's Buildings Commissioner sees the industry's ability to recruit women from a different vantage. She recalled that when she graduated from Architecture School there were two female architects who graduated along with her. says Lancaster.

Michael Garner, Senior Director of New York City's School Construction Authority Business Development Program, views it pragmatically: "Government should not take a group of unqualified contractors and force them into the industry. The goal should be to create effective business development programs that address the emerging contractor's lack of access to bonding, capital, effective construction and information technology training and relationships to the New York City construction building trades. Once these deficiencies have been addressed, then government should partner with the construction industry to ensure a smooth transition for these emerging firms into the mainstream construction industry."

Plaza Construction's Richard Wood maintains that MWBEs could be utilized on the basis of the number of contracts they perform, not by a dollar value. He says that a good way to do this is to designate a distinct scope of work. "You

can be creative by segregating specific scopes of work and that will allow you to award different contracts to a greater number of MWBEs," says Wood. "This allows more firms to participate in the project, and at the same time, serves to control the risk of awarding one large contract."

Tishman Construction's Jay Badame echoes Wood. As an example Badame points to 7 World Trade Center and the way in which MWBEs were used exceeded goals and expectations. "Our relationship with MWBEs worked because we carefully put MWBEs who were guaranteeing the risk that were suited to work with specific contractors."

### How Can We Build New York Now?

Mysore Nagaraja who heads MTA's Capital Construction Company charged with the construction of MTA's Mega Projects explains another side of the problem. "We have to build New York now, not 30 years from now. Our problem is today. We are talking about education and building a workforce for tomorrow. I have \$4 billion to be awarded before the end of 2007," says Nagaraja.

"The contracting community is telling me we don't have the resources, says Nagaraja. "I have been meeting with industry representatives to discuss how do we do this. We have this great talent. We need to share our best practices and our resources to do our job more efficiently so we can be an example to the rest of the world. Then we can build New York," he says.

### In Search of Tunnel Boring Machines

Nagaraja has specific ideas about how the industry can achieve capacity. He recommends looking globally, how is the rest of the world building? "As an example," he says, "I need four tunnel boring machines. There are 100 such machines being used in Shanghai. We need four and contractors are claiming they can't afford it. New York is the greatest city in the world. We need to step up to the plate and work together."

But according to Richard Wood, "This is a supply and demand issue. We have only some supply and there is greater demand." Responding to Nagaraja, Wood replied, "We need confidence that we have work ahead of us and any major investment and mobilization effort will be profitable. In addition those contractual issues that have kept many contractors out of the public sector market need to be resolved."

"As a private sector contractor, we must be able to accurately evaluate our risk and our reward. We need the confidence from the MTA that those changes will be in place. If you can make those changes, I can assure you that we [the industry] will be clamoring for your work," says Wood

### Shifting The Paradigm

"There's an elephant in the room," says Patricia Lancaster. "We have so much work that needs to be done. Many of the companies here have three and four year backlogs. And this industry does not have the resources to do it. Everyone is talking niceties. "

Coletti sees it differently. “We need dramatic procurement change in the public sector. If good contractors have choices, they are going to go to the good jobs,” says Coletti. Badame concurs, “We need to shift the procurement paradigm in the public sector. We need to look at best value bids in favor of lowest bid. This model is being used in other states with much success.”

Public sector work can be attractive insists Nagaraja. “I’m sitting with owners who want to talk about prompter payment. If a contractor wants advance payment, we negotiate that. It all becomes conditions that are negotiable,” he says. “At the MTA, we are opening the doors for you to do business with us. We can give you payments twice a month. We have done it before and we can do it again.”

Change orders have become another challenge to the procurement process. Michael Zetlin, an attorney and co-founder of Zetlin & De Chiara, a national law firm representing owners and design professionals, says public agencies have a terrible reputation for processing change orders. “If a public agency adopts an efficient change order process, that agency needs to deliver the message boldly,” says Zetlin.

## The Role Of Unions

Union labor is being challenged in this dynamic construction market.

According to Jeffrey Levine, “union labor force is the best qualified to do public work. However, much private work may increasingly default to non-union contractors.” Richard Wood argues “that until all subcontractors employ union labor we will be compromising the safety and quality of construction work in New York. Having union labor work along side non-union labor runs the risk of the City becoming an ‘Open Shop.’ This piece meal approach will lead to major issues

relative to construction safety and quality, given the extraordinary volume of work that we have today.

According to David Pinter, “We need different labor solutions for building the \$7 billion affordable housing market. We have to protect against not relaxing our standards but raising the benchmarks of what we expect from our contractors.” Following our most recent labor negotiation, Pinter reports “that New York’s electrical contractors through its New York Chapter of NECA (National Electrical Contractors Association) have worked with the union to create innovative ways for our contractors to compete for traditionally non-union affordable housing work.”

According to Christopher Erikson, IBEW Local 3 Business Manager, “Our rank and file care about their jobs. We have contractors that only go after the big work. We have electricians waiting to go to work. We don’t have the small projects. Our labor learns by working in the trenches. We have some issues here. If outside firms come in, we could be looking at a disastrous situation,” says Erikson.

## Avoiding Risk

“The stuff’s that coming in the doors – you can have it,” says one roundtable expert. “We run away from jobs that are open to risk.”

According to Pinter, “If I have my choice I work for the large construction management firms. The electrical industry has shrunk. Consolidations didn’t necessarily work. And we have good examples, JWP and Fishbach Moore. These firms became fat. They didn’t realize that you need to be smart and nimble. Today, our industry has a cadre of smart contractors who are looking at the marketplace and seeing all of the opportunities.”

## Opening The Doors For More Companies

Industry experts agree that there has to be more companies entering the industry. But they equally argue that existing contractor capacity could be increased if public procurement policies were changed to increase equitable payment and change order practices.

Coletti maintains that the industry as it is currently situated does not have the capacity to build all that work. But building in New York is challenging he says. “Out-of-state and foreign companies can’t just enter the New York market. They will have to consider joint ventures or strategic partnerships.”

Rick Bell, Executive Director of the New York City Chapter of the American Institute of Architects adds that many architects are now coming from Europe. “In addition, outsourcing of technical services and pre-fabrication of construction assemblies will increase our capacity,” says Bell. “In terms of the ability to produce affordable housing and other new buildings, it’s a global economy.”

In the 90’s the construction industry neared a depression. In many trades, 20-30% of contractor capacity was lost that has never returned to the marketplace. As long as the economy was slow that capacity was sufficient. Today’s building spike which is likely to continue over the next five years and even longer demands that existing companies increase their capacity and new companies entering the market maintain the same high standards. A relaxing of standards, predicts one industry insider, will create a “wild west show from which our industry may never recover.”



# 7 Best Practices of Highly Successful Subcontractors

## 1 Tap our Industry's Power



"At the STA, colleagues and competitors are all on the same side. The power of those relationships fuel my business growth."

## 2 Create Legislative Change



"STA has helped pass significant legislation in Washington and New York. That kind of advocacy makes a difference."

## 3 Get Paid



"Get Paid! STA doesn't just talk about it! They take action! STA gets the right message out to the right decision makers."

## 4 Build the Right Relationships



"The relationships I develop at the STA make a difference in my business."

## 5 Increase Your Purchasing Power



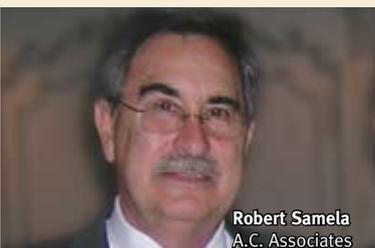
"The STA is more than an association. It is a constant advisor who is always on call for information."

## 6 Keep learning



"STA programs provide invaluable information that helps my business grow."

## 7 Join the STA!



"STA membership has unlimited value and translates into information, relationships and practical advice that converts into real business dollars."

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Once upon a time in a very big city  
there was a very small subcontractor.

# **The Paradox of the Small Contractor**

He won contract after contract until he  
wasn't a small subcontractor anymore.

# Will the Story of New York City Subcontractors Have a Happy Ending?

With so much work in New York City's construction marketplace and fewer qualified subcontractors available to do the work, what's in store for New York's subcontractors?

Construction industry insiders agree that today there are 30% fewer qualified subcontractors firms than there were a decade ago. "Whether through acquisition by larger firms or attrition, New York's population of qualified small business subcontractors are significantly reduced," explains Louis J. Coletti, president and CEO of the BTEA, a trade association representing over 1500 union general contractors and construction managers in New York City. "Further contributing to the supply-demand issue, many contractors are backlogged until 2009 and 2010," admits Coletti.

New York's Construction Industry is an industry of small businesses. Over 85% of all contractors are businesses with revenues of \$100 million or less, with many of the firms reporting revenues of less than \$25 million.

In addition to a diminishing number of qualified subcontractors, slow payment practice has become a prevailing industry practice, especially in the public sector. According to Ron Berger, Executive Director of the Subcontractors Trade Association (STA), "30-day payment practices are now extending to 60, 90 and 120 days after receipt of invoicing. Subcontractors must pay their labor and material expenses while they wait for payment from owners."

According to Robert Samela, Vice President of the STA, Chairman of the BTEA and owner of his own metal decking construction firm, "long delays in approvals for contract work and unclear procedures for processing change orders have created a critical payment bottleneck for subcontractors to meet existing financial obligations. And of course, slow payment further impedes a subcontractor's ability to take on more work."

## THE PARADOX OF THE SMALL CONTRACTOR

"The paradox of the small contractor is very clear," explains Samela. If a small contractor can get paid, they can continue to grow at a normal pace. When small contractors can't meet their current financial obligations, they may resort to alternative strategies: one, they take on more work to meet prior obligations; or two, they may resort to bank financing replete with interest charges that may not have been calculated into their original bid; or three, they simply walk away from a project. Whatever the course," says Samela, "the general health of the construction industry is significantly impacted."

Turner Construction's Pat Di Filippo concurs: "Owners have to move money. They are going to have to keep subcontractors alive by paying their bills. Our subcontractors have the technical capability to complete the work, but they can't keep going

back to the bank to get more money."

## A DOUBLE CHALLENGE FOR MWBES

"The challenge for minority and women-owned business enterprises, is even greater," says Michael Jones-Bey, Executive Director in charge of the New York State's MWBE Contract Procurement. Jones-Bey's primary responsibility is to develop and implement an effective MWBE procurement program throughout New York State. "Capacity – technical and financial – are two major areas where emerging and small businesses need industry as well as government support. On the one hand," says Jones-Bey, "we need to encourage the development of small businesses in New York State and in particular in our expanding construction industry. But we have to do it prudently," says Jones-Bey. "We need to collaborate with the construction industry to help refuel its supply of qualified firms."

## A Lesson Learned

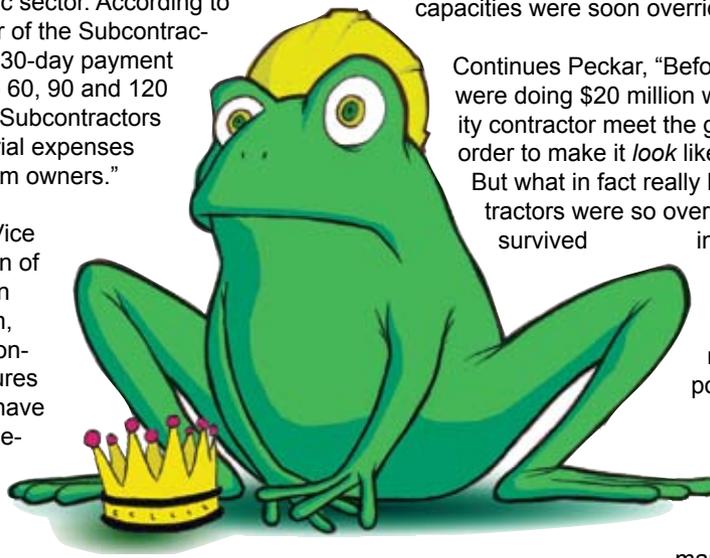
This is what happened in the 1970's and 80's recalls attorney Robert Peckar, "In the boom of the mid-70's when government first started putting the rules in place for MWBE utilization, the good small firms, the ones with business savvy, became so popular and were in such unbelievable demand, that their capacities were soon overridden by the demand."

Continues Peckar, "Before you knew it, these firms were doing \$20 million worth of work to help a majority contractor meet the goals that they had to meet in order to make it *look* like they were meeting the goals. But what in fact really happened was these MBE contractors were so overwhelmed that not one of them survived into the 1980's. The good ones were the saddest stories. They disappeared because they were overwhelmed with business. As you would expect, the poor ones simply disappeared."

Peckar suggests a more practical course of action for MWBE utilization. "If you're talking about a boom market, there's got to be certain

amount of maturity on the part of government in particular not to insist upon on the appearance of greater participation than the capacity of those contractors that you prequalify to do the work. And if that means that they [MWBEs] are at capacity on the first \$5 billion and there are no more, than that's better for the future of those companies than to spread them out to the point that they fail. That's the lesson I learned from history," says Peckar.

Jones-Bey agrees. "Historically, we have not been successful in establishing successful procedures for supporting MWBEs in the construction industry. However, we have the support of the new administration to create sustainable programs that grow the capacity of MWBE contractors so that they can respond to the need for qualified firms. We realize that this is in the economic interest of the State, and we are developing a model program that builds on lessons learned as well as best practices."



# HOW THEY DID IT

## What did they achieve?

Read about your colleagues and how their career paths translated into road maps for professional success. They are real people with real stories each of whom are leaving their signature on New York's landscape and its construction industry.

### ECONOMIST & AUTHOR



One of the leading economists in the construction industry, Regina Armstrong is the principal and a founding partner of Urbanomics, a leading economic consulting firm, researching and publishing long term economic and demographic forecasts. For 20 years she was Chief Economist and Vice President

of Economics for the Regional Plan Association. She is an author of several books including *Regional Accounts: Structure and Performance of the New York Region's Economy in the Seventies* (Indiana University Press) and *The Office Industry: Patterns of Growth and Location* (The MIT Press). An award winning professional, she received the American Planning Association Ponte Award for Economic Excellence in 1994.

### CONSTRUCTION CEO & CIVIL ENGINEER



An engineer with 'people skills,' that's how Jay Badame says everyone described him when he was just an undergraduate at the University of Pennsylvania from which he received a Bachelor of Science degree in Civil Engineering.

With more than 29 years in the industry, Jay Badame is the Chief Operating Officer of Tishman Construction Corporation. Under his leadership Tishman has expanded its role as a major residential project builder in the Eastern Region marketplace. Today Jay serves as part of Tishman's leadership team in building some of New York's newest landmark structures, including the new Freedom Tower at the World Trade Center, the Bank of America Tower at One Bryant Park, and the Goldman Sachs World Headquarters in Battery Park City.

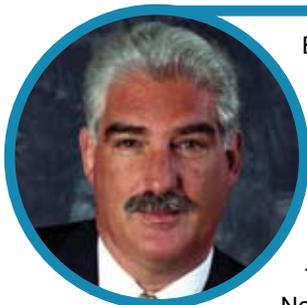
### ARCHITECT & ASSOCIATION EXECUTIVE



Fredric Bell partly funded his way through architecture training at Columbia University as a deckhand on a tugboat in New York Harbor. Calling himself a 'recovering' architect, Bell became Assistant Commissioner for Architecture and Engineering at the City Department of Design

and Construction (DDC). In 2001, he assumed the position of Executive Director of the New York Chapter of the American Institute of Architects. Bell is a graduate of Yale College and Columbia University. Prior to joining DDC, Bell was a design partner leading the educational facilities studios of Warner Burns Toan Lunde. He has won numerous awards including one for his advocacy of barrier free accessibility in the redevelopment of Lower Manhattan. He was named "Newsmaker of the Year" by McGraw-Hill's ENR.

### TRADE ASSOCIATION PRESIDENT



Beginning with a government position in New Jersey, Louis J. Coletti launched his career in New York City's construction industry over 20 years ago. A recognized force in the construction industry, he assumed the Presidency of the Building Trades Employers Association of New York City (BTEA) in 2000 with

the clear goal of strengthening the relationship between labor and management. Today the BTEA includes over 1500 construction managers, general contractors and subcontractors contractors in New York City.

Coletti is a graduate of the David Rockefeller Fellows Program. He also holds a Masters Degree in Public Administration from The New York University Robert Wagner School of Public Administration and a Bachelor of Arts Degree from Rutgers University.

## CONSTRUCTION EXECUTIVE & ENGINEER



Pat Di Filippo was given only three career options by his Italian immigrant parents: doctor, lawyer, or engineer. He opted for the third and attended Rutgers University where he received his degree in Engineering. On one of his first interviews, Di Filippo remembers asking hopefully if he would make \$30,000 a year. Today he is regarded as one of New York's construction industry leaders.

Di Filippo began his career with Turner Construc-

tion Company in 1984 as a field superintendent and has successfully climbed Turner's corporate ladder to achieve his current position as Executive Vice President. After service in several of Turner's regional offices across the country, in 2005 he returned to New York to assume the position of Executive Vice President of Turner's New York, New York Interiors, Albany and New Jersey operations. Key projects under Di Filippo's leadership currently under construction include the Yankee Stadium Project in Bronx, N.Y., the JetBlue Terminal 5 at JFK airport in Jamaica, N.Y, Memorial Sloan-Kettering Breast and Imaging Center, among others.

## LABOR LEADER



Christopher Erikson had big shoes to fill when he stepped into his current position as Business Manager of Local 3, the International Brotherhood of Electrical Workers (IBEW). The grandson of Harry Van Arsdale, Jr., Christopher is a fourth generation Labor leader. This past May, Erikson stewarded the

union negotiations for the new NECA New York 2007 new labor contract on behalf of Local 3, International Brotherhood of Electrical Workers. In doing so, he set forth new progressive initiatives that will allow union electrical contractors to compete aggressively in new markets. The contract has been hailed as an historic agreement in New York City's construction industry.

## AGENCY SENIOR DIRECTOR



Michael Garner is the Agency Senior Director of Business Development for the New York City School Construction Authority. At the SCA he heads up the minority business development program which has been hailed as a national model for MWBE advancement. Under his leadership, the SCA has awarded more than \$400 million in contracts to minority-owned, women-owned, and locally based business enterprises through its Mentor/Graduate Mentor programs, and more than \$1 billion of assorted contract types to SCA certified minority-owned, women-owned and locally based business enterprises.

In July 2006, Garner and his staff created and implemented a surety bonding program with Willis of New York/ACE Surety that resulted in 23 firms receiving bonding programs totaling \$51 million. He and his staff have also guided the SCA into an historic partnership with Carver Federal Savings Bank to offer small business loans to certified minority and women owned businesses. In addition, a union transition program was developed and implemented to provide emerging MWBEs with the information and guidance in joining the NYC Construction Building Trades.

Garner is a graduate of the State University of New York at Buffalo with a Bachelor of Science degree in Business and is also currently pursuing his MBA at SUNY

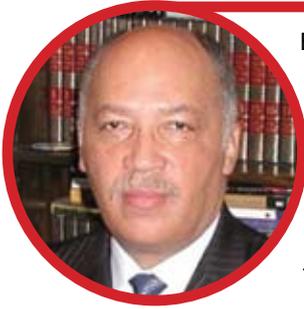
## MANAGEMENT CONSULTANT & AUTHOR



Hank Harris is the President and Managing Director of FMI Corp, a global provider of management consulting and investment banking services to the construction industry. Working with industry firms to improve management practices, he is responsible for the management of all of FMI's services to the construction marketplace. Mr.

Harris has written two books on the application of strategic planning for managing construction industry firms. He is a highly regarded speaker. He holds a Bachelor of Science degree from the University of Richmond and a Master's of Business Administration from Virginia Commonwealth University. He is a certified management consultant and a member of the American Arbitration Association.

## SUBCONTRACTOR & MENTOR



Bill Howell is the owner and President of Howell Industries. He started the company in 1985 after stepping down from his position as an oil executive. He first worked with the School Construction Authority in 2001, completing plumbing and heating work at a Bronx school. He took advantage of the Mentor program services at the SCA, where

he now serves as a mentor sharing his own expertise with new companies. He is dedicated to seeing minority and women owned businesses succeed in the industrial marketplace.

Mr. Howell is a member of the Mayor's Commission on Construction and a member of the MTA Blue Ribbon Panel.

## AGENCY EXECUTIVE DIRECTOR



Michael H. Jones-Bey is the Executive Director of the Division of Minority and Women's Business Development for the State of New York. Prior to this appointment, since 1993, Jones-Bey worked for Lt. Governor (then Senator) David Paterson in several capacities, including Special Assistant, Director of Press Operations and most recently Chief of Staff to the Senate Democratic Conference. As Chief of Staff he managed a 140-person operation with an annual budget of \$13 million.

Jones-Bey's commitment to MWBE initiatives has earlier roots. While on the Senator's staff, Jones-Bey also served as his designee on the Executive Board of the Harlem Community Development Corporation. As a volunteer on David Paterson's Lt. Governor campaign, he conducted a national survey of best practices for effective MWBE programs. His business related experience includes Director of a New York State sponsored Entrepreneurial Assistance Program (EAP) where he provided business consulting and business plan preparation. A graduate of Northeastern University where he received a Bachelor of Science degree in Business Administration, Jones-Bey has also worked in the private sector developing business plans that have received private financing.

## BUILDINGS COMMISSIONER & ARCHITECT



Patricia J. Lancaster, FAIA, was appointed Commissioner of the New York City Department of Buildings by Mayor Michael Bloomberg in 2002. An architect by training and only one of two women who graduated in her architectural class, she is the first woman to serve as Commissioner. Lancaster leads a staff of 1200 and is responsible for regulating New York City's construction industry, by setting construction standards and enforcing the Building Code and Zoning Resolution. A dedicated architect and tireless worker, she muses that

she 'has no memory of her life before drafting New York City's Building Code.'

In addition to being a Registered Architect, Lancaster is a licensed Real Estate Broker and a Fellow of the New York Academy of Medicine, the National Academy of Construction and the American Institute of Architects. Lancaster was an artist and potter before attending architecture school. She earned a Masters of Architecture degree from the University of Washington in Seattle and her Bachelor of Arts degree in Art and Theology from Linfield College in Portland, Oregon.

## BUILDER-DEVELOPER & OWNER



Jeffrey Levine is the President of Levine Builders. In his current position since 1979, Mr. Levine has overseen the construction and rehabilitation of thousands of residential units and millions of square feet of commercial space.

Levine graduated from the CUNY City College School of Architecture. He also

holds a New York State Real Estate Brokers License. He has been recognized by colleagues and numerous associations for his service, including Phipps Houses Community Builders Award in 2003, the New York Housing Conference Developer of the Year Award in 2000, Ernst & Young's Entrepreneur of the Year Award (1997) and ABO's Developer of the Year Award (1997).

## BUILDING TRADES ASSOCIATION EXECUTIVE



An electrician by trade, Edwin Lopez spent a lifetime as a member of the International Brotherhood of Electrical Workers Local #3 before assuming his current role as the Chapter Manager of the New York City Chapter of the National Electric Contractors As-

sociation (NECA New York). Sensitive to both sides of an argument, Lopez played a leadership role in stewarding labor negotiations on behalf of NECA New York, which ultimately resulted in an landmark agreement that Lopez notes 'will now allow us [NECA New York contractors] to build more of New York.'

## COMPANY PRESIDENT & CONSTRUCTION EXECUTIVE



John Lovett thought he might be an oceanographer when he was in college. Although he earned a Bachelor of Science in Engineering Management and Mechanical Engineering, from Wentworth Institute of Technology in Boston, the love of navigating the unknown has not been lost.

Today John Lovett is President of Lovett-Silverman Construction Consultants, Inc., one of the country's leading construction consulting firms providing comprehensive construction solutions. Lovett has navigated his firm from a two-person firm to over 80 professionals. He has guided the firm from one which served the surety and claims market into a global construction consulting firm providing a broad cadre of project management, scheduling, estimating and owner representation services.

Lovett notes he is mapping out new territory for his firm. The industry has changed and what began as a claims consulting firm, today Lovett Silverman with offices nationwide represents owners, construction managers, general contractors and subcontractors both to resolve problems and to assist them to achieve bottom line efficiencies for their projects. Lovett notes that his firm has expanded as a result of the changes in the industry – in particular the demand for high quality, consistent service. Today Lovett sees his firm as a unique resource for many of the country's major owners, construction managers and contracting firms.

A third-generation engineer, Lovett began his career with a general construction/mechanical construction company in Northern Colorado and then worked in New York City as a project manager, estimator and scheduler for a large general construction firm. Today, his daughter, Maggie, the family's fourth generation engineer, is an engineer for a major construction firm.

## COMPANY PRESIDENT & ENGINEER



Medina Consultants, today led by Robert Medina and co-founded with his late wife, Carol Medina, was ranked the #1 largest Hispanic-owned Civil Engineering and Land Surveying Firm in the Tri-State area and #3 nationally in its professional category by *Hispanic Business Magazine*.

Born to a Cuban Father and a Puerto Rican Mother and raised in New Jersey, Medina says he feels at ease on both sides of the Hudson River. With a staff of over 100 professionals, he operates six offices that serve four states (New York, New Jersey, Pennsylvania and Connecticut). A graduate of the

Newark College of Engineering (NJIT), Medina trained at large engineering firms before forming his firm in the late 1980s.

Today, Medina Consultants serves the Top 500 ENR firms with prime contracts with New York City's School Construction Authority and the New York/New Jersey Port Authority. The firm has numerous contracts with many of the region's largest CMs and Engineering firms including STV, DMJM Harris/ AECOM, PB, URS, HNTB, among numerous others.

Medina is an advocate of the MWBE program. "If you're a small firm, especially a MWBE, you have to conduct business better than the larger prime firms."

## TRANSPORTATION AGENCY EXECUTIVE



Mysore Nagaraja leads the Metropolitan Transportation Authority Capital Construction Company (MTACCC), serving as its President since the company's inception in 2003. He and his team have the responsibility for advancing multi-billion dollar capital system expansion projects for all MTA companies. These projects include East Side Access, a new Second Avenue Subway and the extension of the No. 7 train to the West Side of Manhattan. Two Lower Manhattan Projects, the Fulton Transit Center and the new South Ferry

Subway Station, are also part of Nagaraja's construction agenda.

Nagaraja began his MTA career in 1985. He received a Bachelor of Science degree in engineering from University of Mysore in India and his Master's in Science degree from Brigham Young University. He is a licensed professional engineer in New York and New Jersey. Prior to becoming President of MTACCC, Nagaraja was the Senior Vice President and Chief Engineer of the Department of Capital Program Management at New York City Transit.

## ARCHITECT & CORPORATE EXECUTIVE



Brian Newman was born into the profession. His grandfather was a residential developer and Brian is a second generation architect, working alongside his father, Mitchell. Brian holds a Bachelor of Architecture degree from Syracuse University. As a child he recalls walking through construction sites, with his father. Today he is the

Director of Architectural Services for Newman Design, focusing on a diversified portfolio of residential, commercial, institutional and industrial projects. Some of his notable projects are The Hutchinson Metro Center in The Bronx, The Schermerhorn Court in Downtown Brooklyn and The Granite Buildings on Long Island to name a few. Going full family circle, he is now walking his own two young sons through construction sites.

## LAW FIRM CO-FOUNDER, PARTNER & ARTIST



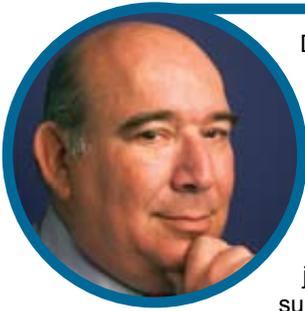
Robert Peckar is considered one of the construction industry's most capable and proficient construction attorneys. What many don't know is that Peckar is a highly-regarded artist and has had several well-acclaimed gallery showings. That talent for translating concept into reality is one that Peckar has also used in the design of a national construction law firm that is now regarded as the largest practice of its type in the United States. Peckar & Abramson includes over 100 attorneys in ten offices throughout the country with a diverse practice related to all aspects of construction.

Peckar has been hailed as "undoubtedly one of the sector's super-lawyers" by *Chambers USA*, America's Leading Lawyers for Business 2005. In *Chambers 2006*

Edition, he was described by clients as "super-intelligent, creative and business-oriented" as well as being "on everyone's short list" for dispute resolution." In the *Chambers 2007* Edition he was recognized as an "important attorney who attracts the greatest respect," and ranked in the top tier of attorneys in his field for the fifth consecutive year.

While he has obtained very substantial recoveries in litigation and arbitration, Peckar has gained widespread recognition for his ability to formulate creative solutions to complex construction problems and is a leading advocate in the use of ADR, serving as an arbitrator in complex international arbitrations. He is a contributing author of several textbooks on construction law. Peckar graduated from Rutgers College and Columbia Law School.

## COMPANY PRESIDENT & CEO



David Pinter is the second Pinter to serve as President of Zwicker Electric Co., Inc. His father, Ernest served as President from 1961 to 1984. Pinter remembers that he would visit job sites with his dad.

A licensed NYC Master Electrician, he joined Zwicker Electric in 1972 and assumed the presidency in 1986. Both within his own industry and the real estate and construction industries he serves, Mr. Pinter is regarded as an recognized business leader and a strategic industry innovator. David Pinter has played an active leadership role in his industry's association, the National Electrical Contractors Association, New York City Chapter (NECA New York) and the New York Electrical Contractors As-

sociation (NYECA). For these organizations, Mr. Pinter has served in various capacities and in 2004-2005, as the organizations' President. Today, Mr. Pinter is Governor of NECA New York and served as the association's Chief Labor Negotiator for the 2007 labor negotiations.

He earned a Bachelor of Arts degree from C.W. Post College of Long Island University where he received the Distinguished Alumnus Award in 1990. In 2001, Pinter received The William Zeckendorf, Sr. Award supporting scholarship for the C.W. Post campus of Long Island University. This award commemorates the achievement of an individual who embodies those values of entrepreneurship and achievement that reflect William Zeckendorf, Sr.. Pinter is also an active philanthropist serving on the board of several charities.

## DIRECTOR OF OPERATIONS & ATTORNEY



John Rapaport is the Director of Operations of Component Assembly Systems, Inc, a national Drywall and Carpentry firm started by his father in 1964, the same year John was born. He grew up with the firm he now helps run. The company employs over 1500 union carpenters in 5 markets including New York and Las Vegas. John grad-

uated magna cum laude from the University of Michigan in 1986 and received his J.D. from the University of Pennsylvania in 1989. Rapaport is extensively involved in the research, design and application of technology to improve project operations. Under his direction, he is coordinating technology applications between his corporate office and field operations to improve overall project efficiency and profitability.

## CONSTRUCTION INSURANCE PROFESSIONAL



Todd Rowland calls himself a recovering construction executive, having spent 20 years in the business, until his wife said the next time a moving van pulled up to the house they were going to put only half of their stuff and none of the money on it.

Today Rowland is Senior Vice President of Construction Specialty Products and Services for Zurich. During his 30-year career, Rowland has had diverse experience in the engineer-

ing, construction, and insurance industries in the roles of profit center management, risk management, construction management, labor relations and safety, and insurance underwriting management. He was a member of a U.S. Department of Energy Benchmarking Task Force, a national management trustee for the Laborers and Employers Cooperation and Education Trust, a founding board member of the Environmental Management Employers' Association and a former Vice Chairman of the Texas Safety Association. Rowland attended California State University and Butte College where he studied Public Administration and Fire Engineering Technology.

## CORPORATE EXECUTIVE, MWBE ADVOCATE



Hilton Smith is the Senior Vice President of Community Affairs for the Turner Construction Company. At Turner he is responsible for managing the company's corporate affairs, the Minority/Women-owned Business Enterprise Program, and the equal employment and educational programs. He helped turn Turner into the first major corporate partner with the National Association of Minority Contractors (NAMC). He was in-

ducted into the NAMC Hall of Fame. He was recently named one of the Top 100 Blacks in Corporate America. He is also a member of Governor Spitzer's Corporate Roundtable on MWBEs. Smith earned a Bachelor of Arts degree in Sociology and Political Science from St. Augustine's College. He completed an Urban Ministry Program at Yale University, completed the Labor Relations Certification Program from Cornell University and received a Doctor of Humane Letters (honorary) from David Meyers University.

**COMPANY PRESIDENT**



Richard Wood is the President of Plaza Construction Corporation, a subsidiary of Fisher Brothers, one of the country's leading real estate development firms. One of the few owner-builder firms in New York, Fisher Brothers offered Wood an unique opportunity to grow from within. He has been with the company for 30 years, so he claims "I don't know a lot about what other people

do or how they do it," referring to his longstanding relationship at Plaza. But under Wood's leadership, along with Steven Fisher, Chairman of Plaza Construction, the firm has become one of the nation's most respected providers of construction management and general contracting services. He is deeply dedicated to philanthropic causes. Wood is an advisory board member to the Valerie Fund, a health care organization for children with cancer and blood disorders.

**LAW FIRM CO-FOUNDER, PARTNER, ENGINEER**



Michael Zetlin was originally following in the footsteps of his father, world-renowned engineer, Lev Zetlin. When his father was called upon to investigate the cause of the collapse of a building for pending litigation, Michael got his first taste of the courtroom and

his fate was sealed. A leader in New York City construction law, he co-founded the firm of Zetlin & De Chiara, LLP with partner Michael De Chiara. Once a New York boutique, the firm today has a national practice serving clients in the area of construction law wherever their needs take them.



Learn more about the firms and organizations whose leadership is making their mark on New York's Construction Industry.

|   |  |
|---|--|
| American Institute of Architects, New York City Chapter | <a href="http://www.aiany.com">www.aiany.com</a>                             |
| Building Trades Employers Association                   | <a href="http://www.bteany.com">www.bteany.com</a>                           |
| Component Assembly Systems, Inc.                        | <a href="http://www.componentassembly.com">www.componentassembly.com</a>     |
| Empire State Development Corporation                    | <a href="http://www.empire.state.ny.us">www.empire.state.ny.us</a>           |
| FMI Corporation   | <a href="http://www.fminet.com">www.fminet.com</a>                           |
| Howell Industries                                       | <a href="http://www.howellindustries.com">www.howellindustries.com</a>       |
| IBEW Local # 3  | <a href="http://www.local3.com">www.local3.com</a>                           |
| Levine Builders   | <a href="http://www.levinebuilders.com">www.levinebuilders.com</a>           |
| Lovett Silverman Construction Consultants, Inc.         | <a href="http://www.lovett-silverman.com">www.lovett-silverman.com</a>       |
| Medina Consultants                                      | <a href="http://www.medinaconsultants.com">www.medinaconsultants.com</a>     |
| MTA Capital Construction                                | <a href="http://www.mta.info">www.mta.info</a>                               |
| National Electric Contractors Association, NYC Chapter  | <a href="http://www.necany.org">www.necany.org</a>                           |
| New York City School Construction Authority             | <a href="http://schools.nyc.gov">http://schools.nyc.gov</a>                  |
| Newman Design   | <a href="http://www.ndarchitects.com">www.ndarchitects.com</a>               |
| Peckar & Abramson                                       | <a href="http://www.pecklaw.com">www.pecklaw.com</a>                         |
| Plaza Construction Corp                                 | <a href="http://www.plazaconstruction.com">www.plazaconstruction.com</a>     |
| The New York City Buildings Department                  | <a href="http://www.nyc.gov/html/dob">www.nyc.gov/html/dob</a>               |
| Tishman Construction Corporation                        | <a href="http://www.tishmanconstruction.com">www.tishmanconstruction.com</a> |
| Turner Construction Company                             | <a href="http://www.turnerconstruction.com">www.turnerconstruction.com</a>   |
| Urbanomics  | <a href="http://www.urbanomics.org">www.urbanomics.org</a>                   |
| Zetlin & DeChiara, LLP                                  | <a href="http://www.zdlaw.com">www.zdlaw.com</a>                             |
| Zurich  | <a href="http://www.zurichna.com">www.zurichna.com</a>                       |
| Zwicker Electric Co., Inc.                              | <a href="http://www.zwicker-electric.com">www.zwicker-electric.com</a>       |

# WHO WILL BUILD NEW YORK?

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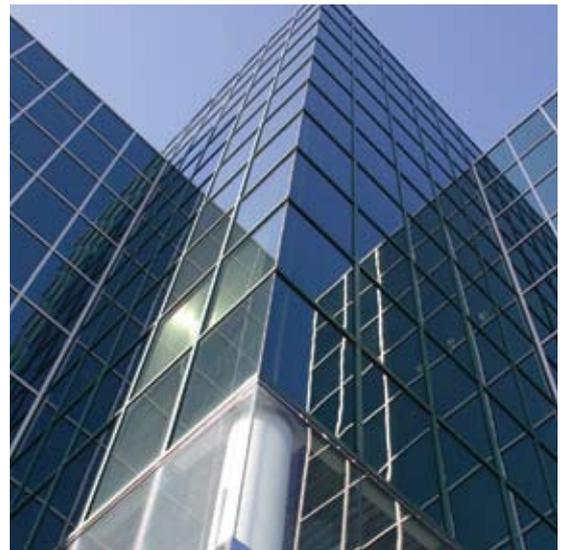
## Architecture That Returns On Investment

The highest quality architecture and sound development insights are at the core of Newman Design.

Our portfolio is diversified and includes luxury residential, affordable housing, commercial, industrial and institutional projects.

Clients commission us time and again for architecture that returns on their investment.

Call Mitchell D. Newman, AIA, at 212.673.3110 or visit [www.ndarchitects.com](http://www.ndarchitects.com) to learn more about our practice.





# Your Constructability Partner

Lovett Silverman helps you build your project better.

## Who We Are

We are a team of engineers, project managers and construction specialists who support your project with our construction knowledge and experience in planning, design, engineering, procurement and field operations to ensure your project's success.

## How We Work

We provide pre-construction, scheduling and project management services. When project challenges arise, we provide claims assistance, litigation support and often serve as an expert witness.

## Call on Us

For over 60 years, Lovett Silverman has been serving clients in the tri-state area and across the country to implement successful construction solutions.

**We are a partner you can rely on.**

To learn more about our comprehensive services, please contact Michele Golden at [mgolden@lovett-silverman.com](mailto:mgolden@lovett-silverman.com) or visit us at [www.lovett-silverman.com](http://www.lovett-silverman.com)



New York Mercantile Exchange



Hilton Times Square



JP Morgan at 60 Wall Street



Williamsburg Bridge



The Metropolitan Museum of Art



Bay Park Sewage

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