



MINNESOTA BUILDERS EXCHANGE **Weekly Bulletin**

Issue No. 3 • Wednesday, January 17, 2024 • www.mbx.org

Five Things To Do / Know This Week:

- 1.) Sign up to join us this [Thursday, January 18](#) for our next Online Plan Room Demo.
- 2.) Get your questions answered regarding our upcoming slate of [Bluebeam Revu courses](#) taught by Troy DeGroot (UChapter2) on February 20 to make sure you're enrolling in the appropriate courses for your skillset and workflows, or simply to learn more about what these courses entail.
- 3.) Checked out the blog lately? Our [Building Buzz series](#) has all the latest headlines skimmed for you so you don't have to.
- 4.) Submit your [company news](#) for inclusion in our next issue of the *MBEX Blueprint*. New hires, promotions, business expansions, anniversaries...we want to celebrate your successes!
- 5.) **Test Your Knowledge:**
As of 2021, which North American country had the largest percentage of builders engaged in green building?
A.) Canada
B.) Mexico
C.) United States
D.) All three countries are engaged at the same rate.

[See the Answer](#)

Our favorite kind of music? Heavy metal. It's perfect for steeling ourselves for a hard day's work.

IN BRIEF:

- **Recap:** A look back at last week's Annual Meeting + Luncheon
- **Final Ruling:** DOL's latest on the classification of independent contractors
- **Read Now:** The 2023 Annual Report now available to view online
- **Stabilizing:** Planning numbers end 2023 on a high note
- **CRE's 2024 Outlook, the Five Materials Whose Cost Grew the Most in 2023, and 'Cooling Glass':** Five construction headlines, and a redevelopment plan for the vacant Medtronic campus in Columbia Heights
- **Member Benefits:** Upgrade to Verizon 5G Business Internet for as low as \$69/month

MEMBER NEWS + EVENTS

RECAP: ANNUAL MEETING + LUNCHEON

RECAP: MBEX 2024 Annual Meeting + Luncheon

Last week, we hosted our 2024 Annual Meeting and Luncheon at the Mendakota Country Club, and it was an event filled with networking, insightful discussions, and a celebration of our industry and the people driving it forward.

Over 80 members, past presidents, and industry partners came together to connect with their peers, to continue forging valuable relationships, and hear about MBEX's achievements and progress over the past year.

Our keynote speaker, Hugh Seaton, shared valuable insights into Artificial Intelligence (AI) and how it's affecting the construction industry now as well as trends for the future. View his presentation slide deck: [Artificial Intelligence: What Construction Leaders Need to Know](#).

We recognized retiring Board member, Andrew Ristrom (*Carl Bolander & Sons*), for his service to MBEX, and we announced the election results for the 2024 Board of Directors. Welcome to the Board: Allie Brady (*Veit*), Kevin Bohrer (*Donlar Construction*), and Chris Niemand (*Frattalone Companies*). David Brandt (*Schadegg Mechanical*) was reelected to the Board as well. Brad Ober (*Alliance Bank*) was awarded Volunteer of the Year, and Tom Getzke, MBEX's immediate past Executive Director, was awarded Distinguished Member of Service.

A giant round of applause once more for our event sponsors:

Premium Sponsor: The Builders Group (TBG)

Platinum Sponsor: KW Specialty Services

Gold Sponsors: Dem-Con Companies, ECCO Midwest, and Maverick Cutting & Breaking

Bronze Sponsors: Bituminous Roadways and RMS Rentals

Door Prize Sponsors: Alliance Bank, Davis Mechanical Systems, Maverick Cutting & Breaking, Owen Masonry, Sunbelt Rentals, and Woodstone Inc.



Newly elected (and reelected) 2024 Board of Directors (L to R): Chris Niemand, *Frattalone Companies*; David Brandt, *Schadegg Mechanical*; and Allie Brady, *Veit*. Not pictured: Kevin Bohrer, *Donlar Construction*



Special guest speaker Hugh Seaton presented on the subject of Artificial Intelligence (AI), discussing its current state within the industry and forecasted trends coming down the pipeline. [Download the slide deck here.](#)



Andy Ristrom, *Carl Bolander & Sons*, was recognized for his service and dedication as an outgoing 2023 Board member.



MBEX Executive Director David Siegel (middle) with Brad Ober (left), who was awarded Volunteer of the Year, and Tom Getzke (right), who received the Distinguished Member of Service award.



DOL Independent Contractor Rule Announced, Effective 3/11

The U.S Department of Labor announced a final rule revising its interpretation of the Fair Labor Standards Act's classification provision to determine whether a worker may be considered an independent contractor.

The final rule largely tracks the agency's October 2022 proposed rule. It retains the multifactor, "totality-of-the-circumstances" framework for analyzing independent contractor's status included in that proposal.

Under this framework, DOL will consider six nonexhaustive factors when examining the relationship between a worker and a potential employer:

- Worker's opportunity for profit or loss.
- Investments made by the worker and the employer.
- Degree of permanence of the work relationship.
- Nature and degree of control over performance of the work.
- Extent to which the work performed is an integral part of the employer's business.
- Use of the worker's skill and initiative.

The rule was published in the Federal Register on Wednesday, January 10, and is slated to take effect March 11, officials said.

[Read More on Construction Dive](#)

ANNUAL REPORT

SEE MBEX'S PROGRESS
THROUGHOUT 2023



View the 2023 MBEX Annual Report

A note from David Siegel, MBEX Executive Director:

As we reflect on the last 12 months, we can all take pride in what we've achieved together for the construction industry. Here at MBEX, we are guided by three value drivers: to help our members grow through the exchange of plans, the creation of powerful industry connections, and the sharing of knowledge.

In my role as Executive Director, I see first-hand the incredible impact of an industry that works together. In a year filled with "are we or aren't we?" in regards to a recession, the construction industry has only grown stronger and the future looks bright, especially in public construction projects thanks to federal funding and a significant bonding bill passed by Minnesota lawmakers.

We also continue to create bigger and better value for our members. A few highlights include:

- Posting **900 more projects** in 2023 than in 2022, thanks to the hard work of our reporting team.
- Launching the **MBEX Blueprint**, our newest magazine publication shared with over 3,000 members, industry partners, school administrators, and government officials.
- Kicking off the **MBEX Women's POWER** (Professionals Offering Women Engaging Resources) series in February and hosting 4 events throughout the year, with an exciting line-up for 2024 to be announced soon.
- Partnering with Troy DeGroot and UChapter2 to provide **more educational** and training opportunities.

I cannot wait to see what we're able to achieve together in the year ahead. Rest assured that MBEX is listening and acting on your concerns. We welcome your calls and feedback so that we may continually improve our services and deliver even more value to you.

Thank you for your membership, partnership, and support of the Minnesota Builders Exchange.





PLANNING NUMBERS END ON A HIGH NOTE

Construction Planning Numbers End 2023 on a High Note

The Dodge Momentum Index, a benchmark that measures nonresidential construction planning, closed out the year with a 3% jump in December, buoyed by data center growth, according to the Dodge Construction Network. Over the month, both commercial and institutional planning improved 1.0% and 6.1%, respectively.

The gain in December reversed the 1.4% drop in November, when a slowdown in commercial planning pushed the index down, according to Dodge. That indicates support for construction activity this year, said Sarah Martin, associate director of forecasting for Dodge Construction Network.

Commercial planning, which includes office, hotel, retail and warehouse projects, has generally been in decline since its November 2022 peak due to high interest rates, supply chain disruptions and stricter lending standards, but Martin noted the segment began to stabilize to close the year.

Meanwhile, the Architectural Billings Index, a leading indicator for upcoming construction work that's nine to 12 months out, remained below 50 for the fourth consecutive month.

[More on Construction Dive](#)



UPCOMING MBEX EVENTS

Did you know...a valuable benefit of membership with MBEX automatically makes every employee of a member company a member, meaning you are welcome to attend any and all MBEX events.

January 18 - MBEX Online Plan Room Demo

From navigating the Despad, setting up filters, understanding project information, and bidders lists, this free, one-hour session is a great introduction to our Online Plan Room. There will be time at the end for questions and answers. [Register Here](#)

February 15 - MBEX Online Plan Room Demo

From navigating the Despad, setting up filters, understanding project information, and bidders lists, this free, one-hour session is a great introduction to our Online Plan

Room. There will be time at the end for questions and answers. *Registration Not Yet Open*

February 20 - Introduction to Upcoming Bluebeam Courses

When it comes to the AEC industry, Bluebeam Revu is one of the most popular and quickly growing to over 3-million users worldwide. With functionality for Design Review, Estimating, Collecting Field Data, and others, Bluebeam is not your average PDF software. We have partnered with Troy DeGroot with UChapter 2 to provide the best quality Bluebeam training in the industry. Don't miss this opportunity to see an introduction to each upcoming course and learning objectives. Get your questions answered to assure you're in the appropriate courses for your skillset and workflow.

[Register Here](#)

February 27-29 - MBEX Member Road Show

MBEX is headed to Mankato, St. Cloud and Fargo to meet and mingle with members in a casual setting over apps and drinks. *More details coming soon!*

March 6 & 7 - MBEX Member Road Show

MBEX is headed north to Duluth and the Iron Range to meet and mingle with members in a casual setting over apps and drinks. *More details coming soon!*

March 20 & 21 - Reading Construction Documents

Designed to quickly familiarize students with the basics of reading and understanding construction documents, this 2-part online program taught by Troy DeGroot with UChapter2 is perfect for: apprentices, entry-level tradespersons, project coordinators, assistant project managers, new project managers, estimators, specialty sales representatives, entry-level architectural or engineering designers, or anyone in career transition looking for a refresher. *Registration Not Yet Open*

[View the 2024 MBEX Calendar](#)



CONSTRUCTION HEADLINES



COMMERCIAL REAL ESTATE

▢ [CRE in 2024: All Eyes on Interest Rates, Ailing Office, Multifamily Surge](#)

With favorable economic indicators boosting the optimism of commercial real estate professionals, the new year is expected to ease some of the strain the industry faced in a tumultuous 2023. But with damage done to property and financial markets, as well as major investors, anything resembling a recovery this year is likely to be slow and

bumpy. Stress will persist in the office market, even as the cost of capital dips, according to roughly a dozen experts interviewed by *Bisnow*. And multifamily, a darling of the early pandemic years, is likely to see some softening as a record rush of new supply hits the market. Meanwhile, new issues like insurance costs and climate risk to property are becoming greater concerns for property owners of all types. (*Bisnow*)

BUILDING MATERIALS

▣ [The Cost of These Five Construction Materials Grew the Most in 2023](#)

Inflation has contributed to increased prices for many construction materials, including clay products, per *LBM Journal*. More megaprojects, including two manufacturing plants in Georgia totaling \$6.7-billion, also create more demand, causing price increases. High transportation costs aren't the only element plaguing concrete prices, and long lead times for machinery and equipment have made it difficult for construction companies to take on infrastructure projects at a time when the government has increased infrastructure spending. (*Aol.com* | *Stacker*)

CONSTRUCTION TECHNOLOGY

▣ ['Cooling Glass' Could Fight Climate Change](#)

As the world continues to experience a worsening climate crisis with record-breaking temperatures, scientists have developed a new, highly reflective glass coating that may help cool a rapidly warming Earth. In theory, the coating --- a slurry-like mixture of inexpensive glass and aluminum oxide particles --- could reflect high amounts of sunlight off of the surfaces on which it is painted, such as roofs of buildings and roads. Laboratory tests have shown it to reflect up to 99% of solar radiation back into space. (*Space.com*)

2024 ECONOMIC OUTLOOK

▣ [Conflicting Economic Reports Paint Hazy Picture of Construction Industry](#)

Out of the gate in 2024, various economic indicators are pointing in different directions for the economic health of the construction industry. On the heels of the latest jobs report from the U.S. Bureau of Labor released on January 5th, numerous media outlets and trade associations are making predictions for the economic health of the year ahead. The jobs report performed better than expected, with employment increasing by 216,000 in December and unemployment stabilizing at 3.7%. (*For Construction Pros*)

INFRASTRUCTURE

▣ [Locked in Costs: How U.S. States are Spending Billions on New Prisons](#)

In the shadow of economic challenges and social upheavals, a surprising trend has emerged across various states in the U.S.: the allocation of substantial funds towards the construction of new prisons. Notably, Alabama is in the process of building a record-breaking \$1.08-billion prison. This move is not isolated, as states like Nebraska and Georgia follow suit, earmarking \$350-million and \$1.69-billion, respectively, for similar projects. The rationale behind these mammoth investments spans from addressing overcrowding and poor sanitary conditions to enhancing mental health resources in existing prisons. (*Construction Today*)

▣ **PROJECT OF THE WEEK**

[Colombia Heights Floats Redevelopment Concepts for Medtronic Site](#)

The site of a vacant Medtronic office campus in Columbia Heights could be repurposed into housing or other uses, with the city eyeing some form of transit-oriented development for the parcel. The 12-acre parcel is currently zoned for commercial use, but the city is exploring rezoning to open it up for housing or other purposes. One possibility floated by the city includes more than 440 units of multifamily housing, as well as spaces for retail and restaurants. Another includes dozens of townhomes and more amenities for an adjacent park. (*Minneapolis / St. Paul Business Journal*)



An overhead view of the former Medtronic Sullivan Lake Campus property in Columbia Heights, where the city is weighing rezoning to allow housing or other projects on the parcel.

INDUSTRY EVENTS



Constructability of Precast Concrete Presented by PCI (Precast / Prestressed Concrete Institute)

DATE: Wednesday, January 17

TIME: 12:00pm - 1:00pm CST

LOCATION: Online

[Register Here](#)

COST: Free!

PRESENTER: Corey Zussman, AIA
(Pepper Construction Company)

Precast concrete is being used in more and more diverse construction projects. As a result, there is a greater need to understand expectations, standards, and constructability concerns associated with precast concrete.

This presentation will discuss common questions and concerns related to precast concrete design and construction and offer practical solutions for integrating precast concrete into every project.

By addressing concerns, designers and contractors will be equipped with the information to preemptively address the concerns and ultimately ensure project success and minimize costly field rework.

Cybersecurity: Don't Allow Your Firm to be the Next Headline! Presented by Associated Builders and Contractors (ABC)

DATE: Thursday, January 18

TIME: 2:00pm CST | 3:00pm EST

LOCATION: Online

[Register Here](#)

COST: Free - *For ABC Members & Chapter Staff only*

PRESENTER: Nick Espinosa, Security Fanatics, and Nick Drecker, Practice Leader, Egnyte

In today's interconnected world, the construction industry is increasingly reliant on technology and data to drive productivity and efficiency. However, this digital transformation comes with significant cybersecurity risks. With the rise of cyber threats, it is vital for construction companies to prioritize their cybersecurity measures.

Key takeaways will include:

- Understanding the unique challenges and vulnerabilities the construction industry faces in the digital landscape and learn how to protect projects, data and operations.
- Explore the latest innovations in secure data management from Egnyte and how these solutions can fortify your construction business against cyber threats.
- Gain invaluable insights from renowned cybersecurity expert Nick Espinosa, who will share real-world experiences and strategies to mitigate cyber risks and keep your construction company safe.
- Engage with industry experts during a live Q&A session to address specific cybersecurity concerns and receive personalized guidance.

City of St. Paul 2024 Supplier Fair

DATE: Wednesday, January 24

TIME: 10:00am-12:00pm

[Register Here](#)

LOCATION: El Rio Vista Recreation Center (179 Roble St E)

COST: Free!

The Supplier Fair is an opportunity for prospective vendors to learn about the City of St. Paul's contracting opportunities for the upcoming year, attend workshops, and network with subject-matter experts from the City of St. Paul, including the Public Works Department, Office of Technology and Community, the Parks and Recreation Department, Department of Safety and Inspections, St. Paul Regional Water Service, and RiverCentre.

Procurement representatives will be available to assist with CERT certification and registering as a supplier on stpaulbids.com.

The Supplier Fair is recommended for all prospective vendors, from large companies to individual professional service providers.



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MEMBER BENEFITS



Benefit of the Week: Verizon

*Get up to speed with
Verizon 5G Business Internet.*



Now is the time to switch to 5G Business Internet on Verizon's 5G Ultra Wideband network.

For a limited time, eligible businesses can get Verizon 5G Business Internet for as low as \$69/month with a 10-year price guarantee. Plus, get one month on Verizon!

Your dedicated Verizon Business Account Executive (BAE) will place your orders. Call NPP at [\(800\) 810-3909](tel:8008103909) if you are not working with a BAE or if you have any questions.

NPP (National Purchasing Partners) is a member benefit provider of the Minnesota Builders Exchange (MBEX), offering savings on products and services that businesses and employees use every day.

Start saving by enrolling your business with NPP for free to activate this offer (and others like it) here: <https://mynpp.com/association/mbex/>. Restrictions many apply.





**Save 7¢ on every gallon of fuel &
10% on in-store purchases!**

Questions? Contact Tanner Benson
608-793-4826 or TBenson@kwiktrip.com

PROJECT INFORMATION + UPDATES

- Total Projects Received at MBEX from 1/8/2024 - 1/12/2024: **111**
- Total Projects Leads Reported on at MBEX from 1/8/2024 - 1/12/2024: **5**
- Total Active Projects Received/Reported on at MBEX as of 1/16/2024: **247**
- Total Projects in the Online Plan Room as of 1/16/2024: **408**

[DOWNLOAD HERE](#)

For information about the *Bulletin's* content, technical issues, or to place an ad (such as a Minority Notice, Job Posting, or Event Notice), contact [Ashlee](#), Membership + Communications Manager.



The MBEX *Weekly Bulletin* brought to you in part by [The Builders Group \(TBG\)](#).

UPCOMING MBEX EVENTS

- [January 17 & 18](#) - 2024 Minnesota Construction Summit
- [January 18](#) - Online Plan Room Demo
- [February 15](#) - Online Plan Room Demo
- [February 20](#) - Bluebeam Course Introduction with UChapter2
- [February 27-29](#) - Member Road Show: Mankato, St. Cloud, and Fargo
- [March 6 & 7](#) - Member Road Show: Duluth and the Iron Range

Connect with the Builders Exchange:



Revisit Past Bulletins:

[January 10 - No. 2](#) | [January 3 - No. 1](#) | [December 20 - No. 51](#) | [December 13 - No. 50](#)

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2024 BOARD OFFICERS: President - Mike Carlson, *Max Gray Construction*; Vice President - Heidi Sedlacek, *Bituminous Roadways*; Treasurer - Brian Kalla, *St. Cloud Acoustics*; Past President - Greg Grazzini, *Grazzini Brothers* | **2024 DIRECTORS:** Allie Brady, *Veit*; Kevin Bohrer, *Donlar Construction*; David Brandt, *Schadegg Mechanical*; Jason DuVal, *Tenet*; Chuck Geisler, *American Engineering Testing*; Chris Niemand, *Frattalone Companies*; Sean Ochis, *Northern Industrial Insulation*; Jason Rentmeester, *Kraus-Anderson Construction*; and Nate Sapik, *Benson Electric Company* | **STAFF:** David Siegel, *Executive Director*; Julie Miller, *Executive Assistant/Project Coordinator/Accounting*; Jeff Boelter, *Project Acquisition & IT*; Ashlee Hartwig, *Membership & Communications Manager*; Don O'Connor, *Duluth Branch Manager*; Ka Yang, Peggy Esboldt, Janet Margheim & Shauna Baska, *Project Reporters*

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