

// JUNE 2023

# ARIZONA MARKET CONDITIONS

Building to make a difference... / Arizona / CHASSE.us

**CHASSE**  
BUILDING TEAM

# ARIZONA MARKET CONDITIONS

## June 2023

This report is intended to inform our Clients, Partners, and Project Teams with a summary of the current supply chain and construction costs we are facing today. Included within is a better understanding of how these conditions impact your projects, their likely course in the next year, and proven proactive measures CHASSE has been taking. Although we can't control market conditions, we can control being proactive and HUSTLING to find innovative ways to deliver for our partners.

Over the past 3 years, a combination of the pandemic, natural disasters, the Ukraine/Russia conflict, labor shortages, and most recently, increased inflation and interest rates, have created ever-changing costs and lead times on many materials and trades across the nation. However, in Q1 of 2023 we have seen a normalization of commodity-based materials. Although material shortages and transportation logistics loom, pricing and lead times have begun to slow and level off from the previous hikes showing greater stability as we move forward.

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Check out how we're  
"Building to  
make a difference..."  
at CHASSE.us!

One of the biggest challenges we face today is with electrical scope components and labor. Electrical suppliers, trades, and the utility companies themselves are beyond capacity leading to extremely long lead times and uncertain delivery dates. To combat this risk, our teams have utilized a variety of creative solutions to meet schedules. Additionally, the local construction workforce has steadily grown over the past year (a projected 5.6% annual increase by Q2 2023 alone), and the Arizona construction market activity has remained strong, creating slightly above average labor rates.

**As we navigate our way through these challenging market conditions one thing remains certain, our level of commitment and transparency will never waiver. Our teams and trade partners will continue to work relentlessly to gather the best and most current market information to aid the decision-making process for the design teams and owner partners we serve.**

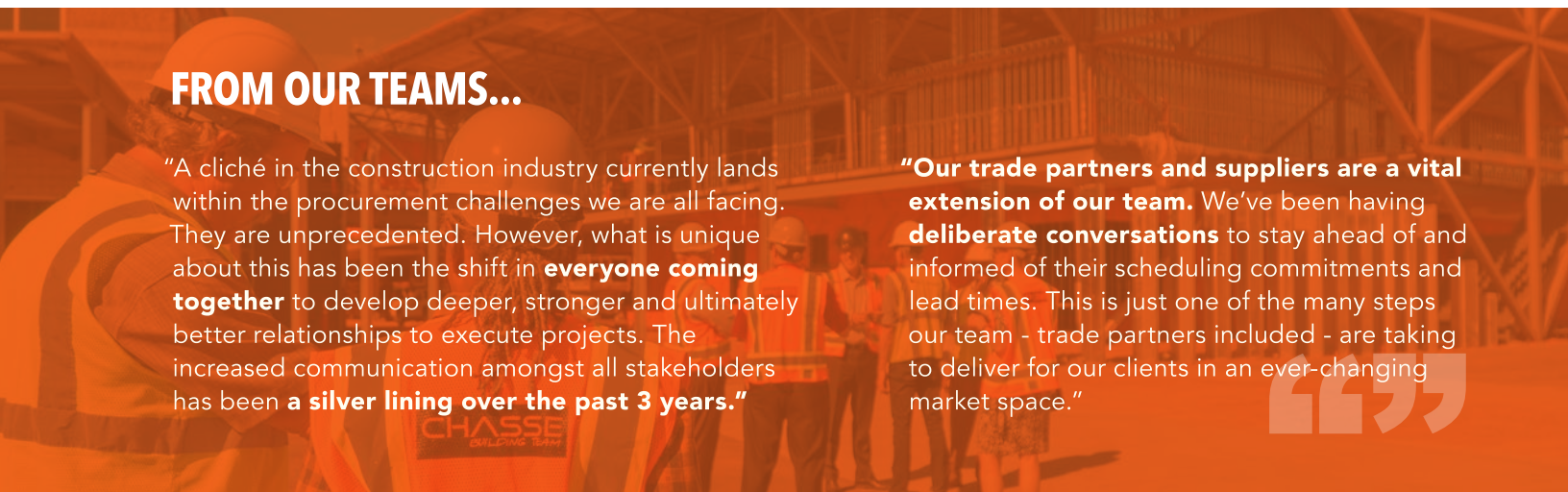


Very truly yours,  
The CHASSE Team

## FROM OUR TEAMS...

"A cliché in the construction industry currently lands within the procurement challenges we are all facing. They are unprecedented. However, what is unique about this has been the shift in **everyone coming together** to develop deeper, stronger and ultimately better relationships to execute projects. The increased communication amongst all stakeholders has been a **silver lining over the past 3 years.**"

**"Our trade partners and suppliers are a vital extension of our team.** We've been having **deliberate conversations** to stay ahead of and informed of their scheduling commitments and lead times. This is just one of the many steps our team - trade partners included - are taking to deliver for our clients in an ever-changing market space."



Section 1

## **ARIZONA MARKET CONDITIONS**

Section 2

## **SUPPLIER + TRADE CONDITIONS**

Section 3

## **MARKET STRATEGY**

Section 4

## **MARKET CONDITIONS TRACKER**

## THINGS TO CONSIDER...

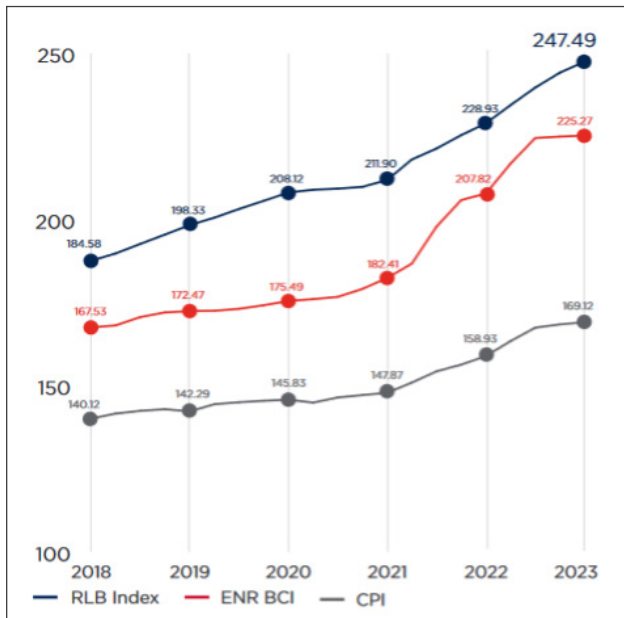
- ✓ **Massive Growth** in Private Sector + Residential
- ✓ **Backlog of Permits**
- ✓ **Supply Chain + Labor Challenges**

**\$212B**  
Active AZ Projects

## Construction Price Index

Over the past year, Engineering News Record has reported a **4.9% rise in their Construction Cost Index (CCI)** and an **8.4% increase in their Building Cost Index (BCI)**, with the latter focusing more on skilled tradespeople. ENR predicts that both indexes will continue to increase in 2023. While these indexes serve as good indicators, project-specific factors should also be considered when forecasting construction costs. Although buildings in different locations will be affected differently, **overall building costs in 2023 are expected to be higher than in 2022.** However, the inflation spikes seen in recent years are expected to be more regulated and less dramatic.

The chart below shows a comparison of the Building Cost Indexes from ENR, Rider Levitt Bucknall and the Consumer Price Indexes. This comparison highlights the significant increases that the construction industry has seen in recent years, reaching between 9% and 14% each year since 2021. Additionally, the Building Cost Indexes have increased **SIGNIFICANTLY** when compared to the Consumer Price Index.



### HIGH PROFILE PROJECTS

- Google Data Center Campus - \$1B - Mesa
- Rosemont Copper Mine - \$1.9B - Corona de Tucon
- LogistiCenter at Copperwing - \$1.5B - El Mirage
- KOREplex Manufacturing Facility - \$1.25B - Buckeye
- Nikola Corporation Facility - \$1B - Buckeye
- Prologis 303 - \$1B - Litchfield Park
- Northern AZ Healthcare Expansion - \$0.8B - Flagstaff

**High profile projects create a strain on local labor and materials.**

## Construction Price Cont'd

Phoenix continues to outpace the nation in construction cost increases due to the economic and population growth.

**This growth is driving a strong pipeline of work and a continuous demand in the Arizona market. Additionally, labor shortages in the construction industry will continue to have an impact on costs.**

A recent report by Rider Levett Bucknall (RLB) found that it was **7.58% more expensive to build in April 2023 compared to a year ago**. Although it is anticipated that price increases will continue through 2023, we do not expect the same volatile and significant increases we have seen in recent years as material availability starts to stabilize. The RLB comparative cost index, which looks at the **'true bid' cost, has dropped each quarter since the Summer of 2022, indicating construction costs are finally leveling off.**

## Supply Chain

As 2022 drew to a close, there were some **positive signs of recovery in the construction supply chain**, which had been plagued by delays, shortages, and increased costs. While there is still a way to go before the supply chain returns to its pre-COVID state, the situation is gradually improving. In the past year, many manufacturers have started to catch up with the demand for their materials, the congested Ports in the West Coast have eased up, and fuel costs nationally have started to decline (although Arizona fuel costs remain above the national average). With all these factors, we have seen lead times start to stabilize for a majority of products.

Key products like Lumber & Steel have returned to pre-pandemic level lead times. However, there are still **SIGNIFICANT** concerns for any products that require computer chips as well as electrical switchgears, panels and transformers. Since electrical equipment is a driving force for any construction project, this is having a major impact on project schedules and need to be top priority when planning any project. **Overall, there is optimism that the supply chain disruptions are starting to stabilize and going into 2024 most materials will be back to the lead times that were typical pre-COVID.**

**NONRESIDENTIAL CONSTRUCTION  
REVENUE IN 2022 =  
\$22.4B**

**\*FIRST TIME WE HAVE  
SURPASSED THE RECORD SET IN  
2006 OF \$21.6B**



## Labor Shortages

The construction industry continues to experience a significant shortage of skilled labor. Labor availability remains a deep-seeded issues for our industry as construction professionals are retiring and aging-out; while recruitment into our industry is not keeping up with the increased demand. The shortages are expected to continue and even worsen in the coming years. These labor shortages combined with the continued demand have pushed average hourly earnings up 6.1% YOY to \$32.94 for craft and office nonsupervisory.

**On a positive note, the Arizona construction employment has grown annually by an average of 5.6% for the past two years.**

**QUARTER 2 OF 2022**  **179,600 WORKERS**

**QUARTER 2 OF 2023**  **200,400 WORKERS**

**Despite this positive growth, we are still 40,000 FEWER construction workers from the peak of 2006.**

The deficit we have been trying to climb out of since 2008 has been significant. It is anticipated that addressing this issue will require a combination of strategies, including investing in training and education programs, increasing wages and benefits, and leveraging technology and automation to increase productivity. **Without significant action to address the labor shortage, construction projects may experience delays and increased costs, ultimately impacting the overall health of the industry.**

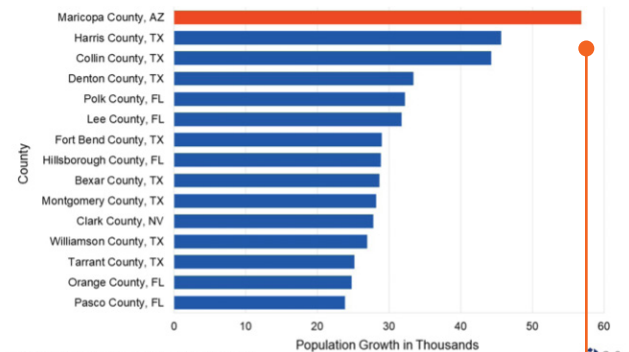
There are simply not enough carpenters, plumbers, electricians and other skilled construction workers that are trained and ready to enter the industry at this time to keep up with the demand necessary. This is one of the many reasons **CHASSE Building Team emphasizes and values our relationships with our trade partners.** Our team has always had a focus on maintaining strong relationships with our trade partners through running efficient projects, incorporating LEAN methodology, thriving on a collaborative culture, and prompt payments. **Our teams have developed exceptional relationships within the industry to ensure our projects have adequate resources to successfully execute them in a collaborative team atmosphere.**

**DEMAND FOR CONSTRUCTION JOBS IN ARIZONA IS OVER THE NATIONAL AVERAGE.**

**PHOENIX HAS OUTGROWN PHILADELPHIA TO BECOME THE 5TH LARGEST CITY IN THE US.**

**MARICOPA COUNTY LEADS THE NATION IN POPULATION GROWTH FOR THIRD STRAIGHT YEAR.**

**Maricopa County Leads U.S. in Population Growth**



**NET MIGRATION IN 2022 = 56,800**

**AVERAGE OF 113 MOVE-INS PER DAY** 

## Construction Starts

In 2022, Phoenix was ranked #8 for the Top Metropolitan Area for Commercial & Multifamily Housing Construction Starts, with 8.2B in starts. Moving into Q1 of 2023, the construction starts were flat when interest rates were rising rapidly and there was a lot of uncertainty in the banking industry. However, in March of 2023, **nonresidential construction started rebounding and increased by 19%**. Overall, there is still tremendous optimism in the Arizona market. **Construction Connect forecasts that the construction starts will continue to increase year-over-year with anticipated increases of 17.3% in 2024 and 19.2% in 2025.**

## Market Overview

Although industry and local experts are not anticipating a significant recession for the construction industry anytime soon, economic indicators point to some level of uncertainty in the years to come. **This uncertainty is driven by several factors; rising interest rates, a tightening credit market, geopolitics, sanctions on foreign countries, and conflict between Russia and Ukraine.** A brief contraction is predicted in the coming years, however, all indicators in the Arizona market have continued to be strong. If a national recession does occur, experts believe that Arizona will weather it better than most states. We are optimistic in this market based on the economic growth we have seen the past decade, the desirability for corporations to relocate to Arizona and continued population growth.

**PHOENIX RANKED #8 FOR THE TOP METROPOLITAN AREA FOR COMMERCIAL & MULTIFAMILY HOUSING CONSTRUCTION STARTS**

**NONRESIDENTIAL CONSTRUCTION REBOUNDED AND INCREASED BY 19% IN MARCH 2023**

**CONSTRUCTION STARTS ANTICIPATED INCREASES OF 17.3% IN 2024 + 19.2% IN 2025**

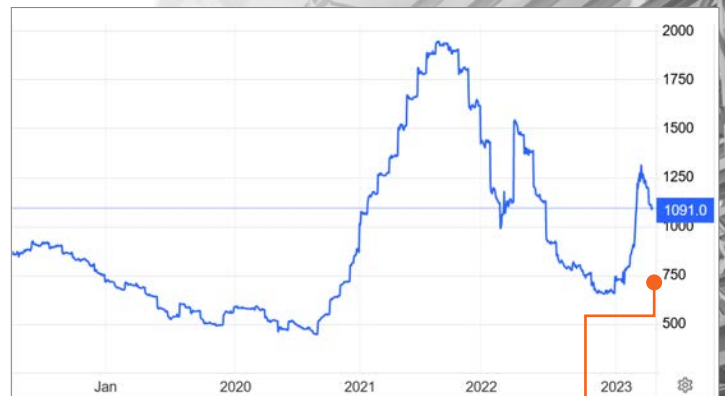
## CONCRETE

- ✓ **CONCRETE IS READILY AVAILABLE!** A big improvement from late 2022.
- ✓ **Trucking costs STILL INCREASING** due to fuel and driver availability.
- ✓ **Concrete per yard is UP OVER 225%** since 2021.
- ✓ **June 2023** saw a **\$15/YD INCREASE.**



## STEEL

- ✓ Steel is currently **DOWN 12.5%** year to date and is **showing signs of improvement.**
- ✓ Lead times for **Steel Joists have reduced to 12-16 WEEKS.** The timeline for **drawings is 8+ weeks.** Overall, it can be a **24+ WEEK** process.
- ✓ **Steel Decking** lead times **have reduced to 4-8 WEEKS.**
- ✓ The **SHORTAGE OF SUPPLY** is largely due to **great improvements in steel joist and steel product availability** in the market.



YTD  
**12.5%**  
↓



# LUMBER

- ✓ **LUMBER** has shown a **significant decrease** from peak 2022.
- ✓ Availability for **FRAMING TRADE PARTNERS** is **returning to normal**.
- ✓ Residential home construction has **SLOWED DOWN**, providing the market with **much needed relief for labor and materials**



# METAL STUDS

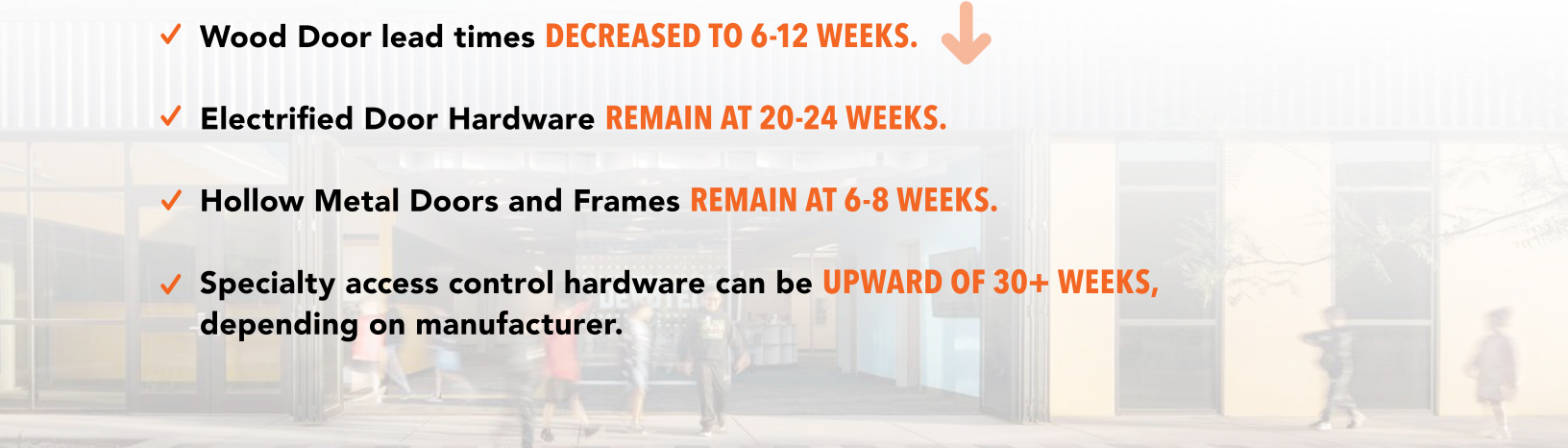
**SLIGHT INCREASES**  
on the horizon for metal studs

- ✓ Material lead times have improved to **3-4 WEEKS**. 👍
- ✓ However, manpower challenges still exist with wall assembly trades.
- ✓ Expecting a **5% INCREASE** end of Q2 of 2023. ↑



# DOORS + HARDWARE


- ✓ Wood Door lead times **DECREASED TO 6-12 WEEKS**. ↓
- ✓ Electrified Door Hardware **REMAIN AT 20-24 WEEKS**.
- ✓ Hollow Metal Doors and Frames **REMAIN AT 6-8 WEEKS**.
- ✓ Specialty access control hardware can be **UPWARD OF 30+ WEEKS**, depending on manufacturer.

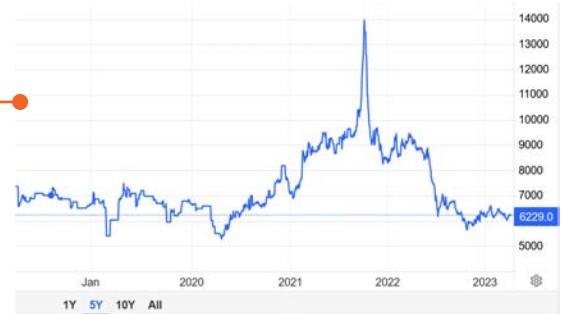


# GLAZING

- ✓ **Glazing materials + availability is improving. Certain glazing colors and types have been discontinued** due to limited supply of raw materials.
- ✓ We recommend **placing glazing orders early and storing materials to prevent further increases.**
- ✓ Typical glazing types and sizes showing signs of becoming **more readily available with suppliers.**
- ✓ Lead times for **standard glazing** is **4-8 WEEKS**. **Premium colors** are seeing lead times of **10-12 WEEKS**. The timeline for **shop drawings** is about **14 WEEKS**.

# ELECTRICAL + PLUMBING

- ✓ **Electrical Gear LONG LEAD**  
Switchgear and SES cabinets averaging **52-72 WEEKS** leadtime. An important procurement item to factor into project schedules and milestones.
- ✓ **PVC STABILIZING**   
The increase for plumbing and pipe materials are steadily **INCREASING 4-10% PER QUARTER** and appear to continue.
- ✓ **Electrical Utility Providers**  
Currently we are seeing **9-12 MONTHS** for permanent power and new transformers from 2nd city submittal set of documents submitted to electrical service providers.



# ASPHALT + EARTHWORK

Due to a trucking shortage in the work force, the market is expecting...

- A **\$5/TON** and **\$2-3/SY** increase
- 2 WEEK MINIMUM** to schedule ABC
- 1 MONTH** to schedule asphalt placement

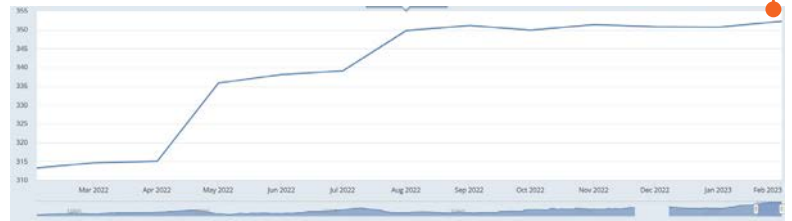
**We recommend teams set baseline fuel costs in estimates and built in escalation contingencies to weather a volatile oil market.**

**AS OF JUNE 2023**

## GYPSUM

↑ Year to date  
**gypsum price**  
increase is up **13%**

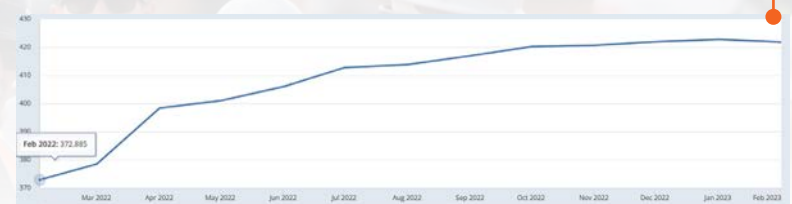
YTD  
**13%** ↑



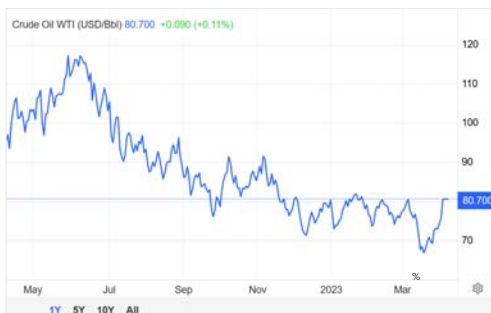
## PAINT

↑ **Paint** is up **14%** in  
the last quarter.  
Specialty paint lead  
times are at **2+ WEEKS**

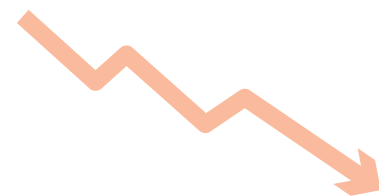
YTD  
**14%** ↑



## CRUDE OIL



**Current crude oil prices**  
are **DOWN 20% YTD**. Market  
continues to be volatile.



## MECHANICAL EQUIPMENT

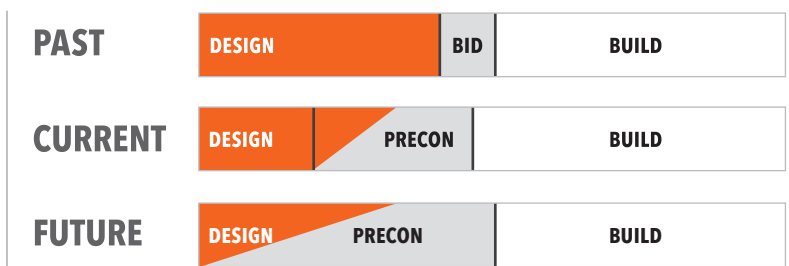
- ✓ **Mechanical equipment** is maintaining long lead times of around **32-52+ WEEKS**, pending the size of units and equipment.
- ✓ **DISCUSS MECHANICAL SYSTEMS EARLY** in the design process and work to early procure when possible **to avoid schedule delays**

## Section 3 // MARKET STRATEGY



## LEAN PRECONSTRUCTION + PROCUREMENT

**Target Value Design** is a process we have been implementing to mitigate overages and ensure budgets are met in these challenging times. In this process, each construction division is given a dollar value parameter which the entire team works within to find the best solutions.



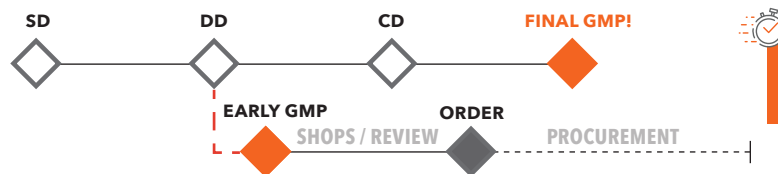
### Benefits Include

- + **Greatly increases the team's ability to maintain budget alignment.** Rather than the budget chasing the design, the design chases the budget giving designers values to aim their design towards.
- + **Mitigates re-design** and eliminates value engineering.
- + **Increases subcontractor input** and involvement equalling real time market feedback.
- + **Increase team collaboration.**
- + **Designs are able to react quickly** to market factors reducing design erosion due to commodity and labor pricing pressure.

## PRECONSTRUCTION TIMELINE THE NEW NORMAL...



### LEAN TIMELINE



**EARLY PROCUREMENT**  
TIME SAVED = 8-12 WEEKS!



In today's market conditions, CHASSE is working very closely with owners, architects, and trade partners to evaluate the quickly changing material lead times and establish an **"Early Procurement GMP"**. This allows us to start the procurement process during **design development and assure your schedule can still be met...**

### LEAN SUBMITTAL REVIEW //

- ✓ Expedited Submittal Gathering
- ✓ Collaborative Stakeholder Group Review
- ✓ Release Procurement



### CRITICAL PROCUREMENT + MATERIAL STORAGE

Given the challenges within the market place and material escalations, now more than ever it is critical our teams **order materials early and have them delivered + stored onsite.**

This requires a new form of material storage and procurement which includes modified yards with connex's, laydown areas, and security to house these materials for longer periods of time. This has been proven to **avoid hundreds of thousands of dollars in material increases and ensure material is onsite in time to maintain schedule.**

### BENEFITS INCLUDE...

- + **Locked In** Material Pricing
- + **Reduced Risk** of Logistics and Shipping Losses
- + Material **Ready for Install**
- + Confidence to **Maintain Project Schedules**



# Section 4 // MARKET CONDITIONS TRACKER

## MARKET CONDITIONS TRACKER

DIV	DESCRIPTION	MATERIAL TYPE	% INCREASE PROJECTED	YTD %	Q2 2023	LEAD TIME	NOTES
3A	Concrete	ABC Material	5-10%	5%	15%	-	Now readily available
		Rebar	5-10%	5%	30%	-	Now readily available
		Concrete Materials	5-10%	7%	57%	-	Now readily available
4A	Masonry	Masonry Units - Standard Grey	-	5%	8%	-	Now readily available
		Masonry Units - Colored	-	5%	8%	20 wks	Increased lead time for material
		Precast	-	-	10%	10 wks	
		Grout	-	-	18%	-	Now readily available
5A	Structural Steel	Rebar	5-10%	5%	30%	-	Now readily available
		Structural Steel	5%	-	37%	4 wks	Now readily available
		Steel Joists	-	5%	15%	12-16 wks	Reduced lead times from 6 months
		Steel Deck	-	5%	37%	4 wks	Now readily available
		Pre-engineered metal buildings	-	-	-	16-18 wks	Challenges getting materials, increased lead times
6A	Rough Carpentry	Wood Joists	-	-36%	212%	8/12/23	Drastic reduction in costs for materials
6B	Millwork	Plastic Laminates	-	0%	15%	4-6 wks	Continued long lead times
		Solid Surface	-	0%	15%	3-4 wks	Lead times largely depends on color / suggest spec alt. colors
		Epoxy Resin Tops	-	0%	15%	16+ wks	Very long lead item
		Hardware	-	0%	15%	-	Lead time increase from 1-2 weeks to 5 weeks
7A	Insulation	Spray Polyurethane / Foam	5-10%	4%	30%	4-6 wks	Reduced lead times
		Mineral Wool	5-8%	4%	25%	4-6 wks	Reduced lead times
		Loose Fill Batt Insulation	8-10%	4%	8%	-	Now readily available
7B	Roofing & Sheet Metal	PPO Membranes & Polyiso Insulation	-	-	5%	2-3 wks	Large reduction in lead times
		Traffic Guard Roofing Coating	-	-	0%	2-3 wks	Large reduction in lead times
		Sarnafil and Sikaplan Membranes	-	-	7%	2-3 wks	Large reduction in lead times
		Non-board Accessories	-	-	8%	2-3 wks	Large reduction in lead times
		Non urethane Adhesives, Sealants	-	-	8%	2-3 wks	Large reduction in lead times
		Fasteners & Plates	-	-	12%	2-3 wks	Large reduction in lead times
		Edge Metal, Clad Metal, Termination Bars	-	-	20%	2-3 wks	Large reduction in lead times
		Urethane Adhesives	-	-	-	2-3 wks	Large reduction in lead times
		Steel Flat Sheets	-	-	17%	4-8 wks	
		Aluminum Flat Sheets	-	-	10%	4-8 wks	
7F	Caulking & Sealants	Fire caulk and acoustical sealant	-	-	2%	-	No increases on horizon
		Expansion Joint Covers	-	-	-	4-6 wks	
			-	-	-	-	
8A	Doors Frames & Hardware	Hollow Metal Doors	-	-	40-50%	5-8 wks	Increased 2 weeks on lead time
		Hollow Metal Frames	-	-	40-50%	5-8 wks	Increased 2 weeks on lead time
		Wood Doors	-	-	40-50%	14-15 wks	Increase lead time from 12 wks
		Aluminum Doors	-	-	40-50%	-	Notified that supplier is 100% out of aluminum & delayed for foreseeable
		Hardware	-	-	40-50%	4-6 wks	Electrified hardware reported 20-24 wks
		Drywall	-	-	40-50%	-	
8B	Overhead Doors	Overhead Doors	-	-	40-50%	12 wks	Reduced lead times
			-	-	-	-	
			-	-	-	-	
			-	-	-	-	
			-	-	-	-	
			-	-	-	-	
8C	Glass & Glazing	Glass Products	-	-	58%	2-3 wks	Reduced lead times
		Sliding Service Windows	-	-	58%	4-8 wks	Reduced lead times
		Colored Glass	-	-	58%	2-3 wks	Reduced lead times
		1/4" Glass	-	-	58%	2-3 wks	Reduced lead times
		Aluminum	-	-	45%	2-3 wks	Reduced lead times
		Flat Glass	-	-	58%	2-3 wks	Reduced lead times
9A	Framing & Drywall	Metal Studs	-	5-10%	15%	2-3 wks	Reduced lead times, still anticipating increases
		Drywall	-	5-10%	15%	2-3 wks	Reduced lead times, still anticipating increases
9C	Tile	Ceramic Tile	-	-	15%	4-8 wks	Reduced lead times
9D	Acoustical Assemblies	Ceiling Tile	-	5-10%	27%	8 wks	Reduced lead times, still anticipating increases
		Metal Based Suspension Products	-	5-10%	27%	8 wks	Reduced lead times, still anticipating increases
		Axion / Serpenta	-	5-10%	27%	8 wks	Reduced lead times, still anticipating increases
			-	5-10%	27%	8 wks	Reduced lead times, still anticipating increases
9E	Flooring	Flooring	-	-	-	4-20 wks	Pending flooring finishes and types
9F	Paint	Paint	0%	5%	20%	2-3 wks	Lead time holding
11A	Equipment	Play Equipment	-	-	-	16 wks	Lead times out to 16 weeks
		Food Service Equipment	-	-	-	16 wks	Lead times out to 16 weeks
11B	Food Service Equipment	Food Service Equipment	-	-	-	16 wks	Lead times out to 16 weeks
11C	Theatrical Equipment	Theatrical Equipment	-	-	-	16 wks	Lead times out to 16 weeks
11D	Elevator	Elevator	-	-	-	32 wks	Increased lead times, requires 50% deposit upfront
21A	Fire Protection	Fire Protection	0%	10%	7%	-	Materials readily available

\* Material cost increases and lead times are approximate based on feedback from our local trade partners. Costs and lead times are continuously changing.

**CONTINUED →**

# Section 4 // MARKET CONDITIONS TRACKER

## MARKET CONDITIONS TRACKER

Code	Category	Sub-Category	Material Cost Change	Lead Time Change	Current Lead Time	Notes	
22A	Plumbing	Materials / Fixtures	-	5-10 %	12%	2-3 wks	Reduced lead times, still anticipating increases
		Water Heaters	-	5-10 %	12%	4-12 wks	Reduced lead times, still anticipating increases
		Heat Pumps	-	5-10 %	12%	4-8 wks	Reduced lead times, still anticipating increases
		Pipe Fittings	-	5-10 %	7%	-	Reduced lead times, still anticipating increases
		Copper Tube	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		Sch 40 Pipe	-	5-10 %	7%	-	Reduced lead times, still anticipating increases
		Stainless Steel Pipe	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		PVC Pipe	-	5-10 %	12%	-	Reduced lead times, still anticipating increases
		Groovlok Valves	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		Plastic Valves	-	5-10 %	5%	-	Reduced lead times, still anticipating increases
		Backflow & Valves	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		PEX Pipe	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		Trench Drain	-	5-10 %	8%	-	Reduced lead times, still anticipating increases
		Cast Iron	-	5-10 %	11%	-	Reduced lead times, still anticipating increases
		25A	HVAC	Mechanical Equipment	-	5-10%	17%
Metal Duct Work	-			-	10%	2-4 wks	Stabilizing
Dampers	-			-	8%	2-4 wks	
26A	Electrical	Light Fixtures	5-8%	10%	25%	4-8 wks	Increased lead times
		Lighting Controls	5-8%	10%	10%	2-3 wks	Increased lead times and recent escalation
		Lighting Control Panels	5-8%	10%	10%	12 wks	Increased lead times
		Steel Conduit	5-8%	0%	15%	-	Pricing holding, no future increases in sight. Material in stock
		AL Wire	5-8%	10%	35%	2 wks	Improved lead times, costs still increasing
		Copper Wire	5-8%	10%	35%	2 wks	Improved lead times, costs still increasing
		Gear - SES	5-8%	10-15%	29%	52-78wks	Drastic lead time increase. Major bottleneck of procurement
		Transformer Template	-	-	15%	-	
		Fire Alarm	0%	0%	18%	24 wks	Large increase in lead times for strobes and horns
		Special Systems	-	-	10%	16 wks	Long lead time on devices, verify with vendors directly when contracting
31A	Earthwork	Asphalt	10%	0%	20+%	4 wks	Lead times out to 4 weeks / increase anticipated
		Termite Control	-	-	-	-	-
31B	Termite Control	Termite Control	-	-	-	-	
32A	Fencing	Fencing	-	-	-	-	
32B	Landscaping	Landscaping	-	-	-	-	
		Irrigation OEMS	-	-	5%	2-3 wks	Recent increases on controllers for Rain Bird, Hunter, Toro, Irritrol, etc.
		Granite	-	-	15%	-	
		Pavers	-	-	25%	4-6 wks	Reduced lead times
		Sod / Planting	-	-	20%	-	Reduced lead times
32C	Site Furnishings	Site Furnishings	-	-	-	-	
		Site Utilities	-	-	-	-	
33A	Site Utilities	Hydrants	-	-	12%	4-8 wks	Reduced lead times
		Retention tanks	-	-	20%	10 wks	Lead times + costs continue to vary
		PVC Pipe	-	-	12%	2-3 wks	Reduced lead times
		Ductile Iron Pipe	-	-	30%	8-12 wks	Still long lead times
		Pipe fittings	-	-	25%	8-12 wks	Still long lead times
33B	Drywells	Backflows	-	-	32%	8-12 wks	Still long lead times
		Drywells	-	-	-	-	

\* Material cost increases and lead times are approximate based on feedback from our local trade partners. Costs and lead times are continuously changing.