



WEBINAR

2024 Construction Costs Open Forum



Before we get started....



**Participants'
audio is
muted.**



**Post questions
in the Questions
panel on your
GoToWebinar
menu.**



**The webinar is
being recorded
and will be shared
at the conclusion
of the event.**

Speakers



John Timmerman
Manager, Product Marketing



Peter Reeves
Director, Product Management

Industry Challenges



Stats on Today's Webinar



2024 Q1 Key Materials



Audience Q&A



New RSMeans Data Online Features



Additional Resources

Today's Stats

2k+

Over 2,000
registrants

500+

Over 500 question
submissions

- Supply chain and lead times
- Estimating for future projects
- Specific material costs
- Labor rates and availability
- Regional cost variations
- Controlling per-square-foot costs
- Inflation
- Sustainable construction methods
- AI in estimating
- Build America, Buy America Act

Poll Results



Gordian

13,583 followers

1w • Edited • 



What topic are you eagerly anticipating exploring during Gordian's 2024 Construction Costs Open Forum?

[...see more](#)

What topic are you eagerly anticipating exploring during Gordian's 2024 Construction Costs Open Forum?

You can see how people vote. [Learn more](#)

Materials

36%

Labor

36%

Equipment

9%

Other (comment below)

18%

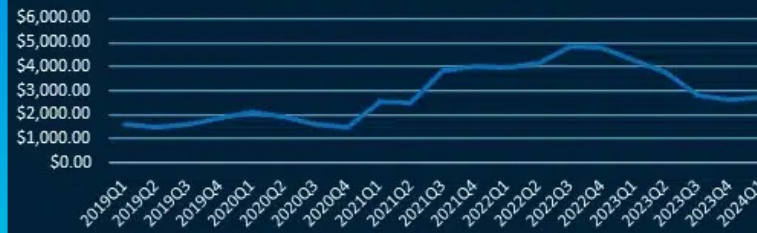
2024 Q1 Cost Updates

Cost Trends: Lumber

Framing lumber prices sink to their lowest point since the summer of 2020. However, North American wildfires threaten to reverse the trend. When Canadian wildfires intensified in June of 2023, the cost of lumber climbed temporarily. History may repeat itself.

Price Trends: Lumber

1" x 6" Pine Boards, #2 Pine
(measured in cost per MBF)



1/2" plywood, CDX, 4 ply, 4'x8' sheets
(measured in cost per square foot)



2"x4" framing lumber
(measured in cost per MBF)



3/4" plyform, BB, class 1, OES
(measured in cost per square foot)

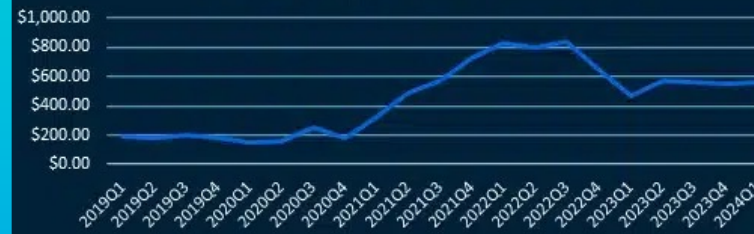


Reviewing Cost Trends: Steel

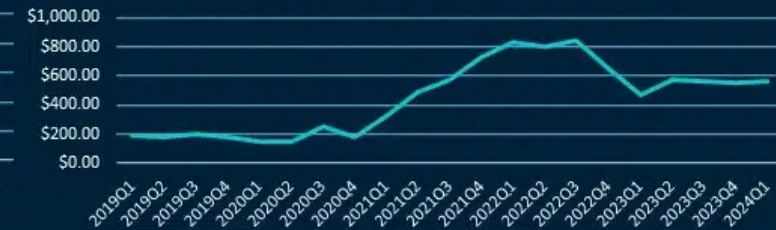
Structural steel prices maintain equilibrium into the new year, and there are no signs of volatility on the horizon. Our most recent analysis points to small but consistent cost increases for 2024.

Price Trends: Steel

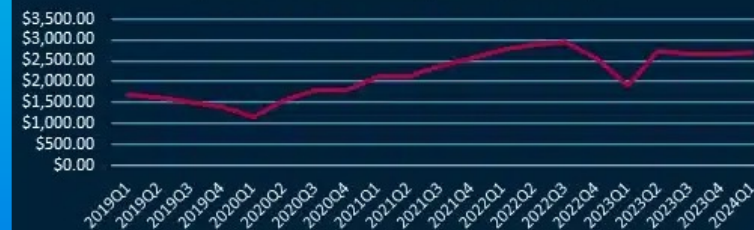
Structural steel, ASTM A 36, wide flange
(measured in average cost per ton)



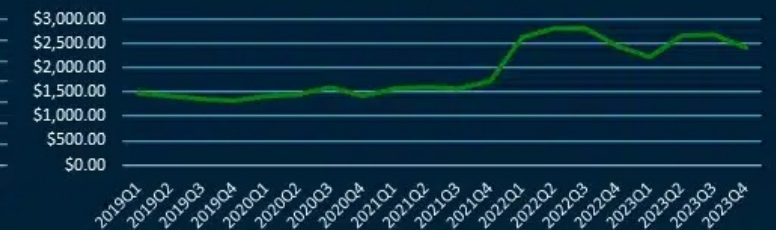
Metal decking, 1-1/2" thick, 22 ga.
(measured in average cost per square foot)



Open web joists, K series
(measured in average cost per ton)



Steel sheet piling, ASTM A328
(measured in average cost per ton)

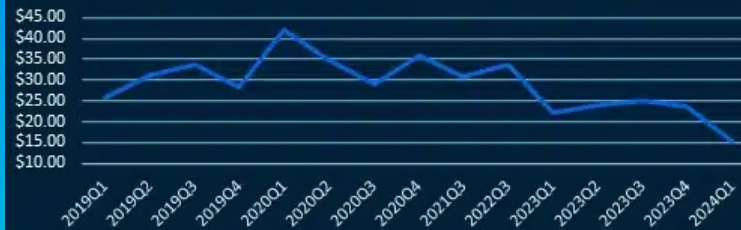


Reviewing Cost Trends: Concrete & Masonry

While most concrete costs fall, the price of concrete block peaks and shows no sign of slowing down. Demand for concrete is high and production is low due to shortages of sand and other raw materials.

Price Trends: Concrete & Masonry

3/4" crushed stone aggregate
(measured in average cost per cubic yard)



Hot mix asphaltic concrete, 3/4" stone
(measured in average cost per square foot)



8" x 8" x 16" Concrete Block
(measured in average cost per block)



Ready mix concrete
(measured in average cost per cubic yard)



Reviewing Cost Trends: Copper

Pricing for copper wire has stayed consistent in the past several months, likely because until recently, there was a surplus expected in 2024. However, operations at mines in Panama and Peru have ceased operations, and it's unknown as of now if that pause will be permanent or only temporary.

Price Trends: Conduit/Copper

Conduit, 3/4" diameter, electric metallic tubing (EMT)
(measured in average cost per CLF)



Electric wire, single copper conductors, THHN, #10 stranded
(measured in average cost per MLF)



Reviewing Cost Trends: Insulation

The price of fiberglass insulation continues its steady upward trend and the wind is still at its back. Looking at interior finishes, drywall costs are on a prolonged six-month slide, with the price per square foot declining 11% from their peak last summer

Price Trends: Fiberglass Insulation

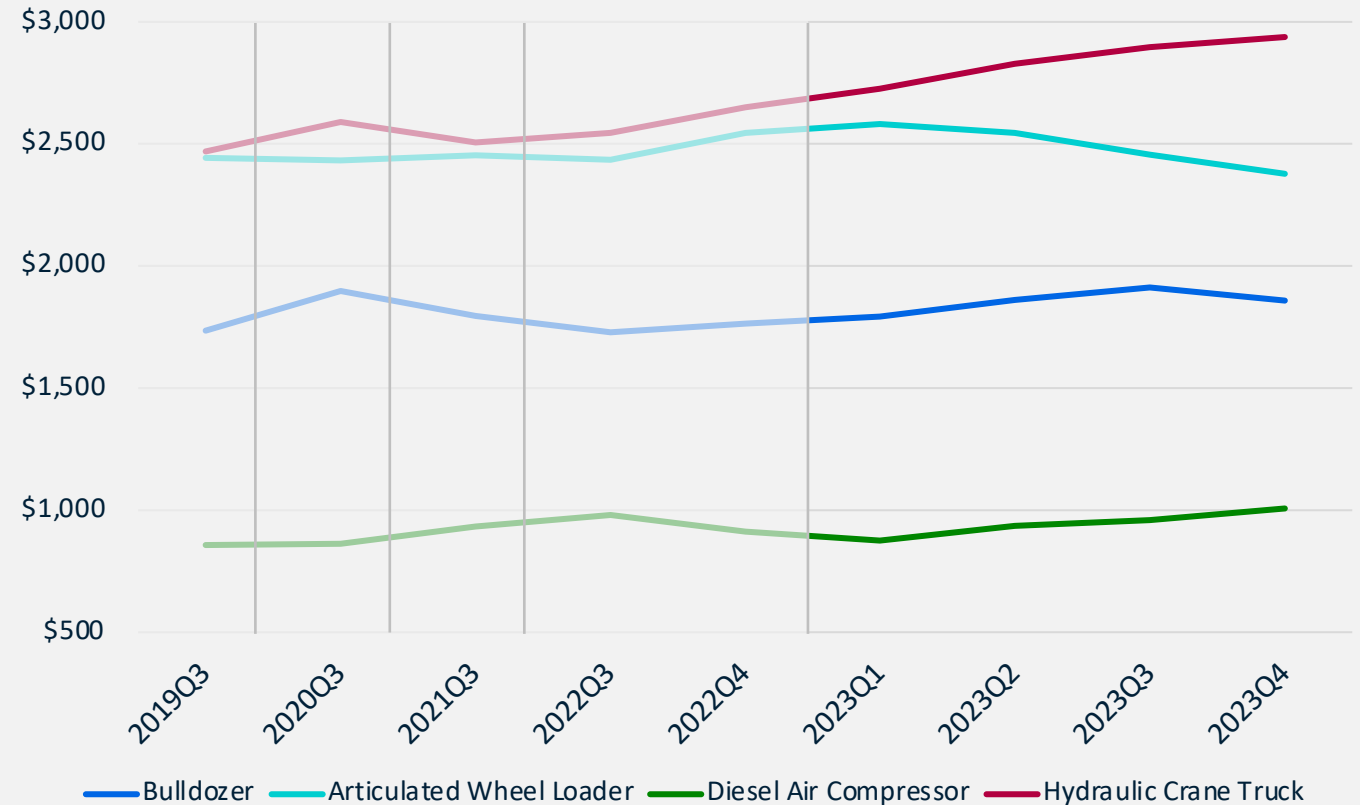
Fiberglass insulation, batt or blanket, 3-1/2" thick, 15" wide,
(measured in average cost per square foot)



Reviewing Cost Trends: Equipment

- Average rental rates for site support assets increased through 2023
- Expect continued rate increases into H1 2024

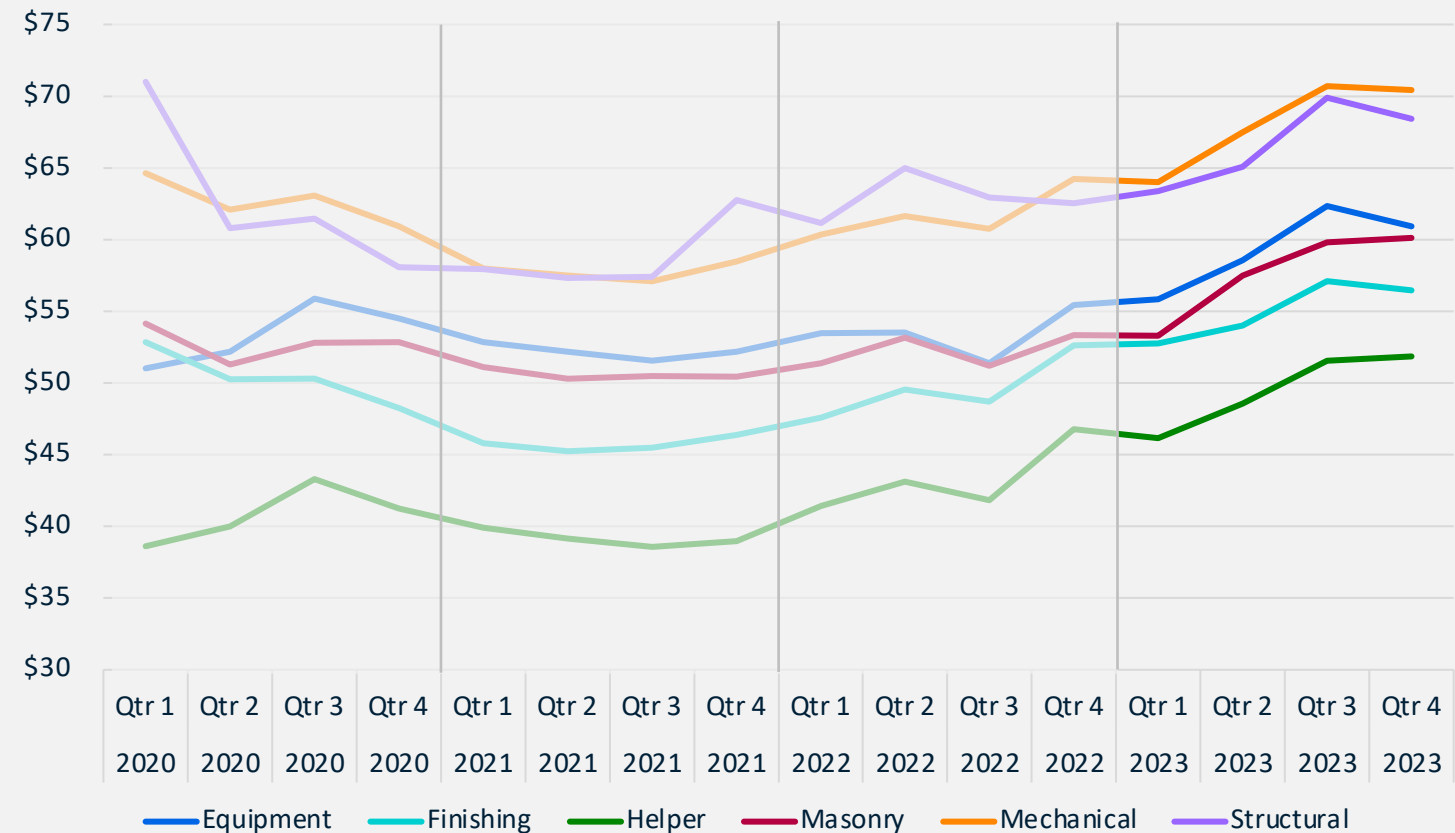
Average Equipment Weekly Rental Rates



Reviewing Cost Trends: Labor

- Continued pressure on the skilled labor pool driving up wages
- Modifications to prevailing wage calculation forecasted to impact wages in H2 2024

Average Total Hourly Labor Cost by Category



Audience Q&A



**What emerging trends and innovations
do you foresee influencing the
construction industry in 2024?**

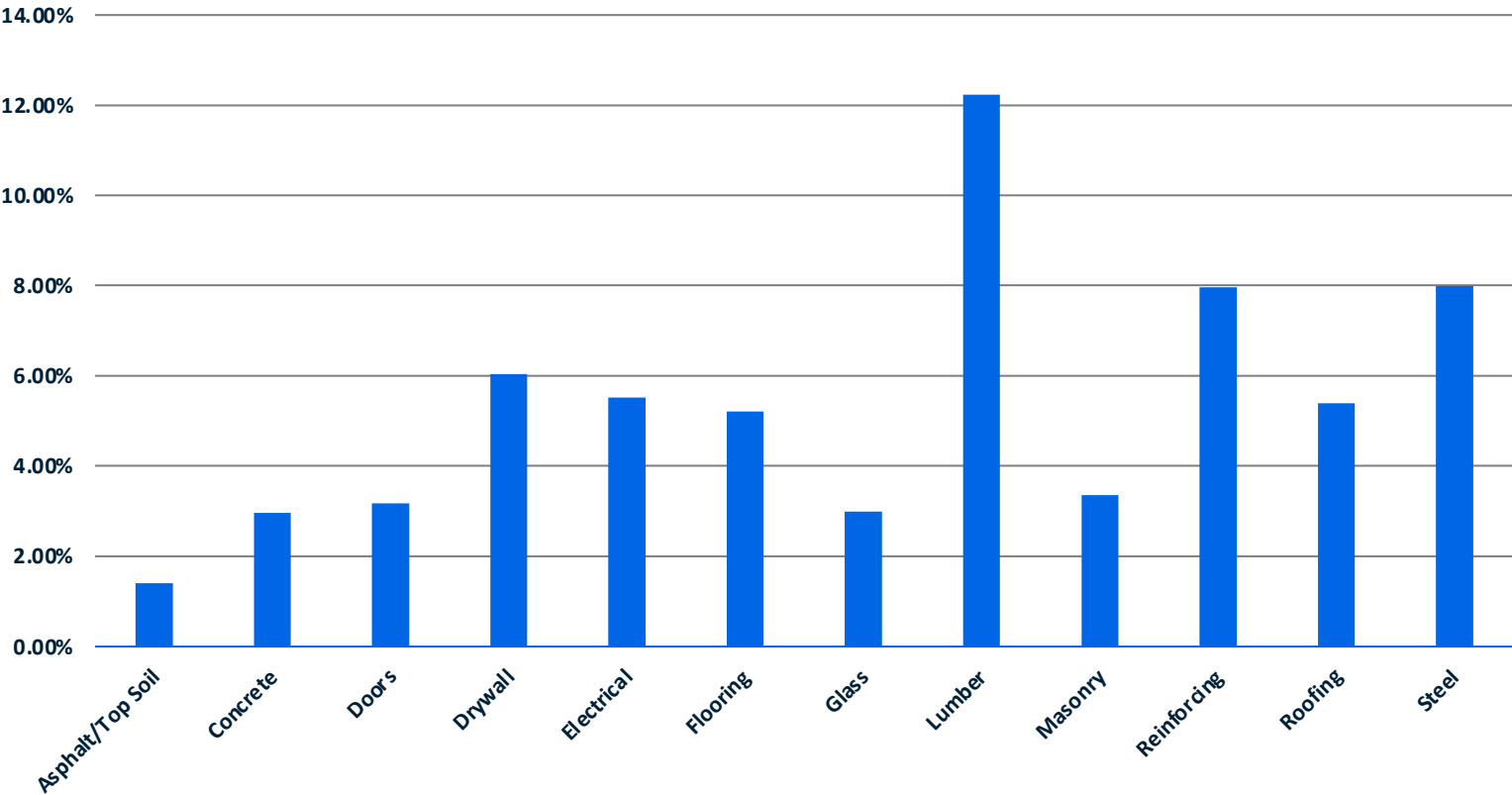
What are the primary reasons we haven't seen construction costs stabilize since early 2020?

When preparing budgets for projects years in advance, what are some best practices considering the current market uncertainty?



Which construction divisions have the most volatile materials?

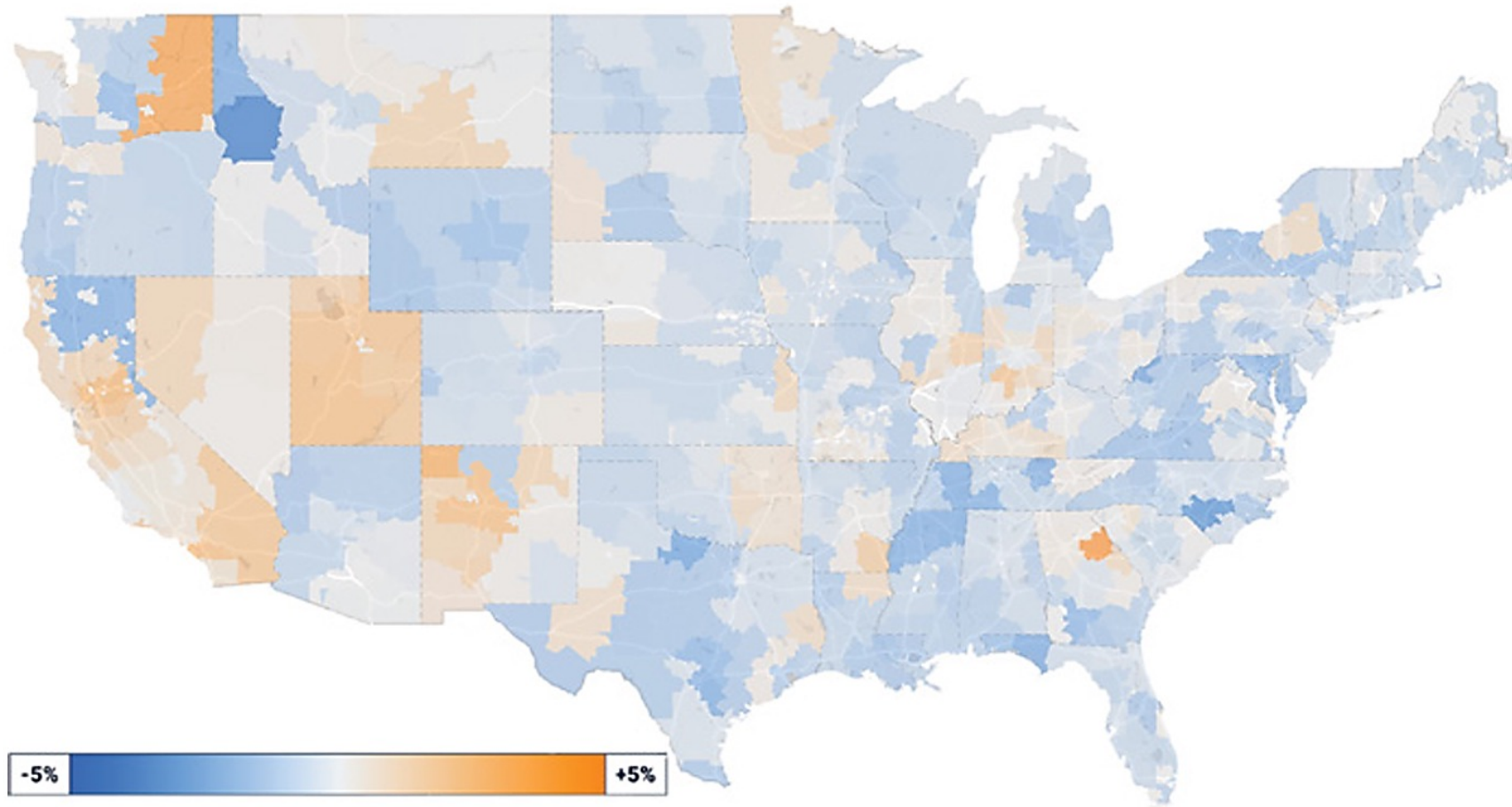
Average Price Movement Per Quarter, 2019 to 2023



Asphalt/Topsoil	1.41%
Concrete	2.97%
Doors	3.18%
Drywall	6.04%
Electrical	5.52%
Flooring	5.21%
Glass	3.00%
Lumber	12.23%
Masonry	3.35%
Reinforcing	7.96%
Roofing	5.39%
Steel	8.00%

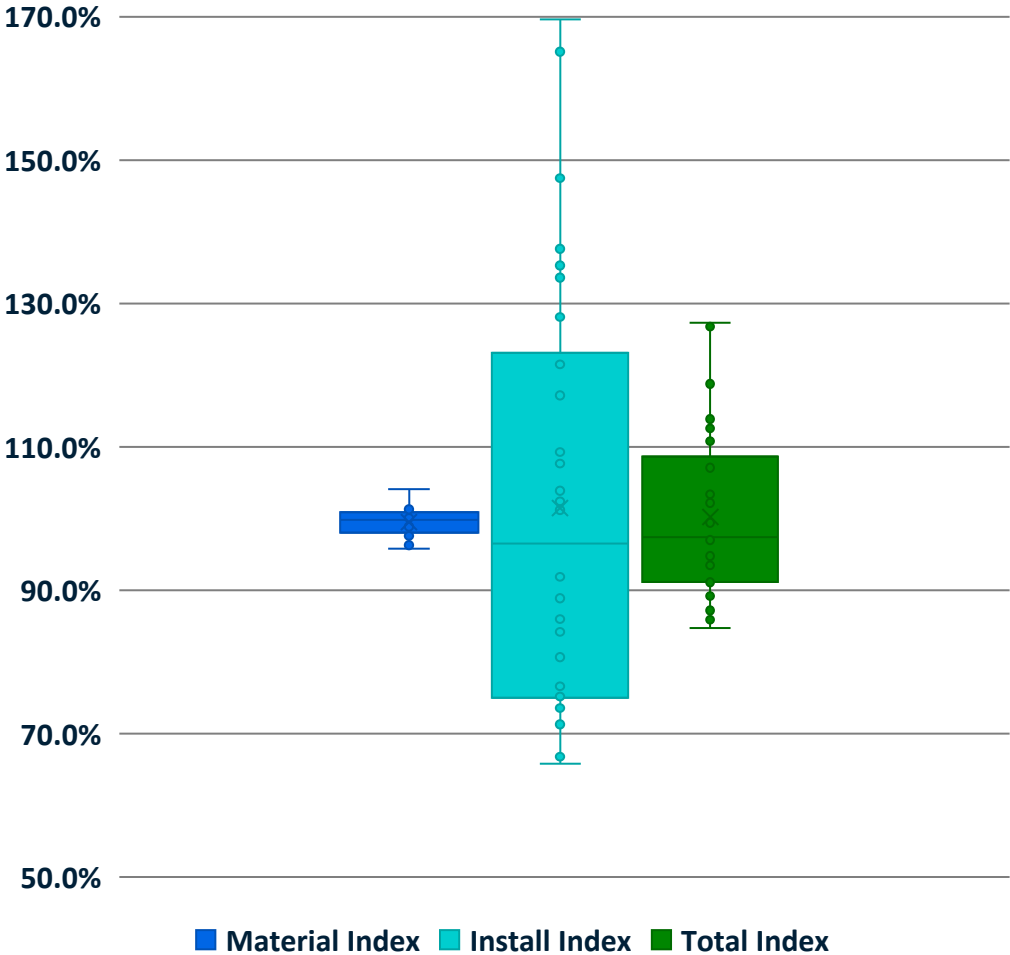
How much variation is there in material and labor rates based on US location?

Cost Fluctuations from Q4 2023 to Q1 2024



Regional Cost Variation, Q1 2024

City	Material Index	Install Index	Total Index
San Francisco	104.1%	165.1%	127.3%
New York	100.6%	169.6%	126.8%
Chicago	101.3%	147.5%	118.8%
Philadelphia	100.1%	137.6%	114.3%
Los Angeles	100.9%	135.3%	113.9%
Boston	99.7%	133.6%	112.6%
San Diego	100.3%	128.1%	110.8%
Minneapolis	99.6%	121.5%	107.9%
Seattle	100.9%	117.2%	107.1%
Buffalo	100.8%	107.7%	103.4%
Milwaukee	98.1%	109.3%	102.4%
Pittsburgh	101.1%	103.9%	102.2%
Kansas City	98.6%	102.4%	100.0%
St. Louis	97.2%	103.1%	99.4%
Detroit	95.8%	101.2%	97.9%
Washington DC	101.9%	88.9%	97.0%
Cleveland	97.6%	91.9%	95.4%
Baltimore	101.3%	84.2%	94.8%
Columbus	98.9%	86.1%	94.1%
Indianapolis	98.1%	86.0%	93.5%



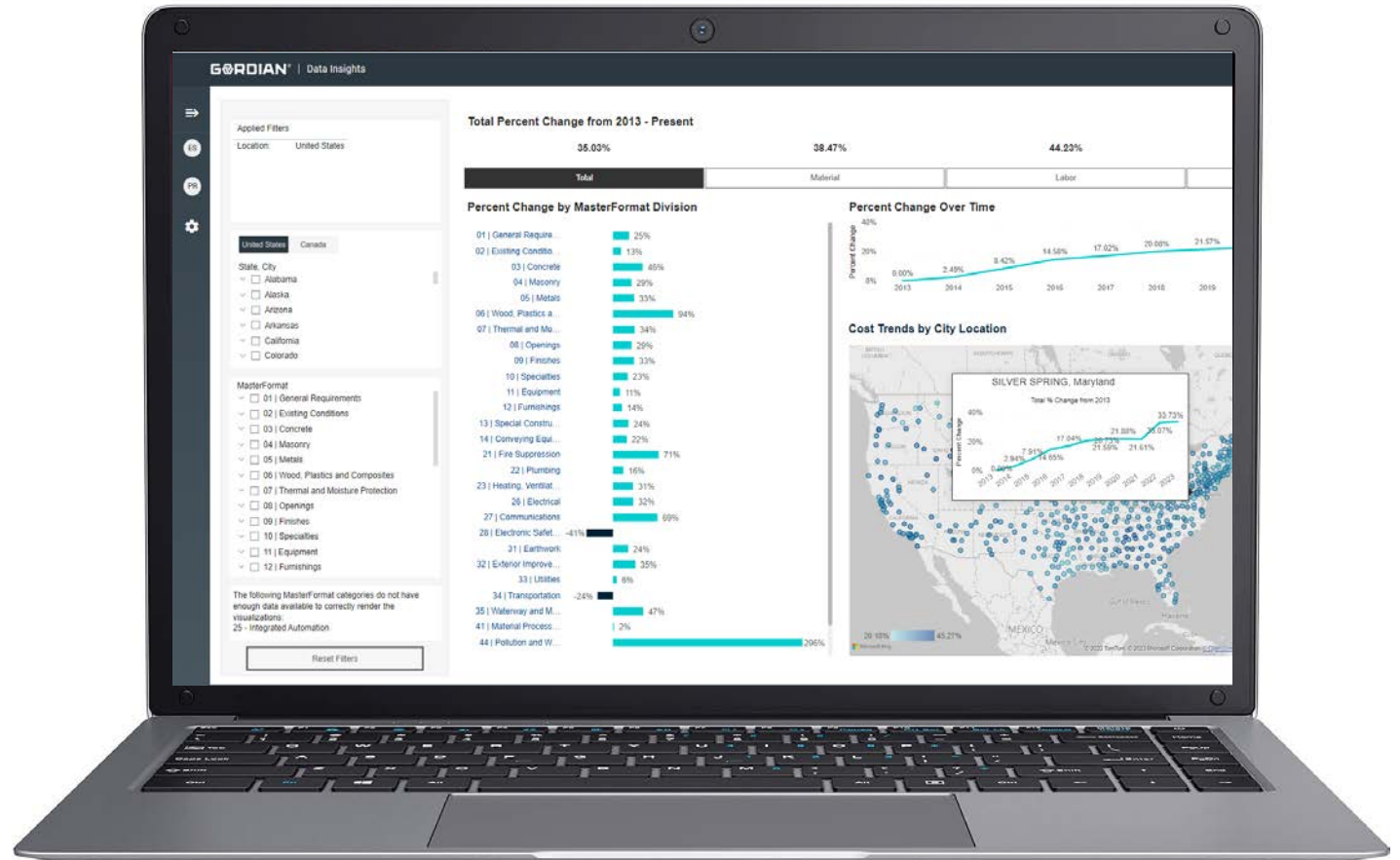
Can you explain when adjustments are made to material pricing versus the City Cost Index?

New RSMeans Data Online Features

Coming Soon!

Data Insights: Cost Trends Dashboard

- Trusted, unbiased cost data
- Location specific cost trends
- Easy-to-understand visuals
- Detailed cost breakdown (material, labor and equipment)



eTakeoff Benefits

Strategic partnership
to provide takeoff solution to
RSMeans Data Online users

Increased Accuracy:

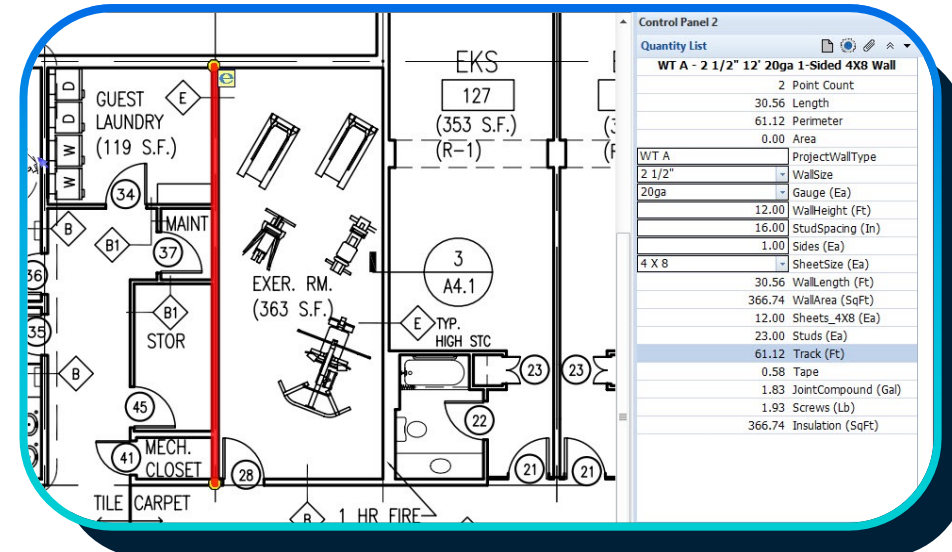
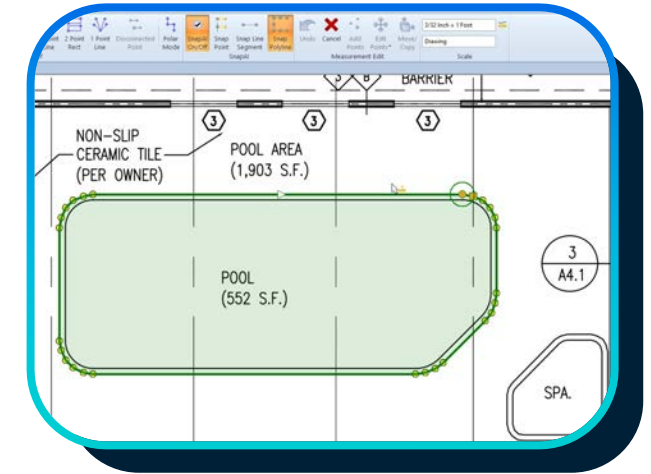
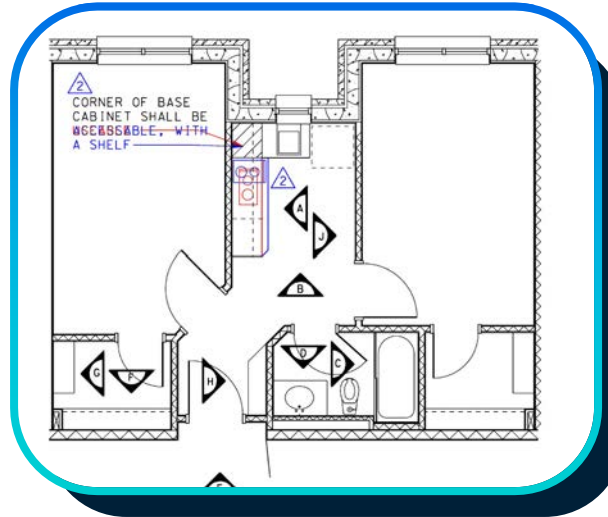
Automate measurements &
calculations

Enhanced Efficiency:

Eliminate manual task

Improved Collaboration:

Share plans & estimates with
team members



Additional Data Resources

Q1 Cost Trends Report and Labor Pool Report



gordian.com/Q1Report



gordian.com/LaborReport

What the Data Says Reports



What the Data Says:
Lumber Price Updates
Q1 2024



What the Data Says:
Insulation Cost Updates
Q1 2024



What the Data Says:
Steel Price Updates
Q1 2024



What the Data Says:
Copper Price Updates
Q1 2024



What the Data Says:
Concrete Cost Updates
Q1 2024



Thank You

Want more information about
**Gordian's Data Insights – Cost Trends
Dashboard or eTakeoff?**

Call 800.874.2291

