

# NEW ENGLAND

U P D A T E

## Labor Supply Tightens

Finding good subs and employees can be tough

As the New England and New York building economy continues its recovery from the 1991 recession, contractors around the region are finding good subs and employees in short supply. This shortage hasn't seriously hampered many contractors — yet. But if the region's construction economy continues to improve, many contractors may find themselves in increasing competition for good subs and employees — and trying new ways to find and keep good help.

"It's a huge problem," says Chuck Huizenga, executive director of the Associated General Contractors (AGC) of Vermont. "You can find people who want to be hired, but very few people with the skills or work ethic you need. We've got member companies who are interviewing 25 people to fill entry-level positions. I know one company that went through 200 temp employees to fill six positions. It's unbelievable."

To ease that situation, the Vermont AGC recently joined with other state contractor and subcontractor groups to form the Vermont Construction Career Council. The new umbrella group has set itself three tasks: to increase public awareness of career opportunities in construction; to help training programs, such as those at



Growing building activity and dropping unemployment set the stage for what promises to be an increasing shortage of good subs and employees.

regional vo-tech schools, develop more relevant curricula; and to create mentoring and apprenticeship relationships between those programs and member companies. Huizenga has already received a strong response to the program, both from people looking for work and from contractors looking for employees. "That's a bit premature," he says, "particularly since I'm not really running a hiring hall. But it shows how serious this problem is for people."

**National trend meets local circumstance.** Economists have been predicting for several years now that as the construction industry entered the 21st century, a relative lack of entry-age workers, along with the growing attraction of service and high-tech fields for those workers, would leave the construction industry with a smaller pool of interested, skilled people to draw from. As the nation's building econ-

omy recovers, this theory is starting to become reality. A recent national survey of more than 1,000 contractors by the Construction Financial Management Association found that most cited hiring concerns as their top problem — even more serious than workers comp insurance costs and safety regulations.

In New England and New York, the challenge of finding good subs or workers has been made tougher

### This month in New England Update:

Good Help Hard to Find

Hybrid Framing

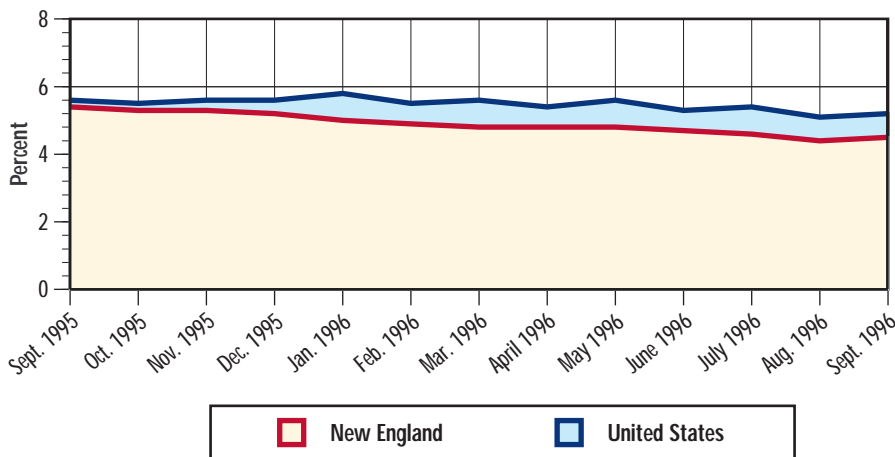
Salvage Companies

Floating a Champion

Latest on the Law

Big Builders Square Off

## Unemployment: New England vs. U.S.



by the emigration of many tradespeople over the last half-decade to other parts of the country. In a region where some areas lost a third of their construction jobs, many workers — particularly the more skilled and motivated — packed up and tried their luck elsewhere. The result is a scarcity of good workers and subs.

“We’ve got members who, when they finally get a house contract, can’t find framers to build their houses,” says Darcy Burke of the Albany-based Home Builders Association of New York. “They go looking for them and find they’re in Las Vegas or Colorado.”

Contractors in upstate New York haven’t felt this loss too keenly yet, since, as Burke put it, “We’re still dying up here.” But contractors in busier locations in the Northeast are feeling the shortage acutely. Bob Weibold, who ran the Albany HBA office until late last fall, is now executive director of the Long Island Builders Institute (LIBI, a home builders association). Members of the LIBI are busier than they have been in years. When we reached him on Long Island, he was preparing for a sold-out seminar LIBI was offering on “Finding and Keeping Good Subcontractors and Employees.”

“The thing is packed,” says

Weibold. “Everybody down here is worried about it. Contractors who have good subs are guarding them jealously. The rest are trying to steal them.”

**Keeping the faithful.** To judge from interviews, the contractors having the least trouble keeping their help are those who have stuck by their subs and employees during tough times. Glenn Farrell, a custom home builder/remodeler in Cape Neddick, Maine, since the mid-1980s, says he tried to look after his subs when the recession hit five years ago. Now that things are busy again, he’s glad he did.

“When things were tough,” he says, “I tried to keep them busy. I tried not to push them too hard on price or wages. And I’ve always tried to keep things on schedule so they can be sure the job is ready when they show up. Now I’m having no problem getting subs to show, while others are. You beat your subs up, you pay later.” The same, Farrell says, goes for his own employees. Though it was a struggle at times, he kept his four finish carpenters employed right through the recession; they’ve rewarded him with good work and, he says, loyalty.

Though Farrell can’t afford to provide a comprehensive benefits policy for his employees (they get

paid vacation but no health insurance), he does try to give them other, less tangible benefits. He tries to make the jobs run smooth and stressfree, taking the problems on himself. He also pays them a bit more than the going rate and lets them occasionally use a vacation home he has in Vermont. “These are little things,” he says, “but they count. In a small town, word gets around.”

**Doing things right.** In larger metropolitan areas, contractors may need to take more formal steps to look after their workers. LIBI’s Weibold says his members are increasingly offering health insurance plans and formalized educational opportunities and advancement schedules.

More important, says Weibold, “they’re seeing that they have to learn about what people need. Good workers want respect, to have their good work recognized, and perhaps some flexibility when their life demands it. If you offer these things in addition to a good paycheck, then you don’t necessarily have to hike wages to the sky. You also create a motivated workforce, and that helps satisfy customers.”

Consultant and professor of business Jack Mandel, who taught LIBI’s seminar on keeping good help, says that contractors too seldom pay attention to such matters. “Unfortunately,” says Mandel, “many contractors aren’t sensitive to their employees. Employee retention and motivation is too often not a concern. But it’s a serious error to ignore this.”

Weibold agrees. “A lot of this is really just basic personnel management. But that’s something contractors often don’t attend to — unless they need to. Some of them down here are starting to see that now’s the time when they need to attend to these things.” ■

## Hybrid Framing: A Timber Truss Roof on Stick-built Walls

by Ted Cushman

Though New England has been a leader in the timber frame revival of the past decade, only a small number of builders here make a living building timber frames. Nevertheless, the skills developed by carpenters tearing down and reassembling old frames, or creating whole new frames, have been spreading into the stick-built world. And builders and designers are increasingly using traditional timber-framing techniques in untraditional ways.

A 4,000-square-foot addition built last winter in Vermont's Connecticut River Valley is a good example. Owner Byron Hathorn, a former builder, created an ambitious design with large open spaces. The roof was the stickler. A complex arrangement of large timbers recovered from an old barn, it had to be cut and joined into trusses on the ground, then hoisted into place onto built-up posts in the stick wall. In a large upstairs master bedroom, four timber trusses spanned the entire space, creating a large cathedral ceiling.

Carpentry contractor Rob Dale Gilbert, of Lyme, N.H., is experienced in both timber framing and stick building, but he'd never seen anything like it. "I'm right at the limit of my abilities," he confessed to *JLC*. "This thing has some enormous hips."

Strange ground or no, Gilbert got the job done. He used a crane to lift the huge trusses into place and also to hoist foam-core panels atop the trusses, where they were spiked into place with 9-inch nails.



A carpenter crafts a joint for one of four timber trusses that will support the roof of the addition.

The crew used a crane to hoist the trusses into place on top of built-up posts in the stick-framed wall.



Stress-skin panels provided insulation, interior blueboard base for veneer plaster, and exterior sheathing.

Gilbert's task was aided by an experienced crew he assembled for the project. All of them, he says, had worked with cranes before and that experience proved a plus.

Designer/owner Hathorn had nothing but praise for the crew. "I call them the Dream Team," he

said. "Every guy knows what to do; you never see anyone standing around."

The results were equally smooth. Roofed with recovered slate, the timber section of roof now blends seamlessly into the main stick-framed roof. ■

## Salvage Companies: The Original Recycling Gets a Second Wind

John Wilson had been banging nails for about 15 years before he found a new career pulling them. Needing materials for a barn he wanted to build, he got the owner's permission to tear some wood off an old Fairfield, Vt., hotel that was scheduled for demolition. So many people stopped and bought the materials that he never collected enough to build his barn. Thus was born his new company: Second Growth, of East Fletcher, Vt., which specializes in dismantling old buildings slated for bulldozing and either rebuilding them or selling their parts instead of sending them to the dump.

In the three years since then, Wilson has dismantled about 200 buildings. Some he rebuilds whole on other sites; most he tears down into components that he resells to people looking for old lumber, fixtures, windows, and doors.

Few entrepreneurs "do the whole spectrum," as Wilson calls it, of salvage reclamation from demo to rebuilding. Yet Wilson is hardly alone in the architectural salvage market, for throughout New England, many entrepreneurs now recycle not only traditional salvage items like plumbing fixtures, doors, and windows, but lumber and boards as well.

Salvage outlets tend to be one of two sorts. The typical "architectural salvage" supply house stocks mainly fixtures, accessories, windows, and doors. The other segment of this mini-industry remills lumber from old buildings into gleaming but distinctive boards.

For building and remodeling contractors, these salvage markets provide both a source of unique

materials and a place to dispose of or sell old materials and fixtures they might be tearing out.

"We buy a lot of our materials from contractors," says Dave Mason, of Mason Brothers Salvage of Essex Junction, Vt., "and I'd say about 20% of our customers are architects and contractors. They might come in looking for something specific or just hoping to find something neat." Mason sells a lot of clawfoot tubs, windows, and mantles, as well as the occasional unusual item, like the large spiral staircase he had for several months a few years back before someone bought it. Now he has another, a Victorian quarter-turn spiral, "waiting for someone who can fit it into a job, or a job around it."

in much of today's second-growth lumber. "For instance," he says, "we just bought a bunch of 20-foot-long 3x10s, both oak and heart pine. It's extraordinary stuff." Carlisle will slice and plane those 3-inch thick boards into 1x flooring material that is sound and clean, but which still bears some of the features — the tight grain and resin-rich wood of first-growth trees as well as such "defects" as bolt or worm holes — that give old lumber its character. At about \$8 a square foot, the reclaimed flooring will cost about twice as much as virgin material of the same width.

"But for people who are looking for that character," says Carlisle, who also saws and sells new boards from large-diameter trees,



MASON BROTHERS SALVAGE



Doors, windows, and even entire staircases are standard offerings at traditional salvage houses like Mason Brothers Salvage in Essex Junction, Vt., and cost a fraction of what new units do.

**Resawing the old.** Mason's store serves primarily as a clearing-house and a general source of supply. A lesser number of companies around the region, such as Carlisle Restoration of Stoddard, N.H., specialize in buying and remilling large boards from old barns and commercial buildings.

Such reclaimed wood, said Carlisle Restoration's owner Don Carlisle, offers a character missing

"it's apparently worth the money."

Second Growth's John Wilson takes a less expensive approach. He says he can dismantle, move, and reconstruct a house for about 60% to 80% of what it would cost to build a similar structure new.

"And it'll be a much nicer place," he says. "It takes some time. But for those who like that sort of thing, it's worth the wait." ■

## Floating a Champion: Yankee Victory Means Work — Fast

For most New York Yankee fans, the team's World Series victory last October meant celebration. For Bob DeVito, it meant work.

"As soon as they won Saturday night," DeVito later said, "we got the call from the mayor's office: We were on."

That meant that DeVito, owner of Bond Parade and Displays of Clifton, N.J., had only 55 hours to create seven floats for the team's Tuesday victory parade.

Fortunately, DeVito, who builds floats for many of the city's ethnic and holiday parades, had been through it before and had plenty of help. Plus, he was prepared. He had called the mayor's office when the Yankees tied the series at 2-2 on Wednesday and visited city hall with the sketches for the floats a few hours before Saturday's game. When outfielder Charlie Hayes pulled in the last fly ball later that night, DeVito called his crew of 30 carpenters, welders, painters, and float specialists and told them to be at the shop at 7:00 a.m. Sunday. They worked until two the

next morning, got four hours sleep, and then did it again on Monday. "Got to bed about 3:00 a.m. Tuesday," said DeVito, "grabbed two hours sleep, then hooked up the trailers and headed for the city."

Asked how he builds the floats, DeVito responded, "I'm not going to tell a bunch of builders how I build my floats! Don't want any competition!" He did divulge that there's "a lot of welding and a good bit of carpentry and other fabrication" involved. "It's a lot like theater work, really," he explained.

"Of course, these floats weren't that demanding, other than the tight turnaround time. I mean, we usually build these things so a 25-person salsa band with dancers can go crazy and jump up and down. The Yankees were pretty light-duty compared with that. Though that macarena crew (the now famous macarena-dancing Yankee Stadium grounds crew) was putting some stress on theirs."

Though DeVito's work is unusual, the float-building trade appears to bear at least one strong resemblance to the house-building trade: When we talked to him three weeks after the victory parade, he had yet to see a check for his long weekend's work. ■



The New York Yankees rode through their victory parade on seven floats built in just two days by New Jersey float fabricator Bob DeVito.

## Big Builders Square Off in Mass.

Pulte, Toll Bros. compete in Walpole

News reports in the Boston *Globe* and other papers report that two of the nation's biggest builders will be going toe-to-toe in the Boston suburb of Walpole. Pulte Home Corporation of Michigan, the nation's biggest builder, has proposed a 163-home, 332-acre development in the town's northern tip, while Toll Brothers, headquartered in Pennsylvania, is planning a 198-home subdivision on 180 acres a few miles southeast.

Both developments are expected to clear the permitting hurdles they face and begin construction in the next year or so. Along with having obvious impacts on the Walpole area, the tandem projects send a clear message that the nation's major home-building corporations have identified New England, and the Boston area in particular, as ripe for growth. Toll Brothers has built in Massachusetts since the boom years of the mid-1980s, but Pulte only opened a New England division last year after its corporate planners decided to expand into new areas to increase profits. Between the two of them, they should provide plenty of competition for smaller builders of all stripes. Toll Brothers usually builds luxury homes over \$200,000, while Pulte has traditionally concentrated on mid-market homes.

Small builders needn't necessarily quake in fear, however; recent National Association of Home Builder studies found that despite strong growth among the biggest home-building corporations, small builders actually command a larger share of the market today than they did five years ago. ■

## Latest on the Law

Growing pains in Maine and New Hampshire

Last August, the New Hampshire Supreme Court, saying towns must regulate growth by formal growth plans rather than restrictions on specific projects, struck down a Derry, N.H., growth-control ordinance that had prevented Ettligen Homes of Windham, N.H., from building an 81-acre, 23-home development in the southern New Hampshire town.

The town's planning board had denied Ettligen's request for a subdivision permit in 1994 not because of any objections to the plan, but because of concerns about the ability of the town, which grew tremendously during the 1980s, to afford additional students. As one member reportedly said at the initial planning board hearing, "I firmly believe we cannot afford to put one more child in [our] school. There's not a whole lot wrong with that plan. It's just simply that we can't afford to handle services that go along with allowing it to get built right now."

The Supreme Court, citing those words as evidence that the board's decision was based on case-specific concerns rather than a broader, formal growth-control plan, ruled that a town can rightfully control development only through growth-control planning that "assesses and balances the development concerns of the entire community." It found that Derry, lacking such a plan, had violated the developer's rights.

### HBA sues Maine town.

Growth controls were also at issue in a suit the Home Builders Association of Maine filed last November against the town of Standish. Orman Goodwin, the HBA's president, said the HBA

decided to file suit when the town passed an amendment to its residential growth ordinance limiting the number of dwelling units that could be constructed in the town in any one year.

"We'll be happy to work with the citizens and officials of Standish to create an ordinance that is fair to all," said Goodwin. "But this one isn't." Goodwin argued that the numerical limits were unfair to citizens who might want to sell as well as to local contractors. Such development ceilings are used in many towns across the region to pace growth. The fate of the suit is yet to be determined. ■