An Analysis of the Benefits in Estimating at Different Pipe Union Labor Rates

This paper is an analysis of the costs and benefits of estimating at different union labor rates, based on the location of the project, and which jurisdiction the project falls in. The basis of the research is a case study of a Bay Area mechanical contractor which previously estimated at a single labor rate, and recently developed variable estimating. Through that case study, best practices are developed for union pipe trade estimating. The results of the case study show that estimating protocol should be determined on a project by project basis, and company resources and manpower have to be heavily considered.

Key words: Construction, Estimating, Mechanical, Piping, Plumbing, Union, Labor Rates, Pipe Trades

Case Study Project Details
Owner: Church of Scientology
General Contractor: GCI
Location: Mountain View, California
Local Jurisdiction at Project Location: Local 393
Project Description: Full demolition and renovation of two, adjacent, existing buildings
Scope: Plumbing
Approximate Project Value: ~ $300,000.00
Delta Between Original Estimate and Adjusted Estimate: ~ 5%

Benefits
Eliminate losses per every labor hour
Increase competitiveness
Institute local union rules

Determining Factors
Company resources
Project size and necessary staffing
Institute on a case by case basis

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