

**2009 William A. Klinger
Memorial Award**

Request for Research Proposals
Strategies for Coping with Volatile Materials Costs

Presented by:

The AGC Education & Research Foundation



Prepared for General Distribution by
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INTRODUCTION

The AGC Education & Foundation was founded in 1968 as a non-profit charitable organization dedicated to improving the science of construction. In addition to providing scholarships to students and recognition of students and faculty for their outstanding accomplishments, the Foundation's mission is to support research and other programs deemed to be beneficial to the advancement of the construction industry. To this end the William A. Klinger Memorial Award was established in 1972 to honor the Foundation's first president. The purpose of this award is to fund applied research that provides technological and managerial advancements whose applications are specific to the construction industry.

TOPIC EXPLANATION

Research proposals for consideration of the 2009 William A. Klinger Memorial Award should explore potential remedies for the existing and projected escalating materials costs for general contractors. Special consideration will be paid to proposals that place an emphasis on developing strategies and actions that can be implemented to overcome these costs in both the short and long term future. Research topics are developed by the Foundation Board of Directors in cooperation with the AGC's Construction Education Committee.

Strategies for Coping with Volatile Materials Costs

Extreme and often unanticipated price increases have occurred in recent years for steel, copper, asphalt and other construction materials, causing hardship for contractors, fabricators and owners. Although these increases sometimes abruptly reverse direction, the underlying trend remains sharply upward. These trends are likely to persist, given continuing strong demand from developing nations such as China and India for oil and construction materials.

The objective of this research is to examine ways that contractors, suppliers and owners can adapt to these price shocks. Depending on the project type and relationship among parties, some methods used in recent years include price adjustment clauses (e.g., for diesel fuel, asphalt and steel), pre-buying of certain materials, and ad-hoc adjustments. Are there techniques that have been particularly effective or ineffective? Are there best practices that other parties should try? Are there institutional, legal or regulatory barriers to effective methods? Are there new methods that should be tried?

ELIGIBILITY

The 2009 William A. Klinger Memorial Award is open to all accredited degree programs, or programs can be imple7 (t)6(o)-2(perCrs cilials C..00u15352CopiaE nm)7(itte(ACCE)en, irm)ha foeptabl

staff member, and/or other pertinent members within AGC's membership. The task force will be available for advice and guidance during the duration of the project.

A project status report shall be sent to the task force every three months for the duration of the project. Scheduled AGC payments are contingent upon receipt of the status report. In the event that progress toward the completion of the project is deemed unsatisfactory, or is not in compliance with the terms and conditions of the award, the AGC Foundation may, at

Appendix A

GENERAL TERMS AND CONDITIONS

OF AN AGC EDUCATION AND RESEARCH FOUNDATION AWARD TO AN INSTITUTION OF HIGHER LEARNING

In furtherance of its charitable, educational and scientific purposes, the AGC Education and Research Foundation (hereinafter (“Foundation”) has created the William A. Klinger Memorial Award (hereinafter “Award”). The Foundation periodically makes this Award to a qualified person or entity for the purpose of supporting education and/or research relating to the construction industry. Following are the general terms and conditions of any such Award to any college, university or other institution of higher learning (hereinafter “Grantee”).

THESE TERMS AND CONDITIONS ARE IN ADDITION TO ANY OTHER TERMS AND CONDITIONS THAT THE FOUNDATION MAY ESTABLISH FOR ANY PARTICULAR AWARD.

1. Title to Works. The Foundation and the Grantee intend all written, recorded or otherwise fixed results of all research and other work performed pursuant to the Award (hereinafter the “Works”) to be works made for hire, as that term is defined in Section 101 of Title 17 of the United States Code (the “Copyright Act”). The Grantee expressly acknowledges and agrees that the whole of each Work and each of its parts and all rights therein, including but not limited to the worldwide copyright to each Work and part thereof, and all technology developed in the course of creating the Works, and all inventions and discoveries made in the course of creating same, and all worldwide rights to all such technology, inventions and discoveries, shall be the sole and exclusive property of the Foundation. If all or part of any Work is not, for any reason, deemed to be a work made for hire, the Grantee shall and hereby does sell, assign, and transfer the entire right, title and interest in and to such Work or part thereof to the Foundation and its successors and assigns. The Grantee further agrees to execute all documents necessary to secure all rights to all such Works, and to all such technology, inventions and discoveries,

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Works, and any technology developed in the course of
made in the same course of events, for academic, sc
license shall include the right to modify, upgrade an
shall exclude the right to sublicense any third party
technology, inventions or discoveries, for any purp
written approval, which the Foundation shall have the

In granting such license to the Grantee, the Foundati
the Works, or any part of any Work, or any such tec
purposes.

For the purposes of this provision, teaching, research a
and technical discovery, knowledge and understand
mission of a school of higher learning, shall be de
commercial purposes, and any activity intended to cr
from the tuition or enrollment fees that institutions of
be among the activities deemed to have commercial pu

3. Quality and Accuracy of Works. The Grantee warrants that all research and other work performed pursuant to the Award shall meet or exceed the generally accepted standards or practices for such work. Consistent with same, the Grantee further warrants that all statements asserted as facts shall be either true or based on reasonable research for accuracy.

4. Non-Infringement on Third Parties' Rights. The Grantee warrants that neither any part of any Work nor any use of any of any technology or other invention or discovery to create any Work, infringed or currently infringes on any copyright, patent or other personal or property right of any third party. The Grantee further warrants that it is the sole author of all parts of all Works, or in the alternative, that it has lawfully acquired, at its own expense, and prior to its delivery of the completed Works, all rights worldwide in and to all material of which the Grantee is not the sole author, including but not limited to the entire right, title and interest in and to the worldwide copyright to any material of which Grantee is not the sole author, and excluding only short excerpts of such material if and to the extent that such excerpts constitute fair use under the law.

The Author shall defend, indemnify, and hold the Foundation and its affiliates, officers, employees, agents, licensees and assigns harmless against all claims, suits, costs, damages, and expenses that the Foundation or its affiliates, officers, employees, agents, licensees or assigns may sustain by reason of any allegation or claim that any Work, or any part thereof, or any technology, invention or discovery used in the course of creating same, infringed or currently infringes on any copyright or any other personal or property right of any third party.

5. Dispute Resolution.

request of the other, execute and deliver such additional documents as may be necessary or convenient for the purpose of evidencing or perfecting any rights or interests that this these general terms and conditions grant to the other party.