

# A&B – Sun Pipe Line

*"In business since 1927"*

A&B Pipe and Supply  
Sun Pipe and Valves

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## Summit Condos, Hollywood...

The Summit Condominiums are two luxury 24-story towers located on the beach in Hollywood. Both buildings were completed in 1982. Recently, the Summit Condominium Association decided to replace the HVAC pipe, valves, fittings, and the cooling towers. City Wide Air Conditioning of Miami was selected for the job, and City Wide chose A&B for the material.

This type of renovation on an occupied building is very difficult and requires speed and efficiency. Even with a large number of condo owners up north for the summer, the objective is to keep the downtime of the A/C to a minimum for the remaining occupants. The need is to have the right material in the right place at the right time, which takes extraordinary coordination on the part of City Wide and A&B. The effort has been working well! The north tower is now complete and the south tower will be finished before the end of summer.

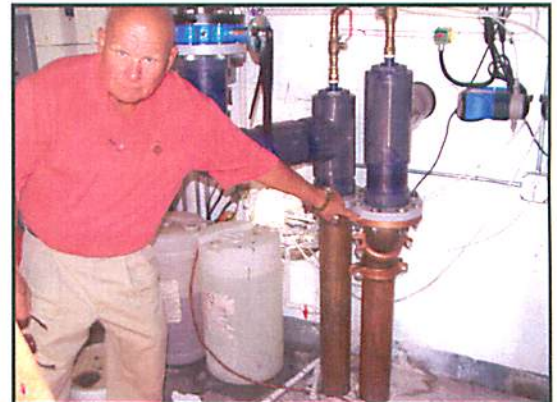


(ABOVE) The 26-year-old Summit Condominium towers, located on AIA in Hollywood.



(ABOVE) A view from the rooftop where the copper tube risers terminate. The risers, 17' 4" tubes from Cerro Flow Products, were cut in half and grooved at the A&B fabrication shop, a handling facilitation required on each floor of the building. The chill water return is collected in a 16" PVC schedule 80 pipe and fed into the top of the new cooling tower shown in the background. The PVC replaced the original steel pipe.

(RIGHT) A&B Salesman, Richard Ruback, points out the Victaulic copper couplings and flange in the pump room.



(BOTTOM CENTER) Inlet and outlet pump pipe was cut and grooved in the A&B fabrication shop.

(BOTTOM RIGHT) Butterfly valves, provided by Mueller Steam Products.



(ABOVE) Viega copper press fittings were used on all tube under 2".





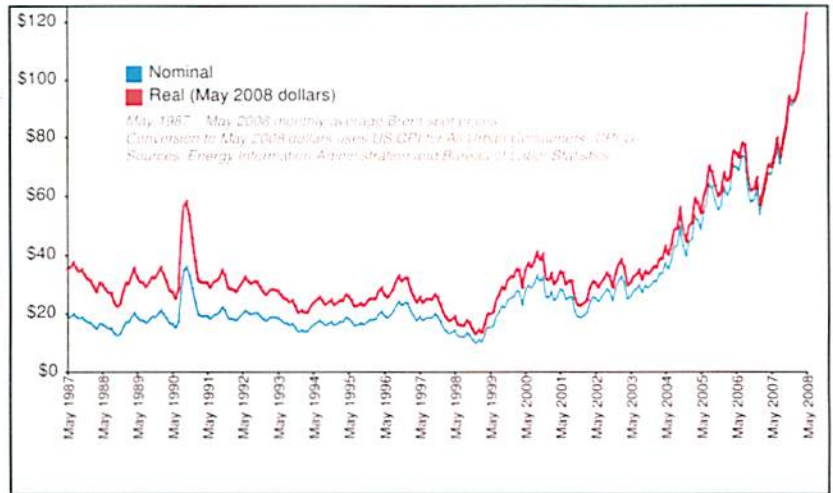
### From the Editor...



The price of oil is a very timely subject for discussion these days. The recent run-up of the price per barrel of crude oil has been a shock to all of us and impacts our daily life in many ways. Who would have “thunk” at the beginning of 2008 that oil would exceed \$100 a barrel, let alone \$150? This increase in pricing has impacted all of our budgets, from the near \$100 price of filling up the gas tank, to the cost of petrol-chemical based products, to the cost of freight for all products.

Unless the law of supply and demand has been repealed, this period will be known as the “oil price spike” of 2008. Those of us old enough to remember might recall the period during the Yom Kipper War in 1973 when crude oil jumped from \$3 to \$12 per barrel. After this short war, prices drifted downward as non-OPEC countries increased production. The combination of the Iranian revolution and the Iraq-Iran War caused crude oil prices to increase from \$14 per barrel in 1978 to \$35 per barrel in 1981. Perhaps you can recall the lengthy gas lines we endured during this period? However, a rush towards energy efficiency in the U.S. and other developed countries reduced demand to the point where crude oil prices dropped to under \$20 per barrel. The looming Gulf War in 1990 saw another run-up in pricing as supplies from Kuwait, Iraq, and Saudi Arabia were threatened, and we saw a general decline in crude for the next nine years.

Prices began to increase again in April 1999 as OPEC cut production by 2.0 million barrels per day, then decreased production another 1.0 million barrels per day during the summer, which was sufficient to drive up the price to \$25 per barrel. During 2000 and 2001, the world began a recessionary period that curbed the demand for oil; at this point, Russia emerged as a major producer, and OPEC was forced to discipline its members to drastically curb production to keep prices steady. Beginning in 2002 global economies resumed growth, particularly the Asian economies (notably China and India), and oil consumption again went into high growth mode. The trend in the U.S. market for gas guzzling SUVs and pick-up trucks exacerbated this demand. From 2002 until today, demand has soared to over 80 million barrels per day as production struggles to keep pace. Small interruptions in supply like the revolt in Nigeria, production problems in Venezuela, and the inability of Iraq to increase supply have caused the run-up in crude oil prices, whether real or speculative.



That said, I believe that the run-up will be short lived and I foresee prices falling to under \$100 per barrel by next year. Why? From the demand side, we have to rely on the economic law of price elasticity, which holds that as the price of a product increases, demand will decrease (albeit within a reasonable time frame to achieve equilibrium). We can already see this impact taking hold in the U.S. as car dealer lots remain packed with unsold SUVs while consumers move toward high MPG vehicles, just as we saw in the late 1970's. My gas pump last week noted that the product contained 10% ethanol. This conservation and substitution trend will continue to accelerate—not only within the automotive industry—but for all petrochemical usage. Likewise, the high growth rate in the Asian economies will also succumb to this same elasticity curve. Do you think a newly middle-class family in India or China feels the same pain you do when filling up their gas tank? I'll venture to bet even more so! History has shown that the demand side of the equation must begin declining in the short term.

The supply side of the world oil equation also fuels my prediction that prices will soon fall below \$100 per barrel. The best estimates today is that Saudi Arabia has 1.0 million barrels per day of excess capacity, and the new Haradh field will be producing an incremental 2.0 million barrels per day by the spring. Iraq has the potential to produce another .5 million barrels per day immediately. The new oil economics encourages exploration. For the past couple of years, oil companies around the world have been drilling for new wells as fast as they can get rotary rigs in place. The difficulty has been obtaining these rigs, since the oil services industry also deteriorated during the \$20 dollar per barrel era. They are currently ramping up production capacity for rigs due to the heavy backlog. As these new rigs continue to come into service, supply will steadily begin to rise again. In fact, the political issue in the U.S. about whether or not to drill in ANWR or off-shore should instead focus on ways to allocate new rotary drilling rigs to existing fields with known reserves. Supply from Russia, Venezuela, Mexico, and Brazil is also rapidly growing.

Rest assured, once the laws of economics come into play, we will again have reasonable oil prices!



## FIU Football Stadium, Miami...

The Florida International University Stadium (or "The Cage") is home to the Golden Panthers football team. The facility was built in 1995, torn down in 2007, and is now being re-built to accommodate a capacity of 23,500 spectators, including 19 luxury suites. Additionally, the stadium will have a 6,500 sq. ft. Panther Club, an upper concourse, a Jumbotron scoreboard, new coaches offices, locker rooms, and weight training rooms. Next year, a second deck will be added to bring the seating capacity up to approximately 45,000. The University hopes to build a NCAA Division I championship football program and feels this investment will put them on the path toward that goal. The facility will open in September with the home opener for the 2008 season against the University of South Florida.

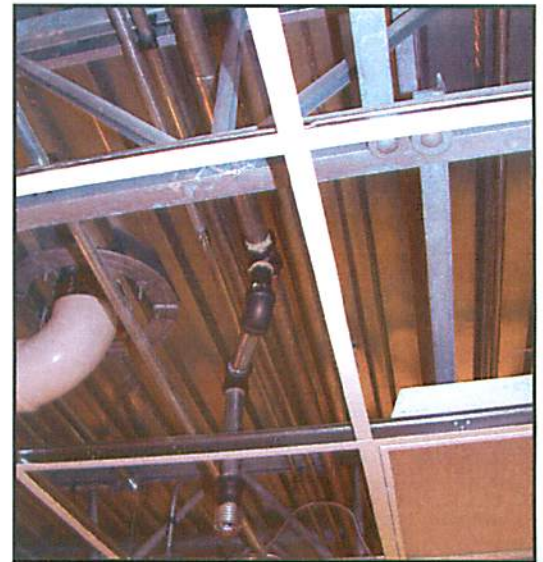


Odebrecht Construction is the General Contractor for this \$60 million project. The fire sprinkler contractor is Fred McGilvray, Inc., Miami. The mechanical contractor is A&M Mechanical, Miami.

(LEFT) Efren Mercado, Project Superintendent for McGilvray, looks over the playing field from the top concourse.



(LEFT) The view from the end luxury suite, highlighting the main sprinkler pipe with Victaulic Firelock fittings.



(RIGHT) The sprinkler drop in the President's suite, ready to be completed. The system has been pressurized, tested, and approved.

## Seacoast Utility Authority...

RK Contractors, Inc., Ft. Pierce, is replacing several lift stations for the Seacoast Utility Authority in Palm Beach Gardens.

(RIGHT) Tony Bowers, Project Manager for RK, looks over the progress. (FAR RIGHT) The new station is set up on a by-pass until cut over is completed.





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**PIPE AND SUPPLY INC.**  
Waterworks-Industrial Supplies



## Heard around the company...

Here are two new faces at A&B Supply:



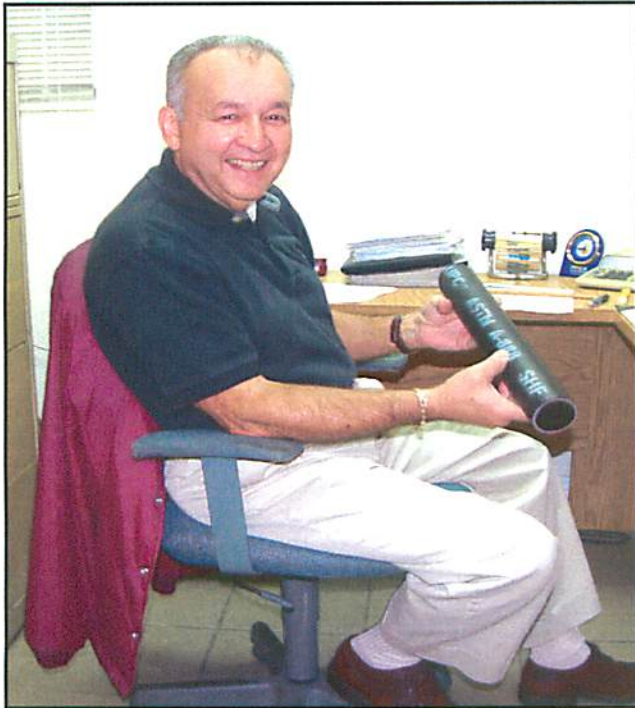
Alexey Jo, Warehouse Associate.



Ivonne Bandin, Receptionist.

## Al Riverol, A&B Pipe Sales Manager...

Sixto Alfredo Riverol (we know him as "Al") was born in Ciego de Avila, a city about 460 km east of Havana in the center of the island of Cuba, in an area of the country known for its sugar cane, pineapples, and citrus fruits. In 1958, during the revolutionary period prior to the realm of Fidel Castro, he and his parents and brother emigrated to Tampa, where other relatives had settled. He completed his junior and senior years of high school in Tampa.



After graduation, Al went to work for Grinnell in Tampa. In 1966, with the Vietnam War raging, he enlisted in the Air Force. After training, he was assigned to Travis AFB (near San Francisco) to do air conditioning repair work on the C-5, C-141, and C-124 cargo planes. During the War, this fleet served as the backbone for the military airlift to the Pacific. While enlisted, Al also had some assignments in Germany and Greece. After four years, he returned to Tampa and went back to work at Grinnell. In 1979, Al was promoted to outside sales for Grinnell and later moved to Miami, where his territory covered Vero Beach to the Keys and Marco Island to Ft. Meyers. In 1995, he went to work for Lane Piping & Equipment, a Lakeland distributor, where he continued to reside in Miami and covered roughly the same territory, selling HDPE pipe to industrial customers.

In 1997, Al joined Hughes Supply in Fort Lauderdale as the Industrial Products Sales Manager. In 2000, he was promoted to Operations Manager of the Plumbing and Industrial Branch in Miami. Finally, in 2003, Al came to work at A&B Pipe in Outside Sales. In January of 2007, in recognition for his outstanding efforts, he was promoted to Sales Manager of the Company.

Upon return from the Air Force in 1970, Al married his fiancé, Ofelia. The couple has two children: Alfredo, who is the Assistant Manager for the Village of Pinecrest, and Cristina, who is a nurse practitioner. Al &

Ofelia are also the proud grandparents of five children.

In his spare time, Al indulges his love of fishing, either on chartered boats or off the pier. He also plays golf, and of course, he enjoys playing Dominos with the other A&B guys.