## **CCIA HIGHlights** of the week

A weekly information bulletin for members of the Connecticut Construction Industries Association

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## May 6, 2016

**THE BILL REDUCING RETAINAGE** on state public building construction projects from 10 percent to 7.5 percent achieved final approval of <u>H.B. 5328</u> by the General Assembly on Wednesday night, the last official day of the regular session. The bill also provides that when fifty percent of the contract is completed, the retainage amount will be reduced to 5 percent. It also allows for collection of reasonable attorneys' fees and costs when a payment bond surety company does not respond within 90 days to a claim for payment. If the Governor signs the bill into law, the effective date becomes July 1, 2016. AGC of Connecticut supported the bill.

**THE GENERAL ASSEMBLY** this week approved <u>H.B.</u> <u>5180</u> providing property tax relief to homeowners with crumbling foundations by directing municipalities to reassess the homes to reflect a loss of the property's value due to the deteriorating concrete. The bill also requires an individual seeking a certificate of occupancy for a new residential or commercial building for which a concrete foundation was installed on or after October 1, 2016 to provide the local building official with documentation showing the name of the concrete supplier and the name of the installer. The local building official's office must keep copies of the documentation in its records for at least 50 years.

**ALTHOUGH DETAILS ABOUT** the proposed budget deal between legislative Democrats and Gov. Malloy were not available at press time, the budget reportedly includes a cut in the governor's transportation investment initiative. According to this <u>article</u> in *CT Mirror*, legislators said a planned transportation funding increase of \$130 m. from the portion of the sales tax dedicated to the Special Transportation Fund was reduced by about \$50 m.

**THE GRANT PERCENTAGE** available to municipalities for the local bridge program was increased under an amended version of <u>H.B. 5411</u>, which was approved this week by the General Assembly and referred to Governor Malloy for his signature. Under current law, ConnDOT assigns a percentage to each municipality between 15 and 50 percent based on a sliding scale. The bill sets the grant percentage of each municipality at a flat 50 percent. The amended bill also authorizes ConnDOT to spend money from the work zone safety account within the Special Transportation Fund for the purchase and implementation of technology and equipment, and that certain uses of funds in the account must be approved by the Highway Work Zone Safety Advisory Council.

**THE BILL THAT WOULD** have required the Commission Human Rights and Opportunities (CHRO) to make a decision on a contractor's affirmative action plan not later than ninety days following the date of submission of the plan, <u>S.B. 468</u>, died on the Senate Calendar as the

General Assembly adjourned sine die on Wednesday night. CCIA and AGC supported the bill.

**S.B. 439, AN ACT** Concerning the State Contracting Standards Board and Requirements for Privatization Contracts, also died upon the General Assembly adjourning this week. Among other things, the <u>bill</u> would have: (1) required state procurement agencies to conduct a cost-effectiveness evaluation before entering into any privatization contractor over \$1 m.; (2) prohibited state procurement agencies from entering into privatization contracts without the attorney general's approval; and (3) required state procurement agencies that enter into privatization contracts due to insufficient staffing levels to submit plans for hiring more state employees. CCIA opposed this legislation.

**THE SCHOOL CONSTRUCTION** bill authorizing the DAS Commissioner to enter into grant commitments on behalf of the state for school construction projects was not acted upon as the General Assembly regular session adjourned Wednesday night. The bill, <u>H.B. 5304</u>, authorizes grants totaling \$535.9 m., including (1) \$518.8 m. for 28 new school construction projects; and (2) \$17.1 m. for 9 previously-authorized projects that have substantially changed in cost or scope. It is expected that the bill will be taken up next week when the legislature reconvenes in special session to consider the budget.

**THE PRICE PREFERENCE** for veteran-owned micro businesses when bidding on DAS goods or services contracts was increased from 10 percent to 15 percent under <u>S.B. 2</u> which passed the General Assembly Wednesday night. Veteran-owned micro business is defined in the bill as a micro business of which at least 51 percent of the ownership is held by one or more veterans. A micro business is defined as a business with gross revenues not exceeding \$3 m. in the most recently completed fiscal year. The bill now goes to Governor Malloy for his signature.

**CERTAIN SOLE PROPRIETORS** who do not carry workers' compensation insurance would be allowed to work on public works projects under <u>S.B. 101</u>, which was

approved by the General Assembly this week. According to the bill, sole proprietors would be able to work on public projects without workers' compensation insurance as long as they: (1) do not utilize any subcontractor or lower tier subcontractor in performing the contract; (2) do not act as a principal employer; and (3) have liability insurance in lieu of workers' compensation insurance. If signed by Governor Malloy, the new law would take effect October 1, 2016.

**THE PLANNED \$25 MILLION** rehabilitation of the Yankee Doodle Bridge on I-95 has been delayed until 2018, according to an <u>article</u> in the *Connecticut Post*. The project will be combined with another I-95 project scheduled for Norwalk, creating a combined estimated cost of \$50 m. The projects will likely go out to bid in the fall of 2017, and work is expected to start in the spring of 2018. The nearly 60-year-old Yankee Doodle Bridge, which crosses the Norwalk River and Hendricks Avenue in the city, has four lanes in each direction and averages about 150,000 vehicles a day. It ranked in the top 100 most heavily-traveled structurally-deficient bridges in the country.

**CONNDOT BID RESULTS** of May 4, 2016: <u>Project No.</u> <u>0170-3336</u>, Installation of Centerline Rumble Strips in various towns in District 4: Costello Industries, Inc.: \$400,608.00; Safety Marking, Inc.: \$435,525.15; Garrity Asphalt Reclaiming, Inc.: \$589,268.00. <u>Project No. 0173-0470</u>, Installation of Centerline Rumble Strips in various towns in District 3: Costello Industries, Inc.: \$248,955.37; Safety Marking, Inc.: \$265,156.08; Garrity Asphalt Reclaiming, Inc.: \$374,674.64.

**CONSTRUCTION SPENDING** grew to the highest national level since October 2007, increasing by 8 percent in March compared to a year earlier, according to a <u>press</u> <u>release</u> from the AGC of America. Spending was also up slightly between February and March due to growing construction demand. Association officials said the growth comes amid strong private-sector demand and new federal investments in surface transportation programs.

**SINCE THE 2008-2010** recession, Connecticut has transitioned from its top job sector being trade, transportation, and utilities to education and health services, according a <u>report</u> in the May edition of the *Connecticut Economic Digest*, a publication of the CT Department of Labor. The education and health-service sector now accounts for almost 1 in 5 Connecticut jobs. The report additionally shows that Connecticut has regained 76.7 percent of the jobs it lost in the recession, the lowest rate among eight states in the Northeast and well behind the national recovery rate of 161.4 percent.

**REPLACING NEW YORK'S** Tappan Zee Bridge continues to be a very challenging construction project, and contractors are declaring the project is also very safe in terms of on-the-job accidents, according to an <u>article</u> in ConstructionEquipmentGuide.com. Project Safety Manager Daryl Lloyd said that from the start of bridge replacement in 2013 to the present, there have been 21 incidents. That's over the course of six million man hours put in by 1,200 workers.

**THE U.S. DOL'S WAGE** and Hour Division (WHD) will hold a three-day Prevailing Wage training seminar, June 7-9, 2016, at the Crowne Plaza Hotel and Conference Center, 2701 Summer St., Stamford. These seminars held throughout the country are designed for regional stakeholders (unions, private contractors, state agencies, federal agencies, and workers). There is no fee to attend; however, space is limited. If you wish to attend, click on this <u>link</u> to register.

**NIOSH HAS ISSUED** a User Notice to inform users of a condition or risk that may exist with certain counterfeit respirators that have made their way into the market. To view this User Notice, click on to this Centers for Disease Control (CDC) webpage.

**THANKS TO ALL CCIA MEMBER** companies that participated in OSHA's National Safety Stand Down this week. Throughout the week, construction firms paused their workday to focus on preventing falls in the workplace. In Connecticut, CCIA members have so far logged into our website and recorded 796 workers trained in fall protection. If you have not yet recorded the number of workers you have trained, we will leave the <u>Stand-Down-Report</u> open on the website for another week.

THE FINAL GLOBALLY Harmonized System implementation date has finally arrived. On June 1, 2016, employers are required to have updated alternative workplace labeling and a hazard communication program as necessary, and provide additional employee training for newly identified physical or health hazards. This completes the three year transition period from the December 2013 initial implementation date. Beginning next month, companies will operate under a single set of criteria for classifying chemicals according to their health and physical hazards. The new rules specify hazard communication elements for labeling and include information on safety data sheets.

**FLIERS INCLUDED IN** *HIGHlights*, May 6, 2016: 1) <u>CCIA May Calendar</u>; 2) <u>AGC/CT Management Training</u> <u>Schedule</u>; 3) <u>Lean Construction Unit 7, 5/13</u>; 4) <u>YCF</u> <u>Summer Membership Meeting</u> 6/2 5) <u>YCF Charity Golf</u> <u>Outing 7/28</u>;

**FROM THE INTERNET**: On May 6, 1954, in Oxford, England, Roger Bannister, a 25-year old medical student, cracked track and field's most notorious barrier, the fourminute mile. CIA agents in the '50's used different shoe lacing patterns to secretly communicate. The sixth tallest pyramid in the world is a Bass Pro Shops megastore in Memphis, TN. A Coca-Cola employee can get fired for drinking Pepsi on the job.