

This electronic update is News for You ~ delivered monthly to your email! So let us know if you want to include any message or information in the next issue.

Summer, 2008



President's Message

AGC of Connecticut is surveying its members to learn more about the needs and desires of AGC/CT members. Membership Committee Co-Chairs 1st VP Bob Berkmoes, James T. Kay Co. and Dick Jagoe, Tomlinson Hawley Patterson are embarking on a campaign to recruit more new members, as well as track our current members' participation so we can maintain good member relationships geared at membership retention.

We have included results of the 2008 short session Connecticut General Assembly again in this issue. We at AGC/CT have been working hard to keep several onerous issues from becoming law. Working with other industry coalitions, task

forces, commissions, councils, and public officials we were able to achieve victories for some legislative measures we helped to sponsor, and were able to stall, re-write, or refute outright bad bills which would have adversely affected your everyday business. See inside article by CCIA lobbyist Matthew Hallisey. A special thanks to those AGC/CT members who testified at hearings, wrote letters to legislators, and/or made phone calls on behalf of or in opposition to various issues. Your best value from your association membership comes from getting involved.

Please remember our 2007-08 theme is "Profit through Active Participation!"

Gary Timura AGC/CT President

Mark Your Calendar: AGC/CT Industry Recognition Dinner – has been scheduled for Nov. 13th. Start thinking of the person you would like to see receive this distinguished award for their outstanding service to our great industry! <u>Nomination Ballots and more details coming soon</u>. . .

TOP TEN REASONS TO INVEST IN AGC OF CONNECTICUT

 COMPETITIVE EDGE – AGC of CT has the tools to help you work smarter and more productively. Utilizing first-class training and education, a wide array of publications and continuous regulatory and legislative efforts; AGC of CT is always working to generate a meaningful return on your membership investment. AGC of CT takes its responsibility to develop and expand markets very seriously. No other association does more to enhance your business opportunity and effectiveness.

More Reasons

<u>Click here</u> for the **Ten Best Reasons to Invest in AGC of Connecticut**. Beginning with this issue one of these "best reasons" will be highlighted and will also be in subsequent issues of "AGC/CT On-Site".

UPCOMING EVENTS/PROGRAMS

AGC/CT Industry Recognition Dinner Thursday, November 13, 2008, Aqua Turf Club | Plantsville, Connecticut



CURRENT CONNECTICUT CONSTRUCTION NEWS

AGC/CT WELCOMES John Butts as the new Assistant Executive Director of AGC/CT. Although new to CT, John is not new to AGC as he has been the Executive Director of AGC/Maine since 1993. He has extensive trade association skills and government relations experience, as a lobbyist in Maine and Washington D.C., aide for the US Senate Committee on Governmental Affairs, and District Staff Assistant for Congresswoman Olympia Snowe. A native of Maine, he is a graduate of the University of Maine at Orono and has a Master of Public Administration from George Washington University.

CT'S CONSTRUCTION CAREER Days Program is back for its seventh year. Student registration is already full at 1,200 high school juniors and seniors for the October 7th and 8th at Mountain Ridge (formerly Mountainside). Now we need the industry's support as exhibitors and financial sponsors. To register as an exhibitor, visit <u>www.ctconstructioncareerday.com</u>. For a Financial sponsor form <u>click here</u>; donations are used to pay for the students handouts, including canvas bag, hard hats, safety glasses and gloves, t-shirts, and program booklets.

AGC/CT's Annual Golf Outing took place on July 7th – *Thanks to all our Golfers for their participation and support.* See More Golf photos





EDITORIAL SECTION:

Please give us your thoughts and recommendations:

- Recently a group of industry subcontractors representing many Connecticut trade associations held a meeting at the AGC Boardroom. The chief reason for the meeting? to exchange information and discuss possible solutions to problems created by changes in the commercial construction industry relating to construction management and other alternative forms of project delivery which have placed new burdens, costs and liability on the subcontractor. We need to hear from all sectors regarding these issues. <u>What are your thoughts on this subject?</u> For a copy of the notes from this session email John B. Farnham at jbf@ctconstruction.org.
- A new working relationship between the AGC and the Minority Construction Council will assist contractors working on Set-Aside projects. The MCC will be recommending emerging minority contractors who can be linked up with majority contractors who wish to establish a company mentoring program. Mentors and protégés will have specific responsibilities spelled out under individually tailored mentoring agreements which include regular updated meetings and reports, assistance with financial management, best utilization of work force, etc. <u>What is your willingness to take on a protégé? And what will it mean to your firm?</u>

OPINION PAGE – please email your thoughts on the about two subjects, or other relevant industry issues that you would like to have discussed on this page.

Send to jbf@ctconstruction.org.

CAPITOL UPDATE

A periodic review of what's happening in the state legislature of interest to the construction industry and the status of legislation important to AGC/CCIA

The Connecticut General Assembly adjourned its 2008 regular legislative session on Wednesday, May 7, 2008. Lawmakers chose not to make adjustments to the second year of the biennial state budget adopted in 2007.

The following are a few of the major bills or legislation AGC/CCIA worked on during the 2008 regular legislative session of the Connecticut General Assembly.

Capital improvement programs and infrastructure projects. We supported continued funding and bond authorizations for capital improvement programs and infrastructure projects, including transportation, school construction, Special Transportation Fund, Clean Water Fund, UCONN and other public works projects.

Competitive bid requirement on public school building projects. We successfully supported legislation to resolve unintended consequences for cities, towns, design professionals and construction managers created by Public Act 07-249, which required contracts for architectural and construction management services on state-funded public school building projects to be awarded to the lowest responsible qualified bidder only after a public invitation to bid. <u>Senate Bill 402</u>, the school construction bill, eliminates the more traditional competitive bid and allows owners to select design professionals and CMs on the basis of qualifications specified in the solicitation for proposals. Under the new process, beginning July 1, 2008, owners will advertise for interested parties to submit qualifications, solicit proposals and select the successful bidder from no more than the four lowest responsible qualified proposers.

Construction safety training. We supported House Bill 5537, An Act Concerning Construction Safety (PA 08-83), which expands the OSHA 10-hour training requirement to any public works project for repair and renovation of \$100,000 or more and new construction projects of \$400,000 or more. The scope of the law is expanded to include workers in all crafts that are in classifications under the prevailing wage statutes on all public work, including sewage and water treatment plants, site work, road and bridge work, parking lots, and drainage systems. Under the bill, mine safety training may be substituted for the OSHA 10-hour training. Public service company employees and commercial vehicle drivers delivering or picking up cargo from a project site as long as they only load or unload the cargo are exempt. The bill removes the requirement that the proof of training be sent to the Labor Commissioner; it must be sent with the weekly certified payroll form for the first week each employee begins work on the project, presumably to the contracting agency paying for the prevailing wage project. The bill is effective January 1, 2009, and applies to contracts entered into on or after July 1, 2009.

Due process for state contractors. We supported a provision in <u>Senate Bill 334</u>, An Act Concerning Certain Recommendations of the Office of State Ethics, which would have required the Office of State Ethics to conduct a hearing and find a violation prior to a state agency deeming a contractor non-responsible for a violation of certain state ethics laws. The bill, which was approved by the Government Administration and Elections Committee, was stalled by a controversial unrelated amendment adopted by the Senate. The House of Representatives did not act on the bill.

House Bill 5118, An Act Concerning the Labor Commissioner's Authority to Bring Wage Claims Against General Contractors. AGC/CT supported the bill, which would have made it clear that a general contractor who relies in good faith on the certified payrolls submitted by a

subcontractor is not liable to the subcontractor's employees pursuant to a payment bond secured for a public works project, and that the Labor Commissioner's authority under the wage collection statute is limited to initiating civil actions against the direct employer of the unpaid employees. The <u>bill</u> was not acted on by the Labor and Public Employees Committee.

Quality of design and construction documents. we supported Section 1 of <u>House Bill 5892</u>, An Act Concerning the Quality of Design and Construction Documents and the Prequalification of Certain Subcontractors, which would have required designs for certain public buildings in the state to be reviewed by an independent, third-party professional experienced in design to identify any coordination errors, omissions, inconsistencies or discrepancies prior to bid in order to reduce change orders and project delays and save revenue. The bill was not acted on by the Government Administration and Elections Committee.

State False Claims Act. We successfully opposed adoption of a state false claims act, which would impose liability on any person or entity that submits a false or fraudulent—or even an incorrect—claim for payment to the government. CCIA successfully argued that Senate Bill 31, An Act Concerning False Claims, and House Bill 5923, An Act Concerning Fraud Against the State, were not necessary, they had severe penalties, they could be misused by government officials and they would harm the reputation of lawful contractors. Both bills died in committee. An <u>amendment</u> to Senate Bill 440 adopting a state false claims act was approved in the Senate but not acted on by the House of Representatives.

Reverse auction bids for construction management services. AGC/CT opposed House Bill 5899, An Act Concerning On-Line Procurement by Regional and Local School Districts, which required the Commissioner of Administrative Services to adopt regulations to enable local and regional school districts to participate in on-line auctions to procure services, goods and supplies in connection with school construction projects. AGC was concerned that the bill, as applied to construction management services, would not allow towns to evaluate the experience and qualifications of CMs and it would reduce the quality of CM services on school projects. The term "services" was removed from the <u>bill</u>, limiting its application to goods and supplies.

Preferential bidding. An amendment was adopted to change the procedure for awarding state contracts when the lowest responsible qualified bidder is an out-of-state business that receives a preference in its home state. Beginning January 1, 2009, PA 08-154 requires the State Contracting Standards Board to publish an annual list of states that give preference to in-state bidders, including the percentage amount. The bill requires that the list be made available to state contracting agencies and allows them to rely on it when determining the lowest responsible qualified bidder. When awarding a state contract, state contracting agencies must add to bids submitted by out-of-state businesses a percentage increase equal to any preference the business receives in its home state. If the addition results in an in-state business becoming the lowest responsible qualified bidder, the agency must award the contract to the in-state business if it agrees, in writing, to meet the original lowest responsible qualified bid. The bill is effective October 1, 2009.

For more information, please visit the <u>Government Relations home page</u> or, the entire <u>Captiol Update</u> (accessible to members only). If you have any questions about a legislative issue, please contact CCIA Director of Government Relations and Legislative Counsel, Matthew Hallisey at (860) 529-6855 or via email at <u>mhallisey@ctconstruction.org</u>.

Active Contractor Member:

Bloomfield Electric Company

3 Alcap Ridge Cromwell, CT 06416 Phone: (860) 632-8448 Fax: (860) 632-8807 Primary Contact: Roger Baral, Vice President Email: <u>rbaral@bloomfield-electric.com</u>

Type of Firm: Electrical Subcontractor

Konover Construction Corporation

30 Batterson Park Road Farmington, CT 06032 Phone: (860) 284-7400 Fax: (860) 284-1174 Primary Contact: Eric Brown, Sr. VP of Operations Email: <u>ebrown@konoverconstruction.com</u>

Type of Firm: Construction Management and Design-Build

K & W Construction, LLC

126 Bucks Hill Road Southbury, CT 06488 Phone: (203) 267-6770 Fax: (203) 267-7991 Primary Contacts: Christine Wargo, Managing Member Email: <u>chris@kwconstruction.com</u>

Type of Firm: Commercial Site Contractor

Loft Development, LLC

23 Seaview Avenue Stamford, CT 06902 Phone: (203) 359-9919 Fax: (203) 359-9994 Primary Contact: Beau Keen Email: <u>beau@loftdevelopment.net</u>

Type of Firm: Construction Management

Professional:

Fuss & O'Neill, Inc. 146 Hartford Road Manchester, CT 06040 Phone: (860) 646-2469 Fax: (860) 533-5143 Primary Contact: Kurt Knotts Email: <u>Kknotts@fando.com</u>

Type of Firm: Consulting Engineers



AGC OF CT | FORUMS & COMMITTEES



COMMITTEES: Associated General Contractors of Connecticut, Inc.

Membership: Building new members through membership retention and development.

Education: Seminars and programs of importance to contractors, middle managers, field supervisors, and other construction personnel on a variety of subjects – oversight of AGC scholarship program – construction career development – coordination with CCSU student chapter.

Labor Policy: Shapes strategies and positions on issues dealing with the State Building Trades Unions, with the trades of bricklayers, carpenters, iron workers, teamsters, laborers and operating engineers.-site, safety manuals, OSHA standards, state regulations, and other safety related topics.

Legislative: Governmental affairs –works on issues of concern to the construction industry by taking positions on bills, along with the AGC Board of Directors, which come before the General Assembly (this committee is most active during the General Assembly session).

AGC-CSA-CMAA Joint Committee: – A cooperative committee between AGC and the Connecticut Subcontractors Association to deals with issues of interest to the general contractor/subcontractor community on such subjects as payment practices, mechanics lien law, retainage, contract documents, bidding practices, delivery systems and other relevant subjects.

Young Contractors Forum: The purpose of the Young Constructors Forum is to provide opportunity for early and mid career construction professionals to develop strong leadership skills, further their professional knowledge, build networks and share ideas with their peers. This group is limited to individuals 40 years of age and younger.

Computer Technology: Maintains information on the latest technologies in the industry; sponsors educational program on computers and software, oversees CCIA website, conducts forums and seminars, and information on e-commerce.

Insurance: Reviews various opportunities for group programs in the field of insurance – from Workers Compensation, standard industry coverages, benefits programs, and other coverages.

Safety Round Table: Reviews loss control and safety programs, initiates programs in the areas of employee incentive programs, construction safety programs, safety manuals, OSHA standards, state regulations, and other safety related topics.

Environmental Committee: This committee oversees all environmentally related issues for the membership works closely with DEP and other regulatory agencies; sponsors educations seminars on environmental subjects, helps shape legislative positions and testifies on issues dealing with the environment.

Note: Representatives to these groups are appointed by AGC/CT Leadership as positions become available. Please contact John Farnham for more information – <u>jbf@ctconstruction.org</u>.

AGC-PAC – MAKING THE DIFFERENCE



If you have not made your <u>AGC-PAC contribution yet</u>, please do so immediately.

Please contact John Farnham at 860.529.6855 or Terry Wooding at 203-865-6043. *If we can get each member firm to give a minimum of \$100 we will meet our goal!* Here are some issues that we are working on at the federal level:

Issue Alerts:

- <u>Support Energy Legislation that Increases Domestic Production, Generation, Refinery and Transmission</u> <u>Capacity</u>
- Oppose "Gas Tax Holiday" Proposal to Reimburse Trust Fund Not Sound
- Oppose Excessive Penalties and Mandates in the SAVE ACT
- Support Plan to Prevent Highway Trust Fund Insolvency
- <u>Repeal Excessive 3% Withholding on Government Contracts</u>
- Oppose Expansion of Federal Control over Waters and Wetlands

Acadia Insurance

NATIONAL AGC OF AMERICA (AGC/A) NEWS:

THE AGC BUILDING DIVISION met in Lake Tahoe last month with several new and interesting subjects on their agenda. Attendees, including Terry Wooding, Chairman of AGC's Construction Marketing Committee, heard reports on AGC-PAC support. - 2008 (The PAC distribution split is 30% Democratic / 70% Republican.) AGC Product sales are in the black by approximately \$325,000, a crane safety summit is in the planning stages. Also there were continued discussions about better coordination of chapter strategic plans with AGC of America Strategic Plan, and two days devoted to BIM Forum. For a full report of the activities and programs held at the Building Division contact AGC/CT or email jbf@ctconstruction.org.

AGC CHAPTER EXECUTIVES participated in the Joint Executives Leadership Conference and the Building Division Meeting in Lake Tahoe, California. By all the feedback that we have received it was a highly successful meeting. Meeting sponsors were: Enterprise Fleet Management, McGraw Hill Construction, Verizon Wireless, AGC of America, BuilderFusion and US LAW Network. Attendees heard from Mark Levin about the Value of Membership and from Harrison Coerver on the State of Associations. Steve Sandherr gave an update on the upcoming elections. During the meeting each chapter executive received a flash drive that included chapter information regarding: Chapter Member and Individuals including a listing of every active member company and individual that belongs to the CT Chapter.

A NEW IRS MILEAGE RATE INCREASE: The Internal Revenue Service today announced an increase in the optional standard mileage rates for the final six months of 2008. Taxpayers may use the optional standard rates to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. The rate will increase to 58.5 cents a mile for all business miles driven from July 1, 2008, through Dec. 31, 2008. This is an increase of eight (8) cents from the 50.5 cent rate in effect for the first six months of 2008, as set forth in <u>Rev. Proc. 2007-70</u>. In recognition of recent gasoline price increases, the IRS made this special adjustment for the final months of 2008. The IRS normally updates the mileage rates once a year in the fall for the next calendar year.

LIQUID ASSETS: AGC of America is encouraging its chapters to contact their local PBS affiliates now and persuade them to consider broadcasting the <u>Liquid Assets documentary</u>. PBS Stations will be allowed to broadcast the documentary for 3 years beginning in October 2008. AGC provided \$100,000 for the project and will be recognized as a major donor when it broadcasts. We are excited about this valuable tool to raise grassroots awareness on water infrastructure investment needs. AGC will host a conference call in conjunction with the release of the toolkits to talk about how chapters can use Liquid Assets as a networking and advocacy tool for the construction industry.

AGC SUPERVISORY TRAINING PROGRAM (STP) just released the new Unit 7: Accident Prevention and Loss Control, seventh edition in May of 2008. Join us for a Question & Answer Call-in Audio Conference to learn more about the new Unit 7 and why it was updated. You won't want to miss this event especially if your chapter conducts STP courses. The first 15 registrants are able to participate free of charge and registration has been opened to AGC chapters first. The flyer and registration form [hyperlink to PDF] will provide an agenda for the Q&A Call-in and details for participating. The <u>online</u> <u>registration</u> is also available. Please contact Amy Fields at 703/837-5360 or <u>fieldsa@agc.org</u> with questions.

CONSENSUSDOCS has just released a groundbreaking Building Information Modeling (BIM) Addendum which marks a significant step forward in utilizing BIM as a collaborative tool. This new document will bring the construction industry's future into reality. The ConsensusDOCS 301 BIM Addendum is the first and only industry standard document to address the legal uncertainties associated with utilizing BIM. The new BIM Addendum, and the entire ConsensusDOCS library, is available for purchase as part of an annual subscription or as a download through Meter Mode account. For more information on the BIM Addendum and ConsensusDOCS, visit www.agc.org/Contracts or to purchase go http://www.agc.org/bookstore and select ConsensusDOCS Subscriptions or Meter Mode.

U.S. ARMY CORPS OF ENGINEERS have developed a new manual (EM385-1-1) prescribes safety and health requirements for all Corps of Engineers activities and operations, including Naval Facilities Engineering Command (NAVFAC) construction contracts. Following this manual will help all contractors working on Defense Department projects meet all the necessary safety requirements to ensure success on all their current and future federal projects. To purchase copies, visit <u>www.agc.org/bookstore</u>, keyword "Federal."

AGC OF AMERICA announces the formation of the IT Forum. The goal of the forum is to bring together IT professionals from AGC member companies and chapters to network, discuss issues of mutual interest, and keep up-to-date with the latest developments in IT relating to the construction industry. Some of the topics of possible discussion include: IT management-people skills, budgeting, strategic planning, project management, and business relationships. If interested, contact Brad Teague, <u>teagueb@agc.org</u>

AGC PROVIDES ECONOMIC EARLY-WARNING SYSTEM - AGC members have helped policy makers at the Federal Reserve and in the administration stay on top of fast-changing economic conditions. For the past six months, your answers to the "Question of the Week" (attached to several issues of The Data DIGest) have traced the impact of credit market tightening on the demand for construction and the availability of funds for contractors. Responses are compiled with identifying information removed (unless the respondent gives permission to be identified), grouped by region, and forwarded to economists at the 12 regional Federal Reserve Banks, as well as the Board of Governors in Washington. [More]

AGC'S AFFINITY PARTNERS



COMMENTS?

We value your comments and encourage you to let us know how you are using this monthly report. Do you have a question we can research, or someone who needs to be added to the distribution list or have information to share?

Please send your comments, questions and suggestions to us anytime!

John B. Farnham, Executive Director & Gary J. Timura, President

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