

# THE ELECTION EDITION

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**Election Countdown** 

One-on-One with Texas State Representative Valinda Bolton & Paul Workman Republican Candidate for Texas House District 47

**Project Labor Agreements In Texas** 

**Industry Safety Report** 

**ABC Chapter Initiatives Around the State** 



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### CHAPTER CONTACT INFORMATION

ABC OF TEXAS Jon Fisher, President P.O. Box 1891 Austin, Texas 78767-189

Austin, Texas 78767-1891 ph (512)470-5756 www.abctexas.org

### CENTRAL TEXAS CHAPTER

David Ford, President 3006 Longhorn Blvd., Ste. 104 Austin, Texas 78758 ph (512)719-5263 www.abccentraltexas.org

#### **GREATER HOUSTON CHAPTER**

Russell Hamley, President 3910 Kirby Dr., Ste. 131 Houston, Texas 77098 ph (713)523-6222 www.abchouston.org

### SOUTH TEXAS CHAPTER

Steven Schultz, President 10408 Gulfdale San Antonio, Texas 78216 ph (210)342-1994 www.abcsouthtexas.org

### TEXAS COASTAL BEND CHAPTER

John Taylor, President PO Box 2584 Corpus Christi, Texas 78403

ph (361)289-5311 www.abctcb.org

### TEXAS GULF COAST CHAPTER

Terry McAlister, President PO Drawer 2650 Freeport, Texas 77542 ph (979)233-1616 www.abctxgulfcoast.org

### TEXAS MID COAST CHAPTER

Kathy Autry, President 116 Jason Plaza Victoria, Texas 77901 ph (361)572-0299 www.abctxmidcoast.org

### TEXO CHAPTER

Raleigh Roussell, President 11101 Stemmons Freeway Dallas, Texas 75229 ph (972)647-0697 www.texoassociation.org

### **REGION 3 REPRESENTATIVE**

April Brown, Regional Political Mgr. 2904 Windsor Rd., Ste. B Austin, Texas 78703 ph (512)517-5661

ABC Texas Merit Shop Journal 3910 Kirby Drive, Suite 131 Houston, Texas 77098 (877)577-6ABC www.abctexas.org

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### Letter From the Chairman



KOEBEL

s we move ever closer to the November 2nd election, we are reminded of one of the principles to preserving our independence as stated by one of the signers of the Declaration of Independence, "To preserve our independence, we must not let our rulers load us with perpetual debt......I am for a government rigorously frugal and simple" signed by Thomas Jefferson. It is so very important that we carefully decide who we send to represent us on both a state and federal level. The ABC of Texas board has reviewed recommendations from its members, directors and lobbyists, and decided where to send its campaign assistance. Members continue to work with like minded candidates, posting signage, attending fund raisers

and other grass roots efforts to educate the public on the best choices for our state and country. You guys, the members that believe in the free enterprise system, need to be commended for your efforts. The newly elected officials will have to figure out how to stimulate the private sector all the while having to cut spending. This will take a lot of hard work.

In our last issue, April Brown wrote about Project Labor Agreements (PLAs) and the recent activity at the South Texas Nuclear Project. In early August we received the word that the project had been put on hold. Most of the information received indicates that the problems are financial and cost overruns top the list. Whether the loan guarantees were insufficient to cover new estimates or the 18% increase in costs incurred to utilize the PLA, the user and tax payer (you and I) are the ones footing the bill for this political pay back. Texas cannot afford to have these construction jobs taken from Texans and given to union workers that are brought in from out of state union halls. Since statistics show that less than 4% of the Texas construction work force is unionized, it is clear the PLA discriminates against Texans. We must continue to educate the public on how PLA's will hurt the construction job market in Texas and cost Texas a premium for years to come.

It is vitally important that we help educate voters and more importantly help Get Out The Vote this November. YOU can make a difference.

Thank you,

Andrew & Rachel

Andy Koebel Kunz Construction Co., Inc. 2009-2011 ABC of Texas Chairman For more information about ABC of Texas visit www.abctexas.org.

### Letter From the President



FISHER

W ow! It's been over 2 years since I took the job as President of ABC of Texas.

And, I believe strongly we've made great progress together.

We've raised our profile in the Texas Legislature and in elections!

We are recognized as a contributor to the overall business and tort reform lobbies.

And, we're working together with other associations in Austin representing elements of the construction industry.

I want to take this opportunity to thank the current and former Board members of ABC of Texas for their hard work and vision. We could not have been in a position for the current Board to act without the past actions of the former Board members.

And, we've got a lot of work before us. There are plenty of things we can do or do better!

What can I say about the Chapter Presidents! While I have to work differently with every local chapter, I can report to you that every single Chapter President has been supportive of our efforts in different ways. Some give good counsel; some watch for opportunities to improve; some offer moral or verbal support. All have been helpful in their own way.

Recently, I've had the opportunity to work more closely with ABC National staff, and I believe we have built a stronger relationship.

Last Spring, I attended a Regional Meeting in New Orleans where I had the opportunity to meet and converse with both Jim Elmer and Kirk Pickerel as well as meet some of the leaders and staff from other chapters in the region. Although not a primary duty of mine, I look forward to attending more ABC meetings in the future.

As always, I continue to look for opportunities to visit with our membership at the local chapters. Let me know if you have an event or meeting you wish for me to participate in or attend. You are a great group to work for, and while I cannot say that every minute has been great, the overwhelming majority of them are!

We're going to be facing significant challenges in the next Texas Legislature and together—State Board Members, Chapter Presidents and Staff, and Local Chapter Members—we are in a position to be successful. We still need some good old-fashioned luck and lots of allies, but I believe that working hard and smart tends to make one lucky!

Thank you for this opportunity!

Jon Fisher ABC of Texas President





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# **PROJECT LABOR AGREEMENTS:**

## No Longer Foreign to Texas!

by April Brown, ABC Region Three Manager and Jon Fisher, ABC of Texas President

substantially increase costs (approximately 25 percent) for nonunion employers.

The theme of the current administration seems to be nothing if not consistent. In the last 21 months, countless regulatory and legislative initiatives that are harmful to small business and stymie job growth have manifested themselves into public policy. Leading the trend, in February of 2009, a little known Executive Order was issued by President Obama which can only be deemed to be contrary to the principles of limited government and open competition.

Executive Order 13502, and the April 13th final rule from the FAR Council, encouraged federal agencies to award federal construction contracts to contractors – not on price and quality – but on their affiliation with Big Labor. EO 13502 pushes federal agencies to utilize project labor agreements (PLAs) on federal projects that cost more than \$25 million. Union-only PLAs essentially deny 85.5 percent of the U.S. construction workforce and more than 96 percent of the workforce in Texas the ability to build public work projects, reducing competition and significantly driving up costs to taxpayers.

An October 2009 report by Dr. John R. McGowan, "The Discriminatory Impact of Union Fringe Benefit Requirements on Nonunion Workers Under Government-Mandated Project Labor Agreements" found that employees of nonunion contractors who are employed under government-mandated PLAs suffer a reduction in their take home pay that is conservatively estimated at 20 percent. The report estimates that as a result of President Obama's pro-PLA Executive Order 13502, hundreds of millions of dollars of nonunion employees' income on federal construction projects will be distributed to union pension funds, from which nonunion employees will likely receive no benefits. In addition, the McGowan report found that PLAs on federal projects

The study found that had President Obama's pro-PLA Executive Order 13502 applied to federal contracts in 2008, additional costs incurred by employers related to wasteful PLA pension requirements would likely have ranged from \$230 to \$767 million per year. Lost wages for nonunion construction workers would have ranged from \$184 million to more than \$613 million, depending on the assumptions made for companies executing contracts via PLAs. In total, the move to PLAs could have cost nonunion workers and their employers \$414 million to more than \$1.38 billion annually.

"Besides what appears to be efforts by the current administration in Washington to encourage PLAs on large federal projects, it appears they are even going so far as to "encourage" them on projects receiving federal loan guarantees such as the South Texas Project."

The justifications for PLAs provided by Executive Order 13502 are unproven. A September 2009 report by the Beacon Hill Institute at Suffolk University reviewed federal construction projects from 2001-2008, the years under which government-mandated PLAs were prohibited. Government records revealed there were no instances in which labor disruptions occurred that resulted in significant project delays or increased costs. Executive Order 13502 is a solution in search of a problem. Besides what appears to be efforts by the current administration in Washington to encourage PLAs on large federal projects, it appears they are even going so far as to "encourage" them on projects receiving federal loan guarantees such as the South Texas Project.

But, the threat does not end there. Many believe that as federal efforts to encourage PLAs reach full steam, we may see local governments, or even state government, "encouraged" to use PLAs when federal funding is involved. There is already a provision in the Texas statutes designed to prevent governmental entities in Texas from using PLAs so that should be doomed to failure.



BROWN



FISHER

#### **ABOUT THE AUTHOR:**

April Brown is the ABC National Region III Manager. Ms. Brown provides legislative and membership services for ABC chapters in Texas, Louisianna, Arkansas and Oklahoma. To reach April Brown, please email brown@abc.org.

#### ABOUT THE AUTHOR:

Jon Fisher has been President of ABC of Texas since mid-2008. Prior to that he was senior vice president at Texas Chemical Council. He has led ABC of Texas in preparing plans for legislative sessions and participation in the Texas elections. Most recently, he helped ABC of Texas prepare a Strategic Plan for the next 4 years with emphasis on the next 2 years. To contact Jon, email jon@abctexas.org.



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Election Countdown

Until White has released his returns from the time he was Deputy Secretary of Energy in the mid-90s after which White made unaccounted millions in energy companies doing business in the Middle East and Afghanistan, Perry has refused to debate White. White has also been attacking Perry over his refusal to debate.

Perry has also gotten some traction pointing to White's million dollar personal investment in a company that made millions when White hired them as Mayor to help with hurricane disaster relief. White then intervened to make sure the company got paid after a billing dispute. Given the close to half a million dollar return White has made on the

Looking into the September crystal ball, and according to most pundits and polls, there is no question that 2010 will be a big year for Republicans. With President Obama's record low ratings—roughly 43% approval; 51% disapproval—conservatives across the country are expecting to see gains. Texas, a state traditionally allergic to the national Democratic political agenda, looks like it will be no different.

In the race for the half-damaged Governor's mansion, according to polls, Governor Rick Perry maintains a significant lead. Rasmussen, as of August 23rd, had Perry at 49 percent and White at 41 percent among likely voters. This is almost identical to their numbers last month despite huge amounts spent by the White campaign or his supporters on negative advertisements against Perry. Paul Burka at Texas Monthly reviewed the in-depth numbers and concluded that he saw "nothing in here that is bad for Perry or good for White".

By the time of publication of this piece, both sides will have moved into full attack mode. White has accused Perry of being a "lazy" or "part-time" governor by pointing to the relatively few meetings published on his public calendar. White has also hit Perry for his refusal to debate or meet with editorial boards.

Both candidates have hit each other on the ethics of appointing donors. White pointed to the number of donors Perry had appointed to various boards and commissions only to have Perry hit back with the \$2 million White had received in contributions from his appointees.

Perry, of course, has been after White to release his tax returns. Originally, White refused to release any returns but has since released only those since taking office as Houston Mayor in 2004. investment, Perry called on White to drop out of the race.

Third parties have also had an important role to play. Steve Mostyn, a millionaire plaintiff's lawyer in Houston, funded a full page advertisement in 24 newspapers calling Rick Perry a coward for refusing to appear before editorial boards. The Houston Chronicle refused to run the ad and several veterans came out to defend Perry. Mostyn, the primary funder of the Back to Basics PAC and President-elect of TTLA, has committed to spend at least \$3 million against Perry.

According to most insiders, Perry is expected to win big this November.

"Both candidates have hit each other on the ethics of appointing donors. White pointed to the number of donors Perry had appointed to various boards and commissions only to have Perry hit back with the \$2 million White had received in contributions from his appointees."

Other areas of the ballot will be relatively quiet in November. The Lt. Governor and Attorney General are expected to win with little or no excitement. There are no state senate races. Gulf War vet Brian Birdwell defeated former state senator and fellow Republican David Sibley in a June special runoff to fill the state Senate District 22 vacancy.

There are, however, around 15 heavily contested House seats. Conventional wisdom is that Republicans will pick up at least five of those seats. The House was divided 76-74 with a narrow Republican majority as of last year. Chuck Hopson switched parties in late 2009, giving Republicans an additional seat. A five-seat gain would put Republicans up to a comfortable 81 seat majority. Regardless, Joe Straus is in great shape to be the next speaker.

In the US House of Representatives, the RNC is only targeting two congressional seats: Chet Edwards and Ciro Rodriguez. Both Republican challengers are leading in the polls, but they are expected to be tight races.

Finally, and perhaps the most long-lasting political change, will be redistricting. This battle will determine the political landscape for Texas over the next 10 years. Last time around, the Texas plan ended in drawn out litigation that reached the Supreme Court in 2006. This means that the process will start in April 2011, but there is no telling when it will end. If the House and Senate cannot agree on a plan for the state legislature, the maps go to the Legislative Redistricting Board composed of the Lieutenant

Governor, Speaker of the House, Attorney General, Comptroller, and Land Commissioner. Both Houses, however, must agree on a congressional map. This is why the Democratic caucus tried to escape to Oklahoma last time around. Texas is expected to pick up three or four congressional seats due to population gain. This will be the largest gain in any state by far.

ABC has come to the table and made impressive gains in its level of PAC support of conservative pro-business candidates. But lest we forget, people must vote for their chosen candidate at the end of the day. I urge each chapter to use its PAC funds to get voters to the polls and for every ABC member to make sure they get their friends and family—even the in-laws—to vote this November.

Nothing in this article is intended to be a communication supporting or opposing a candidate for nomination or election to either a public office or an office of a political party.

#### ABOUT THE AUTHOR

Mike Toomey is the longtime ABC of Texas lobbyist and has the distinction of being the only individual in Texas history to have served as chief of Staff for two Texas Governors. He is a former State Representative from Houston and was voted in Texas Monthly magazines "Top Ten Legislators". Mr. Toomey is a strong supporter of Tort Reform in Texas and is widely acknowledged as one of the most respected and effective lobbyists in the State of Texas.

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One on One With ...

### STATE REPRESENTATIVE VALINDA BOLTON TEXAS HOUSE DISTRICT 47

A native Texan, State Representative Valinda Bolton traces her ancestry to General Sam Houston. Valinda was elected in November 2006 to represent District 47 in the Texas House of Representatives. The 47th House District is located in southwest Travis County, and includes neighborhoods such as Circle C Ranch, Legend Oaks, Lakeway, Bee Cave, and Oak Hill. She received her undergraduate degree from Baylor University and her Master's from Texas Tech.

An independent leader, Valinda has had a long career fighting to make Texas communities safer and stronger. She is a nationally recognized leader on domestic violence and sexual assault issues, and a well-known child abuse prevention and affordable housing

advocate. A passionate and hard-working legislator, Valinda has always been on the forefront of major issues affecting her district. Her primary focus continues to be serving the needs of her constituents and the issues most critical to a rapidly growing district. She fights for policies and legislation that:

- Broaden our economic base to include green technologies and entrepreneurial ideas.
- Support our teachers and foster strong public schools.
- Protect and conserve our water.
- Reduce homeowners' property tax burden.
- Secure resources for transportation projects.

Serving with distinction in the 80th Legislative Session, Representative Bolton was awarded the 2007 Freshman of the Year Award by the bi-partisan Legislative Study Group. In her 81st session, she received the "Legislator of the Year" award from the Justice of the Peace & Constables Association. Valinda has also been appointed memberships on committees of the National Conference of State Legislatures and serves as a member of the bi-partisan Clean Air Caucus, Tourism Caucus, and Transportation Caucus. Currently, she serves on the Land and Resource Management, Local and Consents Calendars, and the County Affairs House Committees.

# Why do you want to be a state representative?

From major safety transportation improvements, to protecting local businesses and saving the drinking water of over one million central Texans, I'm proud of what I've accomplished for my district. While I've made considerable progress on many issues, there is still much to be done and I always finish what I start!

# What would you do to advance the construction industry?

In addition to revising the Margin Tax, providing a highly qualified workforce through alternative graduation programs would support the many training and certification courses ABC offers their members.

### Do you favor licensing for contractors?

All contractors are not created equal. Most do a terrific job, but those few that fall short can give the industry a bad name. So, in lieu of licensing, perhaps the industry could develop internal competency guidelines that members are required to meet. If alternative graduation programs were implemented, those competency guidelines could be taught and graduates would be better able to live up to an industry prescribed standard of excellence.

### What would you do with the Margins Tax?

While we made some modifications to the Margins Tax in the 81st session, many small businesses remain overburdened. I would support several revisions:

- Removal of business tax liability for businesses losing money in a reporting year.
- Tax incentives for employer provided benefits. I filed just such a bill last session.
- Inclusion of contract labor as a deduction of a cost of goods sold or costs of labor.
- Deduction for cost of compliance for companies under \$20 million in gross receipts.

### Do you have any proposals to provide workforce training?

Our community colleges are doing an excellent job of responding to the needs of local employers by providing workforce training. But it's time we also look at incorporating alternative graduation plans in our high schools so that students who are interested in being an electrician , plumber, or auto mechanic will be given an opportunity to take coursework that would prepare them for the profession they choose.



One on One With ...

### PAUL WORKMAN REPUBLICAN CANDIDATE TEXAS HOUSE DISTRICT 47

For over thirty five years Paul Workman has been engaged in the construction of commercial buildings. The projects over the years have included retail centers, office buildings, schools, banks, parks and churches.

Paul D. Workman is the Secretary and Founder of Workman Commercial Construction Services, Ltd. Paul earned a BS in Building Construction from Texas A&M University in 1973. He is married to the former Sherry Cleveland. Paul has one son, Kyle and one daughter, Paula both of whom work in the family business as President and Chief Financial Officer, respectively.

Workman Construction Company was started in 1971 by Roger Workman building houses in Laredo Texas. Paul joined the firm in July 1973. After suffering a stroke in 1980, Roger retired and Paul took the reins of the company. In 1983, Paul and his family moved to Austin. In 1991 Paul started Workman Corporation with no work and little money. In that time Paul has built Workman

Corporation (now Workman Commercial) into a statewide construction company performing upwards of \$70 million dollars in volume a year. In 2007 Paul began the transfer of the company to the next generation. Paul also has a position as Director of Development with T. Stacy & Associates. T. Stacy is a real estate development firm specializing in large downtown development projects. In that capacity Paul is responsible for all construction work performed by the firm.

Paul served ten years (1973-1983) in the US Army Reserves as an Engineer Officer, retiring, after serving as a Company Commander, at the rank of Captain. He has been a Rotarian since 1976 serving as President of the Rotary Club of Austin in 1998. For thirteen years Paul was President of CompGroup AGC and still serves on that board. He was the Chairman of the Board of Associated General Contractors – Texas Building Branch (2008), the Austin Chapter of the Associated General Contractors (AGC) (1996). Paul served on the Board of Directors of the Real Estate Council of Austin for eight years. He is a National Director of the Associated General Contractors of America and is on the board of Citizens Against Lawsuit Abuse-Central Texas.

# Why do you want to be a state representative?

The Texas legislature is dangerously close to losing its conservative balance. I want to add a measure of strength, honesty and hard work to the legislature. I would like to work for the people of District 47 with real representation and for the construction industry where little or none has existed in the past.

# What would you do to advance the construction industry?

My focus will be on reducing government and lowering taxes. There are some specific things that I want to do including working on the root cause of the broad form indemnity problem and lien laws which favor only the lender.

Finally, I hope to introduce legislation called a "Diminishing Statute of Repose" so that contractors and specialty contractors are not on the hook for 100% of any defect all the way until the last day of the tenth year after a project has been occupied.

### Do you favor licensing for Contractors?

In the past I have been a proponent of contractor licensing under the theory that we all would be better contractors if we had to meet some minimum standard. I also felt like it would be a vehicle in which to solve some of the industry problems we face as mentioned above. I now believe that less government is better government regardless of the original intention, so I oppose contractor licensing.

### What would you do with the Margins Tax?

It seems inherently unfair to me that a contractor who does \$995,000 in a year is exempt from the tax but the guy who does \$1,005,000 is subject to it. These two contractors compete against each other and one is at a distinct disadvantage. I know that the limit was raised to "help small business" but in our industry there are many contractors and specialty contractors in this size range. I believe this limit should be lowered back down to \$300,000 and the scale made into a graduated scale. Better yet, the Margins Tax should be eliminated in favor of a broad based consumption tax.

### Do you have any proposals to provide Workforce Training?

The workforce of the commercial construction industry is, and will become even more, a critical issue. Regardless of what happens on border security, the availability of a skilled workforce for our industry will diminish. I believe that our industry needs to solve our own problems, so I favor a concept in which all commercial contractors participate in a workforce training program specifically designed for the commercial construction industry.



 $G^{oing} \ into \ the \ next \ session \ of \ the \ Texas \ Legislature, we've been put on notice that safety may be an issue in both the Texas Department of Insurance Sunset Bill and the TDI Division of Workers' Compensation Sunset Bill, if not part of another initiative on Workers' Compensation issues.$ 

Being new to the construction industry, but coming from an industry with a great safety record, I knew the danger of preconceptions. For example, many people think the chemical and refinery industries are dangerous places to work. The opposite is true. Not only do those industries have commendable safety records, but generally Texas injury rates fall below national averages.

Imagine my surprise when I checked the construction industry and found that our injury rates fall below national rates and show continuous improvement over time—as do national rates.

One of the problems is that sometimes people check only actual incidences without seeking any sort of index that would deal with the size of an industry in a particular geographic location. Obviously, a state with less population and less construction would have fewer actual injuries. Those figures do not tell you anything that can form the basis for public policy decisions.

So, how do we compare in Texas? We look pretty darn good!

# WE'VE GOT A LOT TO BE PROUD OF IN SAFETY

by Jon Fisher, ABC of Texas President

At the bottom of this page is a table of injury and illness incidence rates from the Bureau of Labor Statistics which shows the incidence rates from 2004 to 2008 (the last year for which figures are currently available) for both Texas and the United States for all private industry, all construction industry, nonresidential buildings and specialty trades. There is not a single year where Texas rates do not beat U.S. rates. And with the exception of nonresidential buildings where the rates are already approaching half the national average, there is generally continuous improvement from year to year. In every category, the 2008 rates are better than the 2004 rates.

# "Our injury rates fall below national rates and show continuous improvement over time—as do national rates."

So, does this mean safety will not be an issue? No, because despite data, there will always be incidents that present what we in the trade call anecdotal "evidence." There will also be attempts to use actual incidence numbers to mislead policymakers about the safety records. We have to be ready with the facts.

While every industry strives for a safety record reflecting a zero incidence rate, it is obvious from the facts that Texas as a whole and the construction industry in Texas are doing a lot of things right and have a lot to be proud of.

#### ABOUT THE AUTHOR:

Jon Fisher has been President of ABC of Texas since mid-2008. Prior to that he was senior vice president at Texas Chemical Council. He has led ABC of Texas in preparing plans for legislative sessions and participation in the Texas elections. Most recently, he helped ABC of Texas prepare a Strategic Plan for the next 4 years with emphasis on the next 2 years. To contact Jon, email jon@abctexas.org.

# Incidence Rates 2004-2008

### 2008 TX 2008 US 2007 TX 2007 US 2006 TX 2006 US 2005 TX 2005 US 2004 TX 2004 US

Priv. Ind.	3.1	3.9	3.4	4.2	3.7	4.4	3.6	4.6	3.7	4.8
All Const.	3.1	4.7	3.8	5.4	3.8	5.9	4.3	6.3	4	6.4
Nonres. Bldgs	2.5	4.4	2.3	4.5	2.2	5.4	2.5	5.4	2.9	6.1
Spec. Trades	3.6	5.1	4.8	5.7	4.6	6.3	5.1	6.8	5	6.8

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n the last issue, we had an article about the priority issues selected by the ABC of Texas Board for the 82nd Texas Legislature in 2011. This installment discusses the status and where the issues stand at this point.

**Retainage/Lien Law:** ABC of Texas has a bill drafted and an explanation. That's good progress at this point. The Texas Construction Association (TCA) had earlier convened some meetings with ABC of Texas and the Associated General Contractors-Texas Building Branch (AGC-TBB) to discuss some problems they had with lien law deadlines as they affected retainage. ABC of Texas was represented by Andy Koebel and Wes Johnson of the South Texas Chapter, Mike Freeman of TEXO, Mark Roach of the Texas Coastal Bend Chapter, and Jon Fisher of ABC of Texas. Following several meetings, TCA distributed a concept paper. Following that distribution, ABC of Texas identified this as the number one issue for next session. A bill draft has subsequently been distributed and initial responses are that it is consistent with the agreements reached.

# ABC of Texas Priority Issues

by Jon Fisher, ABC of Texas President

Alternative Delivery Systems: Or, as I call it "the snake bit bill." Many of you are aware that similar legislation was vetoed by Texas Governor Rick Perry in 2005 and 2007 over some disagreements about how the bill affected professional services. In 2009, ABC of Texas scrubbed the bill to make sure there were no changes in the law affecting professional services (as there had been in earlier versions) and got what was believed to be the "green light." Little did we anticipate that the existence of a Voter ID Bill on the House Calendar would make it impossible to get to many bills, like this one, which would have passed in a "normal" session (if that exists). We've already had a meeting of interested parties, including some that had minor problems with the last bill. We anticipate filing an almost identical bill as last session and trying to squeeze it through ahead of the other priorities.

Workers' Compensation (Third Party and CIPs): Last session we combined Indemnification with this issue. This session, we're separating them out. Of course, as noted in the title above, this still encompasses more than one topic. As far as third party issues go, we've had hearings in both the House and the Senate and expect legislation on this subject again. It could also be a subject in both the Texas Department of Insurance and the TDI Division of Workers' Compensation Sunset Bills. The other aspect of this issue is Consolidated Insurance Programs. ABC of Texas supported a bill last session, but it is likely that a pared down version of that bill will be introduced again this session. We'll have to wait and see what that bill contains.

**Indemnification:** This is a topic that has been a legislative issue for ABC of Texas in the past, as it was last session. Last session, our process yielded support for a compromise drafted by the TCA, AGC-TBB and the Texas Civil Justice League (TCJL). However, we had some members and some chapters opposed. This session, both TCA and AGC-TBB (as I understand) will continue to support the compromise. But, a change in leadership at a key committee at the TCJL could yield a different position from this group representing premises owners. You may recall the bill only prevented broad form indemnification agreements, continuing to allow for indemnification for injuries to one's own workers. Regardless of what position we take, this bill would have a major impact on our members.

**Frivolous Lawsuits:** There may be legislation in the next session dealing with higher penalties for filing frivolous lawsuits such as "loser pay" for attorneys fees and other costs. ABC of Texas will support the measures to discourage frivolous lawsuits.

**Sovereign Immunity:** ABC of Texas will rely on working with other groups to find opportunities to address the state's sovereign immunity relating to contracts. Contracts represent a clear distinction from the protection offered governments by sovereign immunity since "exposure" to the treasury is limited by the terms of the contract.

**Electrical Licensing Exemption:** Industrial facilities, such as chemical plants and refineries, were never regulated by local governments whose often different licensing programs were preempted by the state licensing law. Many in the industrial contracting business believe quite strongly that their electricians should not be licensed because they work in facilities that are tightly controlled and subject to significantly more planning detail than commercial or residential construction. However, unless we get the support of our industrial customers, there is little chance for a change. Indications are the industrial associations representing chemical plants and refineries are not supporting a change next session.

As always, ABC of Texas' priorities may change based on circumstances beyond our control, and occasionally changing circumstances that are within our control. One example are initiatives from the Greater Houston Chapter dealing with attorney's fees for lien and bond claims and specifying interest in disputed claims is payable in contract breach claims. Already, ABC of Texas has been working to get language that is sought by the chapter in drafted bills that will be ready for filing in early November.



FISHER

#### ABOUT THE AUTHOR:

Jon Fisher has been President of ABC of Texas since mid-2008. Prior to that he was senior vice president at Texas Chemical Council. He has led ABC of Texas in preparing plans for legislative sessions and participation in the Texas elections. Most recently, he helped ABC of Texas prepare a Strategic Plan for the next 4 years with emphasis on the next 2 years. To contact Jon, email jon@abctexas.org.



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Sixty-two members of the ABC Central Texas Chapter enjoyed an afternoon of clay shooting while raising funds for the Political Action Committee.

#### **CENTRAL TEXAS CHAPTER**

The Central Texas Chapter had a Clay Shoot on June 18th at Capitol City Trap & Skeet Club. They had sponsors for the event, food, shooting stations and beverages. Sixty-two individuals participated in the afternoon shoot. All the money from the tournament went to the PAC. Plaques were presented to the first, second and third place winners. Bar-be-que was enjoyed by all after the shoot.

The Chapter also hosted an auction on September 17th to raise money for ABC and the West Austin Youth Association (WAYA). Last year, ABC Central Texas presented West Austin Youth Association with a check for \$25,000. The September event featured a live and silent auction as well as fun indoor games. WAYA is a privately funded, non-profit organization that was founded in 1981 to provide recreational opportunities for the youth of Austin. Today, WAYA serves over 4,000 children annually with over 30 different sports and recreational activities.

#### **GREATER HOUSTON CHAPTER**

As 2010 crested over the midway point and headed towards the end of the third quarter, the Greater Houston Chapter showed no signs of slowing down. Membership is on the rise and should continue to gain steam through the balance of the calendar year. The first annual ABC Summer Bowling Tournament took place in July at 300 Bowling Alley with over 130 member participating. ABC Chairman Wayne Navarro's company, S&B Engineers and Constructors, took first place for the day while Mobil Steel International secured the title for highest individual score. Holes Incorporated's coordinating team bowling shirts livened up their portion of the lanes and earned them best dressed team. This new event featured team-building and networking mixed in with a healthy dose of competition.

In August, Casino Night offered ABC members the opportunity to network with fellow members and clients while hoping to cash in on the "Bandanas and Booze" contest. A bandana-themed raffle, benefiting ABC of Greater Houston's three student chapters, gave away a wheelbarrow full of donated adult beverages! Lady Luck was on ABC's side and a member happily benefited from his casino winnings and supporting ABC's student development efforts.

The chapter's Craft Training Evaluation Program applications have been submitted and will be recognized at the October Membership breakfast. Also in October, the Greater Houston Chapter will begin providing training for LEED AP Continuing Education. The Houston chapter of the U.S. Green Building Council (USGBC) has named ABC Greater Houston as their preferred continuing education training provider. ABC's training opportunities and direct response to members' requests for courses and evaluations, highlight some of the best benefits for ABC membership.



Members of ABC Greater Houston enjoyed an afternoon of bowling and networking at the First Annual ABC Bowling Mixer. Pictured above is the Holes Incorporated Bowling Team, who was named "Best Dressed Team".

The Greater Houston Chapter continues to engage in dialogue with locally elected officials. In mid-October, ABC Greater Houston and the Women Contractor's Association will co-host a reception honoring city, state, and federally elected officials. This event will take place close to the eve of election day and should have a fabulous turnout. ABC continually seeks partnerships with other construction-related associations to demonstrate the construction industry as an impactful force in elections and policymaking. This reception will focus on how private industry can be a resource of information and expertise regarding the construction business.

#### SOUTH TEXAS CHAPTER

The South Texas Chapter recently conducted a session other chapters may want to consider. During a meeting with representatives from Bexar County on their upcoming Disparity Study it became readily apparent there were a lot of misconceptions and lack of knowledge regarding the construction process – from concept to completion. As a result, the county asked ABC to conduct a modified "Basics of Construction" class for representatives from various local and state public agencies involved in HUB programs. This took some creativity on the part of chapter staff as we needed to take a twelve hour course and compress it into a five hour class (held on a Friday afternoon). Forty-five public agency reps attended the session and most were surprised at the complexity, competition, processes and issues involved in completing a construction project. The chapter hopes to offer the condensed class to other public agencies' staffs to help them understand the "Basics of Construction."

The South Texas Chapter is in the process of securing a new, permanent home. While this is not the best of economic times, the chapter is seeking to secure a facility that is large enough for the chapter to expand, and more importantly, offer all of our construction education programs at one location! However, this will have to be a phased process, unless someone is willing to make a very nice generous donation (we'll give you naming rights!). Phase one would involve the finish-out of chapter offices and a new board room. Phase two would include the finish out of a large meeting hall with seating for 250. The final phase would take the remaining space and develop the classrooms and lab spaces needed to house the construction education programs. If

everything comes together, we could be in our new offices at the start of 2011. If not, we'll keep looking!

The Future Leaders Task Force is taking it to the next level. After getting a better understanding of ABC, and a foundation upon which to grow, the task force recently completed a strategic planning session with a group facilitator. The task force will develop plans and programs in three functional areas – social events/activities, education programs for future leaders, and working with university student chapters. Once the plan is completed, it will allow the task force to grow and get the word out that the ABC South Texas Chapter really is your Path To The Future. On the "fun front", 275 shooters and 14 bar-be-que teams participated on the annual Sporting Clays Shoot and Bar-be-que Cook-off held in August. While there were fewer participants than last year, the ABC event remains the largest corporate shoot in San Antonio. This year's judges for the cook-off were the young folks from the University of Texas at San Antonio (UTSA) Construction Management Student Association. They even helped with set-up the morning of the event. These students were incredible in their willingness to do just about anything with enthusiasm.



ABC South Texas Members and Elected Officials mingled and discussed issues important to the construction industry during the annual ABC PAC Appreciation Reception.



Our next major event is the annual Excellence in Construction Awards Banquet to be held at the new J.W. Marriott Resort, scheduled for October 12th. If you have not had the opportunity to visit the newest Marriott resort, you may want to consider making a little trip to San Antonio.

### **TEXAS COASTAL BEND CHAPTER**

ABC Texas Coastal Bend Chapter continues to give members ways to increase their business. At the July Management Education Lunch Break we presented, "Practical Project Management" as a prelude to the two day August ABC Management Education, "Introduction to Project Management Course" that ABC and Del Mar College jointly hosted. The course educated owners and supervisors with personalized P/M training. The timing couldn't be better than "now" for students and adults to work on CEU's and to brush up on skills education. Dr. Anne Matula, President of the Craft Training Center of the Coastal Bend, (CTC), continues to do an excellent job presenting facts and figures about our region promoting the importance of educational involvement in crafts' industries. The CTC currently has partnerships with 15 school districts and just graduated 110 during their August graduation ceremony, 14 of those students originally started in the CTC's High School program.



The Virtual Builders Exchange Grand Champion award was given out to "Stan's Roadside BBQ", out of Corpus Christi, Texas, at the ABC Texas Coastal Bend's 2010 Grillin' on the Playa BBQ Cook-Off.

ABC Community Involvement Committee co-chairs Randy Larson of Larson Plumbing & Utility Company, and Pete Cordova of Industrial Piping & Steel Company along with an army of volunteers hosted the 2nd Annual Grillin' on the Playa BBQ Cook-Off event the week end of July 23-24. Held at the Class AA Whataburger Baseball Field parking lot, the event reflects the Chapter's community outreach commitment with all proceeds going towards assisting the Harbor Playhouse Community Theatre with their capital improvements. Thirty-seven cook teams from all over Texas prepared their finest bar-be-que at this IBCA sanctioned event, while vendors and visitors enjoyed a host of live bands and entertainment that included the Corpus Christi Hammerhead football players and cheerleaders at the Dunk Tank.

At the August ABC General Membership Luncheon "Destination Bayfront" was on hand to give an overview that included an interactive format discussing ideas and concepts of the southern, downtown anchor location. With such an important challenging political year, the chapter is looking forward to the October ABC General Membership Luncheon for the "Meet the Candidates Forum."

In addition, the 9th Annual ABC Skeet & Trap Shoot took place September 10th and 11th. Each year the event's anticipation heightens to see which teams will be competing for the coveted winner's bragging rights. Curtis Miller with TICO Insulation has been the committee chair since the event's inception. Curtis and the committee worked together to make this shoot the best in the area; with plenty of food, beverages, outstanding live and silent auctions, and outrageous fun.

### **TEXAS GULF COAST CHAPTER**

At a recent event, guest speaker Jan Hargrave of Hargrave and Associates brought valuable information to our members about body language as it relates to dealing with people in the workplace. The same event raised over \$200 and 50 pounds of food donations to a local food pantry with the "Give Us 5!" campaign; a donation of 5 pounds or \$5 placed the donors name in a drawing for several door prizes given away at that meeting. Another charity event, the 7th Annual Inshore Fishing Tournament, was held June 4th-6th with close to 200 participants. Money raised at this event by the Public Relations Committee is designated for several charities.

The ABC Public Relations/ABC Cares Committee presented \$5,500.00 to local charitable organizations on Wednesday, August 25, 2010. Funds raised came from the Annual ABC Cook-off and Inshore Fishing Tournament. This month's featured organization was inspired by the start of the new school year.

### ABC Gulf Coast Supports True To Life Ministries "OPERATION BACKPACK"

Becka Ryder knew what it was like to be a hungry child. Growing up with a homeless mother who struggled with mental illness and addictions presented many challenges for Becka and her siblings. Though they experienced many difficulties, they also

encountered many rays of hope through meeting various people who cared along the way. Today, Becka is a proud mother of three and the wife of Drew Ryder (owner of On the River and River Point Restaurants), and she is passionate about serving children who share the struggles of her childhood. As the Coordinator of True to Life Ministries' Operation Backpack program, she is working hard to make sure no child in our community goes hungry.

Operation Backpack provides local hungry students with much needed food for the weekend. Last school year, more than 230 students were classified as homeless within BISD and many more are chronically hungry. True to Life Ministries (TTLM) works with individuals and organizations to gather donated food and supplies. Volunteers use these items to fill backpacks distributed to qualifying students at the end of each week. The backpacks protect the students' confidentiality, and they are discretely returned on Mondays so the process can start over. During the summer, "Operation Backpack Summer Style" prepares sack meals and sends teams of volunteers to various neighborhoods to feed children who are hungry and to facilitate games, activities, and Bible lessons with those in attendance. generous community support, 966 backpacks were filled. True to Life Ministries estimates a minimum of 1500 backpacks will be filled during the 2010/2011 school year. Members of the ABC Public Relations/ABC Cares Committee know the ABC's of giving!

The fall months promise to be busy for the Chapter. ABC, Merit Shop Training and Contractors' Safety Council will hold a joint membership meeting in September. The 2011 officers will be elected. Also in September, ABC Cares will distribute clothing collected throughout the year to local schools and charities.

The 26th annual golf tournament will be held on October 4th, followed by the ABC/MSTI Construction Exhibition and Craft Championships later in the month.

Texas Gulf Coast will celebrate the 35th Anniversary of the Chapter at the annual Christmas Party in December. Admission to the event will be wrapped toys and canned goods that will be distributed locally as a part of our ABC Texas Gulf Coast Cares food and toy campaign.



Pictured front row (left to right): Ruby Pratt, ABC Staff Liaison; Meredith King, True-To-Life Ministries Executive Director; Becka Ryder, Operation Backpack Coordinator; Mike Mathis, ABC P/R Chairperson, Delta Rigging & Tools; Laurie Groth, ABC Cares Chairperson Performance Contractors.

Pictured back row (left to right): Jim Mahon, Candlewood Suites; Kimber James, Perstorp Coatings; Terry McAlister, ABC Chapter President and Lisa Bundick Woods, ABC Board Chairperson and Committee Liaison, Tri-Construction Co. Lisa is serving as the 28th chairperson of a proud Texas Gulf Coast Chapter dedicated to serving its members as well as the community!

Operation Backpack began the 2009/2010 school year serving students from one school. By the end of the school year, approximately 80 backpacks per week were being filled and distributed to seven local schools. Thanks to faithful and

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