April 29, 2019

INDUSTRY NEWS

SANDAG's Bold Move, IBEW's PLA Ploy, and Broken Promises
Brad Barnum, Executive Vice President

When Hasan Ikhrata, the new Executive Director of the San Diego Association of Governments (SANDAG), attended AGC’s Government Relations Committee on April 17, he promised bold action ahead as it related to the region's transportation system. Well, last Friday, he made good on his promise, as he and his staff unveiled a transit-oriented plan that will likely cost tens of billions of dollars.

Needless to say, with the SANDAG Board membership made up of representatives from the County of San Diego and the 18 cities within it, a transit-oriented solution had its supporters and detractors.

Bold Move

This three minute news clip and article summarizes SANDAG's "Bold New Transportation Vision in 5 Big Moves," but it basically comes down to this: A huge leap to high-speed transit, while repurposing roads and freeways to accommodate multi-modal infrastructure.

Within the next few months, SANDAG will release more specific
details, including the cost. Expect the fireworks to continue as the plan unfolds and the ways to pay for it are discussed. If you thought the 2016 Measure A campaign for a ½ cent increase to the current TransNet tax was contentious, just wait for the 2022 campaign for a much higher increase!

**IBEW's PLA Ploy**

Once again, the International Brotherhood of Electrical Workers (IBEW 569) played their PLA card early, in this instance in a letter to SANDAG's Board of Directors, emphasizing six "Key Outcomes for SANDAG's Vision and Regional Transportation Plan." Key Outcome #6 partly stated:

- Major cities including Seattle and Los Angeles have employed PLAs to promote their commitment to labor stability, joint labor-management apprenticeship, and a diverse, local workforce.

- Adopt a Community Workforce Policy that is implemented through a PLA with the Building Trades to create career pathways for a skilled and trained workforce for residents of our local communities.

Well, well, well. The last time we heard so early from labor about its intention to pressure decision makers into a union-only agreement was the City's Pure Water Program. They got some of what they wanted...union-only apprentices on the plant facilities work...but it is coming at a big financial and legal cost to the City of San Diego.

In the case of SANDAG, a PLA demand from IBEW 569 killed Measure A in 2016. They broke ranks from a number of other construction trades unions who supported the tax increase for needed transportation projects and dealt the death blow to the important funding measure.

**Broken Promises**

In 2004, San Diego County voters supported a ½ cent increase to the TransNet tax passed in 1987. AGC helped lead the Proposition A campaign to victory, and over 67% agreed it made sense to have a balanced transportation system of increased transit opportunities, improvements to local streets and roads, and the expansion of freeways.

SANDAG's transit-heavy solution steers away from this balanced approach, and two County Supervisors are sending a strong message of opposition. Tomorrow, Supervisors Jim Desmond and Kristin Gaspar have docketed a Board Agenda item to 1) oppose any modification to the 2004 TransNet Extension Ordinance, including changes to the highway projects and their funding; 2) advocate for
DISCOUNTS GALORE
Do you know about the many discounts available to AGC Members?

highway and road projects in the new Regional Transportation Plan; and 3) request SANDAG pursue new sources of funding for projects not listed in the 2004 TransNet Extension Ordinance.

With 14 highway projects that were promised in 2004 still unfunded, we can see why Supervisors Desmond and Gaspar are demanding action. AGC, and voters, supported a balanced approach, and we want to make sure the funds will be used for the projects as defined in Proposition A. We will be attending the Board meeting and expressing that sentiment.

A bold move from SANDAG, a PLA play by labor, and broken promises to voters! What's next is anyone's guess. Stay tuned...

FAST Act Reauthorization May Impact Project Funding
Mike McManus, Director of Engineering Construction & Industry Relations

As SB 1 funds are starting to flow into the San Diego Region, and SANDAG considers a massive new transportation program, there is a significant problem looming on the horizon. The Fixing America's Surface Transportation (FAST) Act expires on September 30, 2020. A reauthorization is necessary to keep highway and transit program funding from being disrupted. The history with transportation legislation in recent years has not been good. Multiple, last minute, short term extensions have been the norm which creates much uncertainty for state DOT's, local transit agencies and contractors.

Most of the attention is focused on the funding shortfall in the highway trust fund. Presently, the annual outlays are $45 billion for highways and $10 billion for transit. However, since 2011, about $20 billion per year is being transferred from the general fund to maintain current funding levels due to the fact that the taxes on diesel and gasoline do not generate enough revenue to cover current funding levels. With continuing increases in fuel efficiencies, that situation is only going to get worse. So Congress will have to tackle the funding issue, and should do it sooner rather than later.

But, currently, funding levels will not suffice. Some of the challenges we are facing nationally are a threat to our global competitiveness and to the quality of life for the average American. Traffic congestion in the U.S. in 2017 cost the nation $176 billion in the value of lost time and wasted fuel. Our population is expected to grow by 60 million people in the next two decades, and the value of goods shipped by truck is expected to nearly double. Action is needed now to reduce
travel delays and transportation costs, improving access, mobility, safety and sustained job growth.

Besides the funding question and how to pay for it, there are other program reforms that must be taken up in the near term. Here are a few that many in the industry are talking about as priorities for Congress to take up.

**Disadvantaged Business Enterprise Program**
This program is broken across the country but the USDOT seems to need direction from Congress to deal with the problems.

- Modernize the methodologies for proving discrimination in disparity studies
- Clarify the commercially useful function requirements to avoid fraud
- Put a definitive checklist for good faith attainment in the regulations
- Put a percent threshold over non-DBE quotes that disqualifies a DBE quote

**Environmental Reform**
Merge the National Environmental Policy Act and the Clean Water Act 404 permitting process and authorize the Corps of Engineers to issue all permits at the end of the process.

**Utility Relocations**
Relocating underground utilities in highway right of way, during road improvement projects continues to be one of the leading causes of delay for highway projects and if not marked correctly present a significant safety risk to workers and the public.

- Amend the regulations to allow utility relocation to take place after a preferred alternative is identified but prior to NEPA completion and allow federal funds to be used for relocation.
- Encourage DOT’s to develop in house capabilities to locate DOT owned facilities within the ROW.

**Alternative Procurement Risk Shifting**
Risk shifting has become a significant issue for contractors working on projects using alternative procurement methods other than competitive bidding.

- Congress should direct the FHWA to revise its alternative procurement regulations to clarify which construction risks are most appropriately allocated to the owner, designer and contractor for Federally assisted projects.

**Technology**
Congress needs to encourage FHWA to foster implementation of new technology at DOT’s. Examples are many, such as the use of 3D Technology and allowing drones to be used over traffic during construction and in asset management.
Government Mandated PLA's

Congress should prohibit mandated PLA’s on federally assisted construction projects. PLA's restrain competition, drive up costs and disrupt local collective bargaining.

AGC America has developed a newsletter "Drive to Reauthorization." [Click here](#) to get the latest information about the reauthorization and to call for action when needed.

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**GIVING BACK**

**AGC Members Donate Time and Skills for AGC's Repair Day at Ronald McDonald House**

Marcy Knopman, Staff Liaison Build & Serve Charitable Alliance

The AGC's Build & Serve Charitable Alliance asked for volunteers to help with some minor repairs at Ronald McDonald House (RMH) on Saturday, April 27, and our AGC member volunteers, as always, did not disappoint.

RMH was in need of minor repairs in many of its residential rooms occupied by families experiencing a medical crisis for their critically ill or injured child. Ronald McDonald House is an organization that the
Build & Serve Committee has worked with in the past, and continues to support.

Volunteers took time out of their schedule to donate two hours on Saturday to help with repairs around the facility such as; bathtub/sink caulking, furniture touch-ups, grouting, spackling, painting, etc.

Thank you to our volunteers representing various firms:

Balfour Beatty Construction - Alex Burd
BerryHill Partners - Dawn Schofield
Clairemont Equipment Rental - Kim McMurtray
Clark Construction Group - Christian Carr
Cumming Corporation - Lisa McKeon, Michelle Raasch, Brooke Marshalls
Erickson-Hall Construction Co. - Julia and Katrina Hope, Marie Helkenn Cole, Alfredo Rodriguez, Mat and Sheri Gates
Finch, Thornton & Baird, LLP - Tom and Patty Davis
Granite Construction Company - Geoff Acosta
Hensel Phelps - Nick Roehr
Mack Packaging - Shea Kirkpatrick
PeopleReady Skilled Trades - Elizabeth Pietrzak, Anthony Goodar
Soltek Pacific - Derek Good
Sundt Construction, Inc. - Jamie Frye, Brad Jones and Jaclyn, Gates and Sammy Molitor, Kevin Angelini, Lamia Porter
Swinerton - James Dean, Arnulfo Espinoza, Mike Elm
Total Package Professional Services - Nancy Erickson

RMH staff grouped volunteers together into teams of three or four, and each team was assigned a designated captain. Tools and materials were provided to complete various tasks, however, many of our volunteers brought along their own tools and materials.

We spoke to some of the families staying at RMH, and they were very appreciative of AGC volunteers donating their time to help with repairs, plus listening to their family’s personal story, and just knowing that we cared.

We hope to see more AGC members volunteer on future projects with Ronald McDonald House.

The Build & Serve Committee provides a venue for AGC members to "give back" to the community. The committee selects charitable
Please notify AGC if your company has relocated, or if there are updates to your company's listing (i.e. contacts, phone/fax, job titles, CSI codes, & certified business listings).

Email Marcy Knopman

DIRECTIONS
6212 Ferris Square
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projects, organizations, and programs throughout San Diego County that provide AGC and its members an opportunity to help "build" or "serve" those in need.

If you are interested in joining the committee click here, or if you would just like to volunteer for future build or serve projects, please email Marcy at marcy@agcsd.org.

EVENTS

Join us for the AGC's Annual Baseball Bash - June 18
From the AGC 2019 Meetings & Events Committee

Sponsored by Swinerton and Finch, Thornton & Baird, LLP!

The AGC Meetings & Events committee is excited to host the annual Baseball Bash at Petco Park on the roof of the Western Metal Supply Co. Building on June 18. This is an amazing venue, with views of downtown San Diego and Petco Park, and offering plenty of space to mix, mingle and party.

Registration includes your ticket to the game and food including ballpark snacks, and "all you can drink" beer, wine, soda, and water.

- Food served 6:00 p.m. until one hour after first pitch
- Ballpark snacks served in the 3rd inning
- Drinks served from 6:00 p.m. until the bottom of the 7th inning
- Cash bar in our area for those that want to order cocktails

Want to "Ring the Mission Bell" before the game? Enter the contest by pre-ordering raffle tickets on your registration form. Your registration and raffle ticket order must be received in the AGC office, by June 3 to be eligible. The winner of the drawing will be notified by June 6. There will be many other raffle prizes as well, so order your tickets now!

Join AGC Members to cheer on the San Diego Padres as they play the Milwaukee Brewers, game starts at 7:10 p.m.
The “Baseball Bash” committee is looking for some fun raffle prize donations, so we are offering all those who sponsor a raffle prize of $150 or more the chance to be entered in the "Ring the Mission Bell Drawing". Click on links below for more information.

Contact Rae Krushensky with any questions.

2019 AGC Build San Diego Awards - Call for Entries

It's time to start getting your entries together for the prestigious AGC Build San Diego Awards Program. The awards honor AGC members who build San Diego's most impressive construction projects ranging across building, highway & transportation, underground & utility infrastructure, and heavy divisions categories.

The event is scheduled for Tuesday, November 5, 2019 at the Hilton San Diego Bayfront. We are very proud to have back as our Title Sponsors:

Hawthorne Cat and Torrey Pines Bank

Hawthorne Cat has staunchly supported this event since 2009, and we welcomed the addition of Torrey Pines Bank as co-sponsors in 2017. These two long standing AGC member companies make a great team and AGC San Diego partners.

Entries in the Build San Diego Awards program are open to all General Contractor, Contractor and Specialty Contractor members who worked as the "prime" on the job for which they are submitting, and who are in good standing with AGC.

By entering the awards program, you are providing your project team with a fantastic opportunity to showcase their achievements to our panel of exceptional and influential judges, and to the industry.
Recipients of a coveted Build San Diego Award in the following categories will have demonstrated the very best when it comes to building a better San Diego:

Building Construction - Public Work  
Building Construction - Private Work  
Heavy / Highway  
Underground / Utilities  
Unique Small Project - Public Work, not to exceed $6 million  
Unique Small Project - Private Work, not to exceed $6 million  
Unique Special Project  
Sustainable Project

To be eligible, projects must have been completed between September 1, 2017 and August 31, 2019.

ENTRY DEADLINE:  
August 30, 2019 @ 12:00 PM  
Entries may be submitted any time before August 30.

Questions? Please contact Rae Krushensky, (858) 731-8157.

CALL FOR ENTRIES

RECOGNIZING EXCELLENCE IN CONSTRUCTION

CLASSES

The AGC H.R. Practices Committee presents: S.B. 1343 - Preventing Sexual and Other Unlawful Harassment - July 25

With the recent passage of SB 1343, all employers with five or more employees are required to provide at least 2-hours of sexual harassment training to all supervisory employees by 1/1/20, and every two years thereafter. Non-supervisory employees must be provided with a 1-hour training. Thereafter, all new employees must be trained within six months of hire/promotion. This training will
provide the opportunity for both non-supervisors and supervisors to meet this requirement. Supervisors will stay until the class ends at 11:15 a.m.

Register
Flyer

April Classes
Apr. 29-30  Lean Construction
Apr. 30  Microsoft Project Workshop

May Classes
May 1  Project Engineers Boot Camp
May 2  Construction Law: Resolving Const. Disputes
May 2  Fall Protection 8-Hour CPT
May 2  Beginning Microsoft PowerPoint 2016 (Offsite)
May 6  Advanced Microsoft PowerPoint 2016 (Offsite)
May 6  Beginning Microsoft Excel 2016 (Offsite)
May 6-10  EM 385 - 1- 1 40 Hour with OSHA 30 Hour
May 7  Stormwater Monthly Breakfast Forum
May 8-9  CQM
May 15  Intermediate Microsoft Excel 2016 (Offsite)
May 15  Prevailing Wage: Certified Payroll
May 15  Respiratory Protection Training
May 15  Traffic Control Technician (TCT)
May 16  Construction Law: Construction Litigation 101
May 20-21  OSHA 10-Hour for Construction
May 21  Construction BMP Training
May 21  Primavera P6 Workshop
May 23  Advanced Microsoft Excel 2016 (Offsite)
May 29  CPR, First Aid & AED Training
May 29  The Effective Project Engineer
May 30  EM 385 - 1- 1 Refresher

For more information on classes, contact: Becca Schaffer at (858) 731-8155.

January - June 2019  Register Online
COMMITTEE MEETINGS

Meetings are held at the AGC office (6212 Ferris Square, San Diego, CA 92121) unless otherwise noted in red.

April Meetings
Apr. 30 4:00 p.m.  CLC - Jobsite Tour @ SDSU

May Meetings
May 1 7:00 a.m.  Safety Meeting
May 8 7:30 a.m.  Build & Service Charitable Alliance
May 15 7:00 a.m.  Public Building
May 15 11:30 a.m.  Education Committee
May 16 4:00 p.m.  CLC
May 23 1:30 p.m.  County of San Diego @ County Office

June Meetings
Jun. 4 11:30 a.m.  Specialty Contractors' Council
Jun. 5 7:00 a.m.  Safety Meeting
Jun. 5 11:15 a.m.  Airport @ Airport Facility
Jun. 6 10:00 a.m.  Government Relations
Jun. 28 7:30 a.m.  Caltrans @ Caltrans Office
Jun. 28 12:00 p.m.  Technology Committee

About Monday Morning Quarterback
AGC San Diego Chapter’s Monday Morning Quarterback is a “hot off the press” and to the point Monday morning briefing on the important issues facing San Diego’s construction industry. It is prepared by AGC Chief Executive Officer, Eddie Sprecco, and Executive Vice President, Brad Barnum.

Please contact Eddie Sprecco or Brad Barnum with your comments, or with information that should be conveyed to the industry through this service. Well over 3,000 individuals employed by AGC member firms are part of this system.

ARCHIVE

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