



April 2017

Inside this issue:

<i>Prompt Pay for Subcontractors</i>	1
<i>"Time is of the Essence"</i>	2
<i>Maryland Legislative Update</i>	3
<i>Construction Roundtable</i>	4

Procurement Transparency = Good Government & for Businesses

Public Procurement Reform is an area in which the Alliance for Construction Excellence (ACE), has been active. Since the inception of ACE the participating organizations have been actively supporting reform legislation to help subcontractors receive payment in a more timely fashion.

The DC transparency provision calls for the public body to post notices to a website when a prime contractor is paid so subcontractors can validate the payment prior to making legitimate demand for payment. Lawmakers recognize that payment transparency is considered good government and is good for businesses.

ACE was successful with the inclusion of the provision in the District of Columbia (DC) and hopes legislators in Maryland and Virginia adopt similar procurement transparency regulations.

Subcontractors got greater transparency after the DC City Council passed the Procurement Integrity, Transparency, and Accountability Emergency Amendment Act of 2016 on September 20, 2016. Since the Act's passage, ACE has been working with the District's Office of Contracting and Pro-

urement to help implement a payment transparency system that will be most useful to contractors. That system, a website that lists payments to prime contractors, is now live.

DC Law requires primes to pay their subs within seven days after receipt of payment from the Owner.

To check to see if a prime you have been doing work for has been paid, go to DC Department of General Services (DGS) website (dgs.dc.gov) and click on the Contracts & Procurement link, then click Contract Actions and the PDF will be at the bottom of the page. To find a prime contractor, right click your mouse while on the document. After selecting the search option from the menu, a box should pop up in which you type the search word - such as the name of the company. ACE will continue its effort to help improve the system for contractors.

In Virginia, the Virginia DGS already has an internal web based portal called eVA where much of the Department's procurement information is kept.

The DGS plans to launch that portal on a public domain so that anyone can access the

information. In hope of expanding the database beyond DGS contracts, the DGS is working to have all state agencies and state universities join eVA. Local governments will be invited by DGS to post payments. ACE representatives recently participated in a webinar hosted by DGS to demonstrate eVA. One of the many appealing features is that the system provides a description and amount of all formalized change orders for each contract. ACE applauds the Department's efforts and will continue to communicate with DGS to enhance eVA in order to best serve the subcontractor community.

ACE representatives met with the Comptroller of Maryland's office in February to discuss payment transparency. It appears unlikely that Maryland will be able to have a transparent payment system like those described above in the near future. Maryland's information technology is too antiquated to accommodate the industry's needs at this time. ACE is encouraged that the Comptroller is supportive of payment transparency and is willing to give it more consideration when its technology is updated to do so.

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Time is of the Essence

Chapter President

Dale Trunnell, president of Metro Mechanical

Last month I had the privilege of attending a meeting in Atlanta with contractors and union leaders from different parts of the country. The purpose of this meeting was to share ideas and learn from these union managers and contractors who have joined forces in working to expand market share.

The contractors and union representatives in attendance were from Atlanta, Connecticut, Eastern and Western Washington State, Houston, New Jersey, Ohio, and South Florida.

Many regions utilize Market Recovery Agreements; or what some refer to as “light commercial residential agreements”. These agreements allow contractors to pursue new markets by having a work force willing to accept wages which are on par with the non-union rates.

In addition, other unions had in place Market Recovery Funds—also known as equality funds or targeting funds, much like those used in our area.

Having very little experience with regaining market share, I found the meeting very enlightening. There are some areas that have targeted the residential market, while others have focused on the non-union competition in all aspects of the private sector. Some regions have separate agreements, while most have an addendum to the CBA. All utilize a lower wage package to target their desired market.

The biggest challenge shared by all was undoubtedly mixing worker classifications and the shifting of workers between specified classifications depending on the economic environment. It's tough when an out of work journeyman must take less money to do the same job at a lower classification. It's also tough to watch our trained workforce cross the line to work for the non-union sector because he or she has no other choice.

That's exactly why we need our own plan to regain market share. We need to level the playing field with the non-union competition and most importantly, retain the workforce we train.

For far too long we have allowed the non-union contractor to gain a stronghold on market share in our area. At the same time, we've watched our trained workforce cross the line when they needed to make ends meet. That's what happens when you have no alternative solutions. Imagine the cost to train that union member, then think of the price you pay when he or she is working to embolden the non-union competition? I personally find this unacceptable.

The mindset of "business as usual" isn't working anymore. Thinking we can all survive on Davis-Bacon/Prevailing wage work, while federal and state jurisdictions find ways to cut cost to save money on construction projects has proven to be a limited market place.

I'm ready to be proactive and change the course to strengthen our position in the private sector. I hope you agree.

I don't know about you, but I'm ready to be proactive and change the course to strengthen our position in the private sector. I hope you agree.

Many thanks to Chapter Vice President Kathy Bigelow, Past President Frank Battaglino, and Executive Director Bernie Brill who joined me at this meeting.

In closing, I hope you are planning to attend the Quality Construction Alliance National Issues Conference April 2-4 in downtown Washington. With a new president and Congress great change is expected and as business people we need to stay on top of the issues impacting construction.

Please go to www.smacna.org for more information and to register!

Register Today!

2017

for

Quality Construction Alliance Conference

May 2-4

Washington, DC

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SMACNA 2017 Annual Convention

Oct. 22-25

Maui, Hawaii

Register at:

www.smacna.org

Apprenticeship Program Test Dates!

Friday, April 28
12 - 3 pm

Friday, May 5
12 - 3 pm

Application must be on file in order to take the test. Test takes 75 minutes. For more information contact the Training Center.

Chapter Outdoor Event!

Shoot & Socialize!

Tuesday, April 25th
2:30 to 6 p.m.



Shooting Session and BBQ Dinner!

(See enclosed flyer)

**Whether you are a novice,
expert marksman, or some-
thing in between, everyone is
invited to join in the fun!**

Prince George's Trap & Skeet Center
10400 Good Luck Rd.
Glenn Dale, MD 20769

Baltimore Increases Minimum Wage

After five hours of testimony from residents roughly split on the issue, the Baltimore City Council's labor committee voted in February to advance a bill to raise the city's minimum wage to \$15 an hour by 2022 for many workers.

The bill could go to the full council for a preliminary vote as early as Monday. Labor committee chair Shannon Sneed and councilmembers Robert Stokes, Bill Henry and lead sponsor Mary Pat Clarke were in favor, while Councilman Eric Costello was opposed.

Costello cited a host of worries about the bill's consequences, including a fear that the bill would exacerbate the city school system's budget woes. The schools are facing a \$130 million structural deficit.

Many business owners and business advocates spoke out against the bill, saying it would cause them to move out of the city or lay off workers. Some said it would make Baltimore an island among counties with a lower minimum wage, and argued that such an increase should be done at the state level.

Maryland Legislation Update

Maryland State Delegate Christopher Adams proposed a new **prevailing wage** bill—Basis for Rate Determination that would have prohibited the Commissioner of Labor and Industry from considering specified wage information from specified projects when making specified annual prevailing wage rate determinations.

The bill was introduced to House Economic Matters Committee February 9 but failed to pass out of committee and was later withdrawn on March 9. Adams, is in the floor covering business on the Eastern Shore.

SMACNA Safety Survey Due May 5

A good safety record makes your company more competitive in the marketplace and more attractive to clients. By participating in SMACNA's 2017 Safety Excellence Awards Program, your company's statistics contribute to SMACNA's annual Safety Statistics Profile, a rich database of safety performance of SMACNA members, and you become eligible to be recognized for outstanding safety performance.

Take SMACNA's Safety Excellence Survey today on SMACNA's Safety Web page. It's easy and is completely confidential. Have your company's 2016 OSHA 300 Log records and your 2016 experience modification rate (EMR) handy as you complete the online questionnaire. A third-party consultant prepares the final safety profile. You can also receive a copy of your entry by email.

All entries must be received by May 5, 2017.

An invaluable resource, SMACNA's Safety Statistics Profile helps you evaluate safety performance, study the results of safety training on performance, learn how safety programs impact contractor safety, and compare your own safety record with similar-size contractors and those doing similar types of work.

SMACNA contractors have some of the lowest incidence rates in the country—a stellar accomplishment that illustrates their commitment to safety. *Submit your survey today.*

For more information, please contact Mike McCullion at 703/995-4027

Maryland Construction Roundtable Attracts Full House



Maryland Dept. of Labor and Licensing Commissioner Tom Meighen and Deputy Commissioner Steve Laiken welcomed an overflow audience of construction company executives, union leaders, and organizational representatives to the Maryland Construction Roundtable Meeting in Baltimore.

The meeting took place on February 23, 2017 and the topics centered on worker safety. MOSH’s Michelle Vanreusel discussed confined space, fall protection, silica protection measures, and employee monitoring.

MOSH—Maryland Occupational Safety and Health works to improve the safety and health of Maryland’s working men and women in both the public and private sector by providing consultation services, outreach and educational programs, establishing partnerships, setting and enforcing standards, and encouraging continual process improvement in workplace safety and health.

MOSH offers free consultation services and is funded by the federal government (90%) and state (10%), There is a high degree of confidentiality and information is not shared with the enforcement side of the agency.

DLLR’s John Tudor discussed his agency’s effort to encourage contractors to participate in the state’s prevailing wage program. In government contracting, a prevailing wage is defined as the hourly wage, usually benefits and overtime, normally paid to the majority of workers, laborers, and mechanics within a particular area. Prevailing wages are established by regulatory agencies, such as government, for each public works trade and occupation, as well as by State Departments of Labor or their equals.

All SMACNA Members are encouraged to complete the necessary surveys and participate in this program as it benefits the entire industry.



Upcoming Lunch & Learns:

May 11 -- Learn about:

Fire Rated Duct Assemblies
Fire Rated Ducts are an alternate assembly in the code;
Fire Rated Ducts must be test

Presenter: John Pattillo
Conquest Manufacturing

June 13 — Learn about:

Sealant Requirements
and

New Developments in
Adhesives

Current Sealant Requirements
for ductwork

Ductmate’s new powder adhesive line

Schedule:

Lunch 11:30 a.m.,

Seminar 12 noon

Programs are FREE to SMACNA Contractors— Owners, Design Engineers, Project Managers, Foremen, and Supervisors

To register please complete and return the enclosed form or call 301/446-0002 x 100