

NEWSLINE

Associated Builders & Contractors' Monthly Bulletin

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Breaking News

ABC Retro Earns \$4.5 Million Refund



Associated Builders and Contractors of Western Washington earned more than \$4.5 million in workers' compensation premium refunds for the 400+ members who participated in the ABC Retro program for the three most recent plan years.

While there has been a lot of discussion about Labor and Industries and their miscalculation of retro refunds over the last couple of months, and ABC did see refunds drop slightly for 2005-2006 and 2006-2007, overall, the program achieved one of the higher refunds in the state for their 2007-2008 plan year. Top performers in the program for the 2007-2008 year earned over a 33% return.

During these interesting economic times, one member may have summed up what everyone is feeling. "We are very pleased to be able to provide refunds to our members, especially now when extra cash is so welcome," said Retro Chair **Ron Nolten (Dochnahl Construction, Inc.)**.

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Event Spotlight

ABC's Young Professionals Learn from the Legends

ABC's Young Professionals Group event "Meet the Legends," hosted by **Griffin Maclean Insurance**, was a great success. The "legends" shared their life
(Cont'd. on pg. 6)



ABC President **Kathleen Garrity** shares stories about each of the legends at the YPG's Meet the Legends event. From left: **John Hennessy (Nuprecon, LP)**, **Jack Rafn (Rafn Company)**, and **Chris Clark (W.G. Clark Construction Co.)**.

Save the Date!

Sign Up Today for ABC's Golf Extravaganza

The annual ABC Golf Extravaganza is on Friday, July 17th at The Golf Club at Hawks Prairie in Lacey. If you have never participated in our annual tournament you are guaranteed to have a blast! This event sells out every year so if you haven't already, be sure to get your registration in now.

Becoming a sponsor at this event is a wonderful way to network and promote your business to fellow members. Sponsors are at every tee greeting the players. Tee sponsors are on a first come, first served basis so sign up early to get the one you want!

For more information, or to register or sponsor, please contact **Amy Gegoux** at (425) 646-8000, (800) 640-7789 or amy@abcwestwa.org.

Phone: 800.640.7789

Fax: 425.455.5701

www.abcwestwa.org

Email your news: news@abcwestwa.org

Do's and Don'ts of Union Organizing Campaigns



ABC is hosting a class on the do's and don'ts of union organizing campaign on Thursday, June 11th from 8 to 11:30 am at the Construction Industry Training Council (CITC) in

Bellevue. The cost for the first attendee of an ABC member company is \$79. Each additional attendee is \$20. Non-supervisory employees may not attend.

With summer comes an increase in union activity. Because the construction market has slowed down significantly compared to years past, union halls are full of members. This presents an opportunity for them to disrupt your business and possibly unionize it. Now is the time to train your foremen, supervisors and superintendents on what they can and can't say when your employees are approached by a union business agent. There can be serious legal ramifications if your employees don't react legally to this activity. This class will cover the basic "do's and don'ts" of corporate organizing campaigns: salting, bannering, jobsite visitations by organizers, stripping of employees, setting up a "dual gate" system to minimize the impact of pickets, and more.

Judd Lees of Williams Kastner PLLC is teaching this class. Mr. Lees has been practicing labor and employment law since 1979 and is the chair of the firm's Labor and Employment Law Practice Group. Mr. Lees concentrates on private sector labor law, representing a variety of clients in the construction, manufacturing, and transportation industries before federal and state courts as well as federal and state agencies, including the Department of Labor, the National Labor Relations Board, and the Washington State Department of Labor and Industries. He was named a Super Lawyer by Washington Law and Politics Magazine, and is a past chair of ABC.

Space is limited for this session, so register early. Registration is open to ABC members only. To register, please contact **Amy Gegoux** at (800) 640-7789 or amy@abcwestwa.org.

Public Policy

Aran's Political Corner:

2009 ABC Legislative Session Recap



At midnight on April 29th, the Washington legislature adjourned, pursuant to the Constitution's limit of 105 days for the session this year. During the session, the legislature succeeded in adopting the three most important measures for the 2009-2011 biennium: the operating (general fund), capital and transportation budgets.

In 2009, 2,584 bills were introduced, along with 1,783 amendments. Of these bills, 301 new laws were passed. Several of these new laws have a direct impact on ABC members and the construction industry. Below is a brief summary of bills of particular interest to ABC members that passed the legislature and are now law.

Engrossed Substitute Senate Bill 5873: Apprenticeship Utilization

This bill requires public works contracts awarded by state four-year institutions of higher education to include apprentice utilization provisions. The apprentice utilization requirements are phased in over a three-year period. For all four-year institution of higher education, projects estimated to cost three million dollars or more, this bill requires ten percent of the labor hours be performed by apprentices. For all projects estimated to cost two million dollars or more, 12 percent of the labor hours must be performed by apprentices. For projects estimated at one million dollars or more, 15 percent of the labor hours must be performed by apprentices.

A bidder on a public works project subject to apprenticeship utilization requirements will be disqualified if the bidder was found out of compliance in the one-year period preceding the date of the bid solicitation for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes.

An additional violation is added to the list of violations for which a contractor can be barred from bidding on a public works contract if the contractor commits any combination of two violations in a five-year period.

The Washington State Apprentice and Training Council must adopt rules addressing due process protections for all parties and must strengthen the accountability for apprenticeship committees approved under chapter 49.04 RCW in enforcing the apprenticeship program standards adopted by the council. This law comes into effect July 26, 2009.

Substitute Senate Bill 5613: Dept. of L&I Stop Work Orders

If the director of the Department of Labor and Industries determines after an investigation that a general or specialty contractor or a general or specialty electrical contractor has failed to secure payment of industrial insurance, this bill allows the director to issue a stop-work order against the employer.

A stop work order may be served on a worksite by posting a copy in a conspicuous location, in which case the order is effective as to the employer's operations on that worksite. A stop-work order may be served on the employer, in which case the order is effective for all worksites which that the employer is found not in compliance. Business operations of the employer must cease immediately upon service. An employer who violates a stop-work order is subject to \$1,000 penalty for each day not in compliance.

The stop-work order remains in effect until the director releases the order upon finding that the employer has come into compliance and all penalties have been paid, or the director issues an order of conditional release if the employer has complied with the coverage requirements and has agreed to pay penalties through a payment schedule. If the terms are not met, the stop-work order may be reissued.

The Department of Labor and Industries may adopt rules to carry out the provisions of this bill. It takes effect on July 26, 2009.

Substitute House Bill 1402: Ex-parte Contacts

This bill restricts contact by employers, workers, and the Department of Labor and Industries with medical providers at specified stages after an appeal has

(Cont'd. on pg. 3)

2009 ABC Legislative Session Recap (Cont'd. from pg. 2)

been received in industrial insurance cases. After receipt of a notice of appeal, an employer may not have contact to discuss the issues in question in the appeal with any medical provider who examined or treated the worker unless the worker provides written authorization for the contact.

Contact is permitted for the ongoing management of the claim, including communication regarding the workers' treatment needs and the provider's treatment plan, vocational and return-to-work issues and assistance, and certification of the worker's inability to work, unless these issues are in question in the appeal. This bill takes effect July 26, 2009.

House Bill 1195: Payment of Undisputed Claims

Contractors performing extra work on public works projects should bill the owner upon completion of such work. The public owner is now obligated to issue a change order for the amount of extra work within 30 days. If the owner disputes the amount of the extra work, the owner can no longer hold the entire amount due, but must instead pay the undisputed portion of the extra work invoice. If the owner fails to make prompt payment as required, the contractor is entitled to interest and likely, entitled to its attorneys' fees in accordance with RCW 39.76.040 (the Prompt Payment Act). General contractors are similarly bound to pay their subcontractors and suppliers. This law comes into effect July 26, 2009.

Senate Bill 6173: Sales Tax Compliance/Seller's Permit

The requirement for a resale certificate to make purchases for resale exempt of the sales tax is eliminated and replaced with a seller's permit. The seller's permit will be issued by the Department of Revenue to businesses registered with the Department of Revenue if the business makes wholesale purchases. Businesses that do not make wholesale purchases as part of their business will not be issued a seller's permit.

In its original form, this bill required contractors and subcontractors to pay sales tax on their purchases of materials and services if they are going to be resold, and claim a credit against the sales and use taxes from the Department of Revenue. This bill was amended so contractors no longer have to pay sales tax at the time of the purchase; instead, it requires a seller's permit in order for construction contractors to make tax exempt wholesale purchases. This law comes into effect January 1, 2010.

Substitute Senate Bill 5042: Paperwork Violation Penalty Waiver

Agencies must waive fines, civil penalties or administrative sanctions for first-time paperwork violations by small businesses under certain circumstances. A paperwork violation is defined as a failure to comply with any statute or regulation requiring an agency to collect data or a business to collect, post or retain data. In the event of a second violation or failure to correct the first violation, the agency may reinstate the previously waived penalty and impose a new penalty. Violations that present a direct danger to the public health, result in a loss of income or benefits to an employee, pose a potentially significant threat to human health or the environment, or cause serious harm to the public interest will not be waived. This law comes to effect July 26, 2009.

Substitute Senate Bill 5963: Unemployment Insurance Conformity

A state provision that governs the way unemployment benefits are paid and charged back to the employer was found to be out of conformity with federal unemployment laws. Benefits are charged to the employer based on the workers' wages in all four quarters of the base year, not just the two quarters in which the claimant earned the most money, which is the system Washington uses. Under this system, the amount of benefits paid out doesn't necessarily match the amount of benefits charged back to an employer. Federal law requires that unemployment tax rates reflect actual benefits paid. Unemployment insurance benefits are now charged back to employers in the same amount that benefits are paid out.

For more information on any of these bills, contact Vice President of Government & Labor Affairs **Aran Buchan** at (800) 640-7789, (425) 646-8000 or aran@abcwestwa.org.

ABC Combats PLA's

ABC recently launched a new website, *TheTruthAboutPLAs.com*, designed to track and disseminate news and information about the detrimental



effects of union-only, publicly funded construction project labor agreements (PLAs). Publicly funded PLAs are contracts that effectively restrict open shop contractors and their employees – comprising more than 84 percent of the construction workforce – from bidding and working on construction projects. In addition, publicly funded PLAs unnecessarily increase the costs of construction projects paid for by taxpayers, as well as discriminate against women and minorities.

TheTruthAboutPLAs.com will provide the latest news from the mainstream media and construction industry publications on publicly funded PLAs; highlight academic studies and public opinion data; link to state government resources on industry statistics, as well as political and economic information; and support a blog by U.S. construction industry experts.

“Publicly funded project labor agreements have a far-reaching negative impact on the open shop contracting community, taxpayers and the economy. However, that information has not been discussed in an interactive public forum – until now,” said ABC President and CEO **Kirk Pickerel**. “This new website provides an opportunity to keep construction professionals; federal, state and local legislators; the media; and the general public informed on the direct effect publicly funded PLAs have on their lives and their checkbooks.”

TheTruthAboutPLAs.com was developed in response to President Obama's misguided Executive Order 13502 that promotes the use of publicly funded project labor agreements on federal government contracts exceeding \$25 million. *TheTruthAboutPLAs.com* will dispel many of the myths surrounding the use of publicly funded PLAs, including arguments that these contracts eliminate work stoppages or strikes; guarantee a local workforce; guarantee projects are completed on time and on budget; and control the cost and the quality of the project and workforce.

Developing Your Future Workforce

By Alisa Johnson, Washington Business Week

In not too many years, today's high school students will be your employees and customers. The better prepared they are in terms of education, basic work skills and appreciation for a positive business climate, the better. You can help students get a head start for life after high school by letting your employees and customers know about the Washington Business Week Programs. These are intense, fun-filled residential summer camps held on college campuses around the state.

Now in its 34th year, Washington Business Week exposes high school students to business concepts and career opportunities. Students can choose to attend the traditional Business Week Program or a pathway in Healthcare or Construction July 19-25. The programs are open to any high school student, grade 9-12, including private and home-schooled students. Two college credits are available.

Download an application and more information at www.wbw.org or call (800) 686-6442.

ABC Retro Earns A 4.5 Million Dollar Refund *(Cont'd. from pg. 1)*

Many retro programs were not as fortunate as ABC, as the miscalculation impacted their refunds more significantly. ABC would like to thank all of its members for their continued commitment to providing a safe work environment for their employees, which helped make these refunds possible. ABC would also like to thank ERNWest and their staff for their dedication to claims management, and loss control. The partnership with ABC and ERNWest has been very successful, and we look forward to continuing to provide our members with healthy refunds for years to come.

Website of the Month

Find out how your legislators voted on issues important to you with this easy-to-use database:

www.washingtonvotes.org

Meet the New Members

Climate Systems LLC

Douglas Hayes | Commercial HVAC Contractor | 425.670.9959 | www.climatesys.com

Climate Systems LLC is a commercial design-build HVAC contractor. They are involved in the design, fabrication, installation and service of HVAC systems. They specialize in working on medical office buildings, surgery centers and clinics, biotech and retail projects. Climate Systems LLC joined ABC for networking and marketing opportunities. We thank Chip Gregory with Rafn Company for sponsoring this member.

MKB Constructors

Laurie Mann | Heavy Construction | 425.285.0593 | www.mkbconstructors.com

MKB Constructors is a heavy construction company founded in 1984 offering experience in heavy, military, marine and industrial construction throughout the western US and Alaska. They specialize in wastewater treatment plants, pump stations, sheet pile replacement, piers and bridgework. MKB Constructors joined ABC to be a participant in the ABC Retro Program.

Volunteer of the Month for June



Brian Pahlow of Nuprecon, LP is ABC's Volunteer of the Month for June. Brian is the operations manager for the construction debris recycling division of Nuprecon, ReNu.

Brian began participating in ABC through the monthly roundtables hosted by the ABC Green Council. After the group saw what a resource Brian was, he was asked to serve as co-chair of the Green Council, which he was excited to do. Brian has been a great help in driving the direction of the ABC Green Council, which includes coming up with roundtable topics, addressing industry issues concerning green and sustainability, and being a resource to the membership. Brian is also a member of the Rising Star program which is a group of future ABC leaders. Brian serves on the Professional Development Council and the Young Professionals Group (YPG) Steering Committee where he helped to develop the "Meet the Legends" event. Brian is also a current Board of Directors candidate for 2009-2010.

Brian has been a great asset to ABC with his passion for the industry, his support of ABC and the time and energy he has contributed. Brian, thank you for your time and we look forward to working with you in the coming year.

Spotlight on Member Benefits: Find A Contractor

Did you know as a member of ABC/WW your company is part of a network of over 25,000 contractors, industry professionals and suppliers nationwide through ABC National? Being a member of ABC/WW not only gives you many benefits, but you are also a member of ABC National that offers additional membership benefits.

Have you ever wondered how to find an ABC contractor in another area or get a list of electricians in another state for a bid? All ABC members have access to Find A Contractor searches all over the United States. To access this great benefit, go to www.abcwestwa.org and look in the upper right hand corner of the homepage to locate "FIND A CONTRACTOR" search criteria. From there you can fill in a keyword and/or select a specific state in which you want to search. For a more advanced search, simply click "GO" and an additional options page will be displayed where you can search by keyword, state and chapter, zip code, company name and features.

For questions regarding this great ABC benefit, or for help in searching Find A Contractor, please contact Membership Services Coordinator Kim Trautman at kim@abcwestwa.org or (800) 640-7789. Stay tuned for the next issue of the ABC Newsline for more information on ABC National membership benefits!

Spotlight on Safety

May 1 Was the Date to Implement Your Outdoor Heat Exposure Plan

Now is the time that WAC 296-62-095 Outdoor Heat Exposure regulations kick in. WAC 296-62-095 through 296-62-09560 applies to all employers with employees performing work in an outdoor environment. The requirements apply to outdoor work environments from May 1 through September 30, annually, only when employees are exposed to outdoor heat at or above an applicable temperature listed in Table 1.

Table 1

To determine which temperature applies to each worksite, select the temperature associated with the general type of clothing or personal protective equipment (PPE) each employee is required to wear.

Outdoor Temperature Action Levels	
All other clothing	89°
Double-layer woven clothes including coveralls, jackets and sweatshirts	77°
Nonbreathing clothes including vapor barrier clothing or PPE such as chemical resistant suits	52°

Note: There is no requirement to maintain temperature records. The temperatures in Table 1 were developed based on Washington state data and are not applicable to other states.

WAC 296-62-095 through 296-62-09560 does not apply to incidental exposure which exists when an employee is not required to perform a work activity outdoors for more than fifteen minutes in any sixty-minute period. This exception may be applied every hour during the work shift.

Be sure to train your employees about the dangers of heat stress.

If you have any questions contact **Ann Jarvis**, vice president of safety and education, at (800) 640-7789 or ann@abcwestwa.org.

Green Bites



The ABC Green Council hosted a roundtable meeting on “Commissioning for Sustainability & Maintainability” presented by Bryan Welsh of Welsh Commissioning Group, Inc. Bryan shared how commissioning and retro-commissioning helps to ensure that facilities can be maintainable and sustainable. Welsh defines commissioning as “a systematic and documented process of ensuring that specific building systems perform interactively according to the design intent and the owners operational needs.”

According to the Building Commissioning Association, some of the direct benefits from commissioning are:

- Savings in energy cost
- Improved building performance
- Improved air quality
- Increased productivity by building users
- Early detection of problems allowing them to be fixed sooner and less expensive
- Fewer change orders during construction
- Better building documentation
- Trained building operators and maintenance staff
- Reduced maintenance, operation, and equipment replacement cost.

For more information on commissioning, check out industry resources and white papers at www.wcwg.com or www.bcxa.org. The next meeting is a site tour of Glacier Recycle on June 4th. Contact **Kim Trautman** at ABC with questions regarding the ABC Green Council or to register to attend the next roundtable event at kim@abcwestwa.org or (800) 640-7789.

Congratulations to our 2009 ABC Safety Alliance Members!



Bird Construction (USA), Inc.
Graham Contracting, Ltd.
Haggard Electrical Contractors
Ketchikan Drywall Services, Inc.
Marpac Construction, LLC
McMullen Electric, Inc.
North Star Electric, Inc.
Pattison General Contractors
Remco-Deacon, Inc.
Rushforth Construction Co., Inc.
S.D. Deacon Corp. of WA
S.M.E., Inc. of Seattle

There are advantages to becoming a Safety Alliance member - such as a possible “pass” on inspections from the Dept. of L&I! Contact Vice President of Safety & Education **Ann Jarvis** at ann@abcwestwa.org, 800.640.7789 or 425.646.8000 to find out more.

Training on Demand

Did you know that ABC offers company-specific training? We can set up training at your office or ours on a wide variety of topics with one of our professional safety trainers. For more information, contact ABC's Vice President of Safety & Education **Ann Jarvis** at 425.646.8000, 800.640.7789 or ann@abcwestwa.org.

New Chair of the ABC Green Council

We are excited to announce **Bill Malowney** with **Technocom** is the new chair for the ABC Green Council.

The ABC Green Council was created over a year ago to address the needs and resources of members and the industry in green construction and sustainability and when the position became available, Bill stepped up.

Prior to being chair, Bill was very active in the monthly steering committee meetings and roundtable discussions. Now as chair, he has set standards as well as action items to address the mission of the council for the coming year. The action items include building relationships with other green affiliate programs, offering free monthly roundtables discussions to the industry, growing the ABC membership base, providing training and workshops to educate members on the growing field of green construction and sustainability, and being a resource for ABC members when it comes to green construction.

We look forward to working with Bill and the other ABC Green Council Steering Committee members: Vice Chair **Brian Pahlow** (Nuprecon, LP), **Amanda Grindle** (Saybr Contractors, Inc.), **Doug Francis** (TEC Mechanical Service Co.), **Tami McMullen** (McMullen Electric, Inc.), **Brian Bergstrom** (Synergy Construction, Inc.), and **Kim Trautman**, **Wendy Novak**, **Ann Jarvis** (ABC Staff). For more information on the Green Council, contact **Kim Trautman** at ABC, (800) 640-7789 or kim@abcwestwa.org.

Check out ABC National's green Website for the latest information on sustainable construction at www.greenconstructionatwork.com.



The ABC Green Council Roundtables are held every first Thursday of the month. The next one is June 4th and will be a site visit to Glacier Recycle. If you would like to attend or find out more information, please contact Kim Trautman at 425.646.8000, 800.640.7789 or kim@abcwestwa.org.

ABC Working For You

2009 NAIOP Community Project Chosen

Again this year ABC of Western Washington will be helping with the community enhancement project of the National Association of Industrial and Office Properties (NAIOP). This year's project is Ryther Child Center in Seattle, a 10-acre out patient and residential facility for children and families who suffer from physical and sexual abuse, mental illness and chemical addiction.

The project list is long, from large skilled projects to weeding and clean-up. Put **Saturday, September 26th** on your calendar and join Team ABC. The ABC staff is in charge of volunteer (about 400!) services so you will definitely see some familiar faces. Children are welcome so you can make this a family event.

This is a great opportunity to work alongside the decision-makers of all the big generals and developers - a wonderful way to bond with them and provide you with a chance to build future business possibilities. For more information, please contact President **Kathleen Garrity** at (800) 640-7789 or kathleen@abcwestwa.org.

ABC's Young Professionals Learn from the Legends (Cont'd. from pg. 1)

experiences and really touched on how ABC played a huge role in their success. Everyone who attended took away different ideas of how they could better their careers. "What I took away from the legends was to get involved! We are all members for various reasons but the most important way to benefit yourself, your company, and the organization as a whole is to participate. If everyone contributes, we all will benefit more," said **Brian Pahlow**, Nuprecon, LP.

ABC's YPG steering committee would like to thank all the legends for making this event so special and sharing their stories with us. The legends were **John Hennessy** (Nuprecon, LP), **Joan Baldwin** (TEC Mechanical Service Co.), **Dave Howell** (Tradesmen International), **Chris Clark** (W.G. Clark Construction Co.), **Jack Rafn** (Rafn Company), **Larry Stewart** (Synergy Construction, Inc.), **Judd Lees** (Williams Kastner PLLC), **Pat Oda** (Saybr Contractors, Inc.), **Curt Anderson** (Air Systems Engineering, Inc.), and **Bob Jayne** (Oles Morrison Rinker & Baker LLP). Thank you, Legends!

Please join us for the next YPG event on June 3rd at The Spot Off Main in Bellevue from 5:00 – 8:00 pm. Enjoy great networking while sharing concerns and solutions within the industry, and have a good time in a fun atmosphere. If you would like to be added to the YPG contact list to get updates on all YPG events or to register for an event, please contact Communications and Events Coordinator **Amy Gegoux** at (800) 640-7789 or amy@abcwestwa.org. If you haven't already, get LinkedIn with ABC's Young Professionals Group!



ABC Working For You

ABC North End Networking Event



ABC members and staff attended the networking event in May at the Quarterback Pub & Eatery in Bellingham. The location was great with the Mariners playing on one big screen TV and hockey on the other. Some of the members even decided to take up their own game of pool!

The facility works great for networking with others in that we were given one entire side for our event. We

will continue to hold events at the Quarterback Pub in hopes that we see many more of you attend in the future. The event is free of charge and includes appetizers, although members do need to pick up the tab for their own drinks.

Thank you to the members that attended: **Andgar Corporation, Balancing Service Co., Larry Steele & Associates, Inc., Lovsted-Worthington LLC, Management Services Northwest, Inc., Meridian Center Electric, The Unity Group, Tradesmen International** and the invited guests.

If you have a non-member company that is interested in learning more about ABC or just interested in networking, feel free to extend an invitation to them as well. The goal is to offer networking, training and education in the area and we look forward to seeing you there. The next business networking event will be a presentation on “Reducing Waste + Improving Efficiencies + Increasing Value to the Customer = LEAN.” The meeting will be held on June 18th in Mt. Vernon at the CottonTree Inn beginning at 5:00pm. For more information, please contact **Wendy Novak** at ABC, wendy@abcwestwa.org.

This is Your Call to Action!

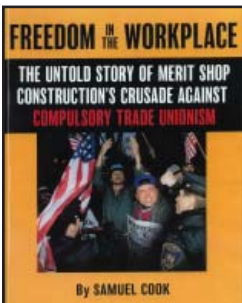
You are invited to connect with hundreds of construction colleagues in the nation’s capital at the 2009 Legislative Conference, June 23-25, at the Renaissance Hotel in Washington, D.C. Attendees will get the latest updates on critical issues affecting the construction industry, including the Employee Free Choice Act or “card check” legislation, business tax increases, energy policy, health care costs and union-only project labor agreements.

You will hear insights and perspectives from congressional leaders and Washington insiders, including special guest speaker Brit Hume, senior political analyst for FOX News. There will also be opportunities for attendees to go on coordinated visits to Congress and federal agencies to advance merit shop initiatives.

A special education session, “How to Effectively Lobby the Representatives in Your Region,” will provide attendees with tips and best practices for approaching regional legislators, identifying regional issues and analyzing regional representatives’ points of view.

Visit www.abc.org/legcon for more information and to register.

Want to Know the History of Merit Shop?



If you want to learn the history of the merit shop, then this book is for you. For a limited time ABC has free copies of *Freedom in the Workplace* by Samuel Cook, ABC’s first general counsel. This well-researched book tells the story of the founding and growth of the merit shop movement and ABC.

Order your copy on the Fast Fax Form on the back page - free of charge if you can stop by the ABC office in Bellevue to pick it up, or \$7 if you need it mailed to you.

New Feature!

Ask an ABC Member Professional: Dan Case



Question:

What is one effective thing that I can do to help protect my company against fraud?

Answer:

A major trend in recent fraud cases in the news involves persons writing unauthorized checks, or making unauthorized electronic transfers to personal accounts from company bank accounts. The business owner, or a responsible person other than the person who normally reconciles the bank accounts, writes checks, or makes deposits needs to open the bank statements and look at cancelled checks and funds transfers for suspicious activity before handing the statement over for reconciliation. See if the deposits for the month meet your expectations, too.

Tip:

If you aren’t getting cancelled checks or check images from your bank, get them!

Dan Case, CPA with Clothier & Head, PS is a member of the ABC Industry Partners Council which is a group of members servicing and educating fellow ABC members. If you have follow-up questions Dan can be contacted at dcase@c-h.com.

Do you have a question you would like to ask a professional? If so, email **Kim Trautman** at kim@abcwestwa.org.

Synergy Named a Top Business

Synergy Construction, Inc. was named one of the top businesses in the U.S. by *DiversityBusiness.com*. Synergy earned multiple awards, including: Top 500 Diversity Owned Businesses in the U.S., Top 500 Women Owned Businesses in the U.S., Top 100 Women Owned Businesses in Washington, Top 50 Diversity Owned Businesses in Washington, and Top 110 Privately Held Businesses in Washington.

Synergy Construction has been an ABC member since 2000. Synergy's president, **Pam Stewart**, is currently on the ABC Board of Directors and sits on the Membership Council.

Saybr Contractors Win National Award

Saybr Contractors, Inc. has been honored with the pyramid award in the heavy infra-structure category for the 2009 ABC National Excellence in Construction award program.

The winning project was the Cayuse Pass Highway emergency repair after the record-setting rains in late 2006 for the U.S. Federal Highway Administration. Saybr was also honored two years ago for the construction of the Seattle Biodiesel Refinery. Saybr won on the local level in 2008 for public construction for the same project. All projects that win on the local level are then eligible to submit on the national level.

For more information on the local Excellence in Construction Awards Banquet, or how to submit nationally, please contact **Victoria Klyce** at (800) 640-7789 or victoria@abcwestwa.org.

Members on the Move

Briere & Associates have a new address: 1944 Duvall Ave. NE, Renton 98059.

Merit Electric, Inc. has moved to 12201 Cyrus Way, Ste. 105, Mukilteo 98275.

Northwest Framing Systems, Inc. has a new mailing address: PO Box 426, North Bend 98045.

Reprographics Northwest has moved to 1850 130th Ave NE, Bellevue 98005. Phone number is (425) 883-1110; fax (425) 883-8590.

Tradesmen International has a new address: 19109 36th Ave W, Lynnwood 98036.

White Cap Industries has a new address: 3037 Center St., Tacoma 98409. Phone is (253) 779-4100; fax (253) 779-4101.

Network News

Aloha! Dexter+Chaney Names Winner of Its Customer-Referral Contest

For Tina Wagner, the upbeat accounting manager at Jack L. Massie Contractor, Inc., a heavy highway, sitework, utility and design-build contractor in Williamsburg VA, almost every day is a good day. But Wagner recently experienced an exceptional day when she got a call from Jack L. Massie's construction-management software vendor, Seattle-based **Dexter + Chaney** (www.dexterchaney.com).

Wagner learned from **Dolores DeMarco**, Dexter + Chaney sales rep, that she had won Dexter + Chaney's annual customer-referral incentive contest open to current users of Dexter + Chaney's Spectrum® Construction Software. The prize: \$10,000 from Dexter + Chaney for Wagner to spend on a trip for two to Hawaii any way that she'd like. Wagner's reaction: initial disbelief, followed rapidly by complete elation and repetitive screaming.

"We strive to make our customers happy, but we outdid ourselves with Tina," said John Chaney, Dexter + Chaney co-founder and president. "Saying that she was 'ecstatic' is putting it mildly."

"I'd never won anything, so at first I couldn't believe it when I got the call from Dolores," Wagner explained. "It immediately went through my mind that my husband, Steve, wouldn't believe it, either." The Wagners will visit Hawaii in September, using the cash prize from Dexter + Chaney to choose the entire itinerary (dates, flights, lodging, food, entertainment).

Wagner's name was chosen at random in a drawing among existing customers who referred sales prospects to Dexter + Chaney in calendar year 2008. Wagner referred four construction companies seeking construction-management software to Dexter + Chaney, and thus she had four entries in the contest.

"Referrals from existing clients are a significant source of new business for us," Chaney explained. "The contest underscores the importance of referrals from our current clients, and provides a great incentive for them to keep sending them our way. People like Tina make our day—and we're very glad to return the favor."

It was the second straight year that Dexter + Chaney has held the contest. The 2009 contest, currently underway, will end on December 31; the winner will be chosen in a random drawing in early 2010.

Flexible Fuel Vehicles Top Six Million By Aaron Lindstrom, Enterprise Fleet Management



The high cost of gasoline, concerns about our nation's dependence on foreign oil and warnings about global warming are generating increased interest in alternative fuels such as E85. Compared to today's gasoline/ethanol blends that have up to 10 percent ethanol, E85 is composed of 85 percent ethyl alcohol (ethanol) and just 15 percent petroleum.

E85 is designed for use in flexible fuel vehicles (FFVs), which can switch easily from using regular gasoline to E85. Although miles achieved per gallon for E85 may be slightly below vehicles fueled with regular-unleaded gasoline, the price of ethanol blends has been considerably less expensive.

FFVs typically are offered as standard equipment, with little or no incremental cost. They are available in a wide range of models, from sedans and sport utility vehicles to pickup trucks and minivans. New models arrive yearly from manufacturers such as Chrysler, Ford, General Motors, Isuzu, Mazda, Mercedes, Mercury, Nissan and Toyota.

According to the Energy Information Administration, there currently are more than six million light-duty FFVs in the United States and in 2009 nearly 50 FFV models are available.

(Cont'd. on pg. 10)

Business Briefs

Managing Labor Costs When You're Self Performing

By Shannon Kahn, CLP Resources, Inc.



The recession has encouraged many contractors to self perform since it can mean more control over schedules and budgets. However, the money you're saving could be lost if you have to hire a crew and find work to keep them busy. Using a staffing company that specializes in the skilled trades could be the answer you're looking for. You maintain supervisory control, but you only pay for your workers when you need them.

The right construction staffing partner can help you bid to win more business, keep your overall labor costs in check and help you reduce the risks that come with being an employer. The key, of course, is to make sure you're using the right staffing company for your needs.

Here are some tips on choosing a construction staffing partner:

- Be sure your construction staffing partner is financially sound enough to survive the recession. You don't want to be left holding a bag of outstanding debts if they go out of business.
- Make sure your staffing partner is current on local, state and federal employment requirements, including:
 - o Compliance with wage determination, reporting requirements and certified payroll on Prevailing Wage jobs;
 - o Title VII of the Civil Rights Act, which says it's unlawful to discriminate based on race, color, religion, sex, national origin or pregnancy;
 - o Age Discrimination in Employment Act, which says it's unlawful to discriminate in hiring, wages, working conditions or benefits based on employee's age;
 - o Americans with Disabilities Act, which says that qualified employees must be given reasonable accommodation;
 - o E-verify programs, to determine employment eligibility of new hires and the validity of their Social Security Numbers;
 - o Transportation Worker Identification Credentials (TWIC), a common identification credential for all personnel requiring unescorted access to secure areas of MTSA-regulated facilities and vessels;
- Your staffing partner should be doing the legwork for you, before they send a tradesperson to your jobsite. This should include:
 - o Skills testing;
 - o Tool checks;
 - o Drug tests and background-checks;
- Make sure your staffing partner is a true employer of the skilled tradespeople and not passing off contract labor as employees.
 - o Verify that the staffing agency is responsible for worker's comp and unemployment taxes so you're not liable in the event of an injury or accident at your jobsite;
 - o Make sure your staffing partner understands your business and your corporate culture, so you get tradespeople who fit in with the rest of your crew;
 - o Partner with a company that offers a service guarantee, so you have some recourse if a tradesperson does not meet your expectations.

If researched properly, construction staffing companies are a great resource, especially in an economy like this. Why man-up when you don't know what the future holds? And taking the "managing people" part out of your job description leaves you with more resources to focus on getting more projects, increasing your profitability and growing your business.

Shannon Kahn is the Regional Director for CLP Resources, Inc.'s Pacific Northwest Region. She can be reached at skahn@clp.com.

April Dinner Meeting Photos



Dave Perrin (CITC) and Larry Newton (Lovsted-Worthington, LLC) talk with JP Whitman (S.M.E., Inc. of Seattle) during the open networking portion of the evening.



The first dinner meeting raffle gift basket was won by Rick Davis (Advanced Government Services), and was given away by Vaughn Seifert (Efinity Tech.)



Students from the UW School of Construction Management program were honored at the dinner for their first place win at the ABC National student chapter competition. Each one received an archival planing tool engraved with their name.



Chesley Stevenson, S.M.E., Inc. of Seattle, (on right) was also recognized at the dinner for being named "Electrical Craft Professional of the Year" by ABC National.

Flexible Fuel Vehicles Top Six Million *(Cont'd. from pg. 8)*

But, despite growing popularity, many owners are not aware that their FFV can be fueled either with E85 and/or gasoline interchangeably. One reason for the confusion may be that FFVs are designed with only one fueling system. Owners can find out whether a vehicle is included by checking their owner's manual, checking the fuel filler door, or viewing a list of current model year FFVs, available from the National Ethanol Vehicle Coalition at www.e85fuel.com/e85101/flexfuelvehicles.php.

In many ways ethanol is an ideal transportation fuel. In addition to its positive environmental qualities, it is domestically produced and its use supports farmers and rural economies. Currently, 10 percent ethanol is added to approximately one-third of all the gasoline used in the United States. Adding ethanol to gasoline not only fulfills oxygenate requirements for federal clean air programs, it also increases octane and extends the petroleum fuel supply.

Considering FFVs for a Company Fleet

For businesses considering how FFVs fit into a fleet management program, cost is always a concern. Generally, manufacturers offer FFVs at the same prices as comparable gasoline vehicles. The U.S. Department of Energy also offers an online tool that calculates cost by type of vehicle and state based on availability of fueling locations. The calculator, which is easy to use, is available at www.afdc.energy.gov/afdc/progs/cost_anal.php?0/E85/

In addition to costs, other considerations include the following:

- **Tax Credits and Incentives.** FFVs may qualify for tax credits or incentives in accordance with requirements for alternative fuel vehicle mandated fleets under the Energy Policy Act of 1992, which specifies that a vehicle must be capable of using fuel blends up to 85% ethanol.

- **Flexible Fueling Options:** The FFV system allows the driver to use any combination of gasoline or ethanol – from 100 percent unleaded gasoline to 85 percent ethanol. This means a driver can use unleaded gasoline if ethanol is not available. Because tax credits are available to stations for the costs of retrofitting pumps and tanks, the number of stations offering E85 continues to increase.

- **Educate Drivers:** While FFVs may use either regular gasoline or E85, gasoline only vehicles should not use E85. Using E85 in gasoline-only *(Cont'd. on pg. 11)*

News You Can Use

Mastering Delegation, The Fire Hose of Productivity

Dustin Walling, Walling Associates

Sadly, I did not coin the phrase “drinking from the fire hose” – that is, experiencing a pace of productivity so exhilarating and empowering yet potentially overwhelming unless you know how to control it. Not surprisingly, though, I have a story about delegation that was both exhilarating and involved a fire hose.

One of the more colorful jobs I recall from working myself through school was with a Fortune 100 manufacturer of construction equipment. There, I was assigned to Cecille, the head of security, and a former State Trooper from Georgia (regular readers may notice a theme in my life). After some good natured banter, Cecille gave me my first task. “I want you to go around, find every fire hydrant, polish it, and then flush it out to get any rust out of the line. Just remove the big cap and open the valve for a minute or two. You think you can handle that?”

Not wanting to be judged incapable of turning on a valve, I replied, “Yep.”

“Good. Here are the keys to the fire truck. Now git.” I always looked forward to being told to “git.”

I set off in the fire truck around the 440 acres of the plant in search of hydrants to polish and flush. At first, things went well. And then came the hydrant in the gravel parking lot. Even it, too, seemed to be going fine as the water sprayed forth, casting mist and rainbows into the wind. And then I shut off the water valve to discover to my horror that I had just used water pressure to dig a hole four feet wide, 20 feet long, and a foot and a half deep in the gravel all in two minutes or less. That hole took the rest of the day to refill.

“Do you know what a fire truck comes equipped with?” Cecille asked, as calm as ever when I was called into his office.

“Is it a fire hose?”

“Yes!” he said. “And do you know what fire hoses are good for?”

“Is it... directing all the force of the water to go where I want it without doing bad things along the way? Like ripping up your parking lot?”

“YES! Now git!”

Delegation done well is a lot like that fire hose. It unleashes an amazing amount of power, yet keeps it controlled, directed, and very much aligned to the goal. Effective delegation is the art of combining simple techniques with targeted learning styles, resulting in rapid improvements in performance, profitability, and owner satisfaction.

When Delegation Goes Wrong

Most often, delegation “goes wrong” by simply never happening. Tasks are withheld, and the would-be manager becomes a choke point in the organization, increasingly and ironically frustrated with the uselessness of his or her staff. The most common reasons I hear are, “It’ll take too long to explain,” “I want it done right,” and, “Nobody can do it as well as me.” Sound familiar?

I’m not going to argue against the truth that delegation takes time. At first, it’s a skill of a grown-up professional manager, and when practiced, it becomes easier and more efficient. Until then, struggle through feeling like an adolescent manager but stick with it: it’s an investment not only in yourself but in the proper functioning of your organization and your future leadership, your employees.

Then again, there are cases like the example above with Cecille where delegation happened but was haphazard at best. Preventing these are the focus of the remainder of this article.



(Cont'd. on pg. 11)

News You Can Use

Mastering Delegation, The Fire Hose of Productivity

(Cont'd. from pg. 10)

Delegate Like a Pro

Take stock of my seven points of delegation mastery. Which are you a pro at and where could you use a little help?

1. **Ensure adequate skills.** Unfortunately, when Cecille turned the fire hydrant task over to me, there was absolutely nothing in my job history that qualified me to drive fire trucks or perform the task at hand. Invest the time to teach the required skills. Expand the capabilities of your staff.

2. **Establish clear goals and expectations.** How clear are the goals you set, really? Would you understand them? Is there room for confusion? The more measurable your goal can be made, the more well defined the delegation task becomes.

3. **Communicate the deadline.** Often, deadlines don't get communicated because the delegator thinks they've presented the project with plenty of lead time. So what happens when higher priorities crop up? You get bumped. Always communicate when you need results.

4. **Communicate the importance.** Also communicate why. Since you're not the only priority in life, this establishes the priority level of your project against everything else happening now or in the future.

5. **Communicate restraints and boundaries.** Unless you have an unlimited budget, access to people, no restrictions on material usage, etc., now would be a good time to make your needs known.

6. **Establish accountability dates.** Also known as milestones. Success is absolutely expected and required, and that should be communicated in advance. The purpose of these dates is to check status according to plan, celebrate success, and correct action well before the end of the project. This is key to overcoming one of the key objections against delegation: that projects won't get done, or won't get done properly.

7. **Back away.** Don't micromanage. Offer encouragement and support as needed. Check in on the scheduled dates. Otherwise, empower and back away.

Blending Styles

Sadly, not everyone is just like you. Some people learn differently, and if you try to teach or delegate to them in a fashion that doesn't work for them, it may go nowhere.

We call these Learning Styles and there are three easy types to remember. Some people learn best by telling them what to do and explaining the parts aloud. For others, showing them is more effective as they need to see it to get it. Last but not least, for others, doing it and trying it out for themselves under your supervision is the first time it will really sink in. Just imagine how frustrating it can be for everyone if the teaching style and learning styles don't match.

Interestingly, one of the most common offenders I see are people who are visual trying to tell other visual people how to do something rather than showing them. Odd.

Wrapping Up

As with most things in life, the first key to success with delegation is to realize it is in fact necessary and to make a commitment to practice it. It really is a skill that must be practiced and perfected. Keep the key steps in mind and blend learning styles, and you too will unleash new levels of well-controlled power in your organization.

Time is Running Out!

The time for crane operators to log their hours on each type of crane they operate is running out. January 1, 2010, if they cannot document the hours worked on specific types of cranes, and they do not have the required written and practical training they will no longer be allowed to operate a crane.

Contact Vice President of Safety and Education **Ann Jarvis** at ann@abcwestwa.org or (800) 640-7789 for more information.

Members Attend the Bluebook Showcase



ABC Members and staff attended The Bluebook GC Showcase on April 30th at the Spirit of Washington Events Center in Renton. Many ABC member GC's had booths at the event: **Rushforth Construction Co., Inc., Rafn Company, Saybr Contractors, Inc., Nuprecon, LP, Mike Werlech Construction, Inc., and Allied Construction Associates, Inc.**

This free event provides a great opportunity to network with fellow members as well as many others from the industry. The showcase provides a unique format in that General Contractors exhibit their companies to the industry while also having the opportunity to meet suppliers and subcontractors.

Watch for next year's GC Showcase in the spring of 2010!

Flexible Fuel Vehicles Top Six Million

(Cont'd. from pg. 10) vehicles may cause damage because of the incompatibility of the alcohol fuel with the parts in gasoline-only engines. Performance and emissions also will be compromised.

• **Maintenance and Repairs.** Preliminary studies indicate that maintenance costs may actually be reduced for FFVs because of the way E85's cleaner exhaust emission impacts the engine's operation/performance.

In addition to ethanol, alternative fuels include natural gas, propane, hydrogen, pure biodiesel, electricity, methanol and p-series fuels. Based on information provided by the U.S. Department of Energy's Alternative Fuels Data Center, using any of these alternative fuels in vehicles can generally reduce harmful pollutants and exhaust emissions, and most of these fuels can be domestically produced and derived from renewable sources. For more information, visit www.eere.energy.gov or <http://www.e85fuel.com>.

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If you are interested in becoming a 2009 ABC Partner, please contact Amy Gegoux at 800.640.7789 or 425.646.8000.



Western Washington

399 114th Ave NE
Bellevue, WA 98004

Fast Fax Form for Resource Materials

The ABC Resource Center has many items to aid you in running a profitable business. Here are a few we've highlighted this month. All items are available to ABC members as a benefit of membership. Just check the items you'd like to receive and fax this page to ABC at (425) 455-5701, or call Member Services Coordinator Kim Trautman at (800) 640-7789, and let her know what you need!

Daily Journal of Commerce

I'd like to find out more about sharing a front page ad with ABC in the DJC for only \$250! Dates available:

- July 16, 2009
- August 20, 2009

All-in-One Posters

If you currently have an out-dated All-in-One poster and need the latest 2009 version, we now have those available.

- Please send me ___ English All-in-One posters @ \$20.00 each.
- Please send me ___ Spanish All-in-One posters @ \$20.00 each.

Training On Demand

- I'd like to set up safety training at my office. Please contact me to arrange.
- I'd like to have a field audit done. Please contact me to schedule.
- I'd like to set up a safety consultation. Please contact me to schedule.

Freedom in the Workplace

- I would like to pick up #__ copies of "Freedom in the Workplace" at ABC's office in Bellevue.
- Please mail me a copy of "Freedom in the Workplace" for \$7 to cover shipping costs.

Legislative Action Team

I'd like to be updated on ABC's progress with issues effecting my business. Please sign me up for the Legislative Action Team email list.

Bannering Information

Please send me the Bannering Checklist to make sure I'm prepared for bannering activity by organized labor, as well as pamphlets to inform the owners of my projects what bannering is, as well as the purpose.

ABC Dinner Gift Baskets

I'm interested in providing a gift basket filled with promotional items and goodies for one of ABC's dinner meetings. Please contact me!

Name: _____

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