



Western Washington

November - December 2009

NEWSLINE

Associated Builders & Contractors' Monthly Bulletin

Please route to:

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Breaking News

ABC Announces Volunteer of the Year



ABC Chair Les Sargeant (United Systems Mechanical, LLC) awarded Candi Pfluger, Clothier & Head, PS, with the coveted 2009 Volunteer of the Year at the October 28th dinner meeting.

While there were many excellent candidates, ABC of Western Washington has selected **Candi Pfluger** of **Clothier & Head, PS**, as the 2009 Volunteer of the Year.

Candi is a huge supporter of ABC and the merit shop philosophy. She is instrumental in spreading the word about ABC in her office and encourages other employees of Clothier & Head, PS to attend different events. She also makes the effort to attend every monthly membership dinner meeting. Candi has been a dedicated chair of the ABC Auction Committee for the past four years, working to put on one of the best events of the year. She has watched

(Cont'd. on pg. 3)

Event Spotlight

Should You Bid Public Works?



A B C ' s October 28th membership meeting featured a presentation on the basics

of bidding public work projects. For those of you who did not attend the meeting, some of the benefits and challenges of public works that were presented include:

Benefits:

- Large, niche opportunity
- Provides consistent work
- Only a small fraction (10%) of the \$787 billion has been distributed
- Opportunity to expand relationships with design and other

(Cont'd. on pg. 2)

Save the Date!

ABC Presents "Meet the Generals!"



ABC will be introducing a new members-only event in January called "Meet the Generals" focusing on bringing members together in a structured networking format to discuss business. ABC encourages members to work with members, and this will provide a great forum for this to happen.

In an open discussion "speed-
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Phone: 800.640.7789

Fax: 425.455.5701

www.abcwestwa.org

Email your news: news@abcwestwa.org

Should You Bid Public Works?

(Cont'd. from pg. 1)

building professionals

- Public agencies are embracing green/sustainable building practices

Challenges:

- Bonding/Insurance requirements
- Paperwork
- Payment cycle
- PLA's and apprenticeship requirements
- Public agency regulations

For those who wanted to delve into the topic more after the meeting, ABC held a four-hour seminar on November 12th to help companies assess if they can be successful in the public works arena.

If the answer to that question was yes, another class on **December 3rd from 1:00 - 5:00 pm at ABC**, will help prepare members take on public work projects. You had to attend the November 12th class to take the December 3rd session. Both sessions are being led by **Dan Seydel** and **Karen Primeau** from the **Platinum Group, LLC**, an ABC member consulting firm that assists members with public works. To register, contact **Stacie Elledge** at (800) 640-7789.

ABC'S 6TH ANNUAL TEXAS HOLD 'EM PAC FUNDRAISER!

Presented by:



When: Wed., January 20th

5:00 - 8:30 PM

Where: ABC Office, Bellevue

**Cost: \$150/player,
or \$500/four players**

Join your fellow members for a fun-filled evening of poker action! All proceeds benefit ABC's National PAC, which supports pro-business candidates at the national level. There will be beer, wine and appetizers for all, plus prizes for the top players!

All registration funds must be personal, but corporate funds are accepted for sponsorships. To register or to sponsor, contact Amy Gegoux at 800.640.7789 or amy@abcwestwa.org.

Public Policy

Obama's PLA Executive Order Will Hurt Taxpayers

A new study released by the Beacon Hill Institute (BHI) finds that Project Labor Agreements (PLAs), which will be encouraged under an executive order from President Obama, will significantly increase construction costs on federal projects, while doing nothing to protect the interests of federal taxpayers.

The executive order reverses a prohibition on PLAs that was in effect during the Bush Administration. The purpose of the study, which is entitled "*Project Labor Agreements on Federal Construction Projects: A Costly Solution in Search of a Problem*," was to determine whether the reversal of this prohibition is in the interest of federal taxpayers.

PLAs are agreements with contractors that establish the rules to be followed by firms that bid on construction projects. PLAs typically require a contractor to hire workers through union hiring halls, require non-union workers to pay dues for the length of the project and force contractors to abide by union rules on benefits, work conditions and dispute resolution.

In February, President Obama issued Executive Order 13502, which allows executive agencies to require contractors to use PLAs on federal construction projects costing \$25 million or more.

The purpose of a PLA is to assure labor "peace" during construction projects. But a review by BHI of federal construction projects during the Bush Administration found no instances of labor disputes that resulted in significant project delays or increased costs.

"Our examination of the record produces no evidence of any systematic connection between the absence of a PLA, on the one hand, and cost overruns or delays caused by labor disputes, on the other," said David G. Tuerck, one of the authors of the study and executive director of the Beacon Hill Institute. Therefore, the justifications offered by the Obama Administration for reinstating PLAs are not supported by the evidence.

BHI examined federal projects with a price tag of \$25 million or more that were initiated between 2001 and 2008 to determine whether they were beset by labor disputes of the kind that PLAs are intended to preclude. Information collected from a variety of federal agencies including the Office of Management and Budget (which has responsibility for oversight of U.S. government procurement), did not reveal any evidence that federal projects built during the Bush Administration without a PLA suffered significant delays or cost-overruns due to labor issues.

"If President Obama, who used the labor peace argument in justifying PLAs, is to be believed on this matter, it should be possible to find dozens of examples of slowdowns and significant cost overruns that occurred during the Bush Administration," said Tuerck. "Yet, we found no such examples."

PLAs do add to construction costs. By their nature, PLAs are anti-competitive since they discourage open shop firms from bidding in the first place. Previous research from the BHI has shown that PLAs add 12-18% to construction costs.

Over the course of the Bush Administration, the federal government spent \$147.1 billion on federal construction projects. Of that \$147.1 billion, approximately \$60 billion would have been subjected to President Obama's Executive Order encouraging the use of PLAs.

Moreover, had President Obama's Executive Order 13502 been in effect in 2008, and all federal construction projects worth \$25 million or more had been subject to PLAs, the cost to federal taxpayers would have increased by \$1.8 to \$2.8 billion.

"Our report shows that there is no reason to implement a PLA on a federal construction project, except perhaps for political payback to union leaders. PLAs are anti-competitive by nature and add costs to the taxpayers. The federal government should consider this research when making its final decision about implementing the President's order," said Tuerck.

The BHI report can be found at www.beaconhill.org. Source: *Beacon Hill Institute*

Public Policy

Aran's Political Corner:

Washington's Flawed Workers' Comp System



The Department of Labor & Industries has proposed a 7.6 percent average increase in workers' compensation premiums for 2010. The insurance, funded mostly by employers, pays for medical care, pensions and lost wages for injured workers.

2010 is a difficult year for a tax increase for any business. The construction industry has a relatively high rate of workers' comp claims because of the nature of the work; however, this tax hike also applies to any employer that buys its insurance from the state, such as a hospital or school.

The National Academy of Social Insurance reports that Washington's per employee workers' compensation costs are the second highest in the nation. Because of improvements in workplace safety, injury claims have dropped 55 percent since 1990. However, claims are taking longer to resolve and costs skyrocket as those claims stay in the system longer.

In Washington, injured workers miss an average 266 days of work, almost three times the national average. Washington also leads the nation in the number of expensive, lifelong pensions awarded each year, a rate that has increased more than 300 percent since 1996. And while the overall number of claims has decreased, L&I's administrative costs increased \$39 million in the last year alone.

The state can dip into reserves to maintain the system. However, this is just a temporary fix. The 7.6 percent increase is just an arbitrary number, and doesn't solve any of the fundamental problems in the workers' comp system. L&I officials have indicated that the costs of our state's workers' comp system are expected to rise 19.4 percent next year.

Several changes are sorely needed to improve Washington's system. Washington is only one of four states with a state monopoly of workers' compensation insurance. Except for a select group of large self-insured businesses, all employers are required to purchase their insurance from the government. This is a poor business model. Competition reduces costs and improves the quality of products and services.

Nevada recently privatized their failing state insurance monopoly. According to the Council of State Governments, privatizing Nevada's workers' comp system erased a \$2 billion liability. Washington should join with 90 percent of the nation that allows private-sector competition in order to reduce costs and improve service in our workers' comp system.

A settlement option should be included in the workers' comp system. Workers, employers, and L&I should have the option to settle and release claims for a lump sum, like the vast majority of states.

Washington also needs to revise their current definition of occupational disease, and narrow the scope to only work-related conditions. Finally, the maximum benefit to an injured worker should be set at 100 percent of the state's average monthly wage, rather than the current 120 percent.

Employers, legislators and regulators should all have the same goal: to get injured workers the benefits and treatment they need to get them back to work at costs that are fair and affordable for employers and workers. The current system does not accomplish this.

ABC Announces Volunteer of the Year *(Cont'd. from pg. 1)*

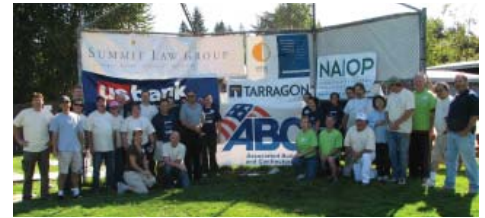
many committee members come and go and has always been able to pull off a great auction for ABC. The Auction Committee meets year-round. Once they have wrapped up the current year's auction they are back hard at work in planning the next. Candi, we thank you for your years of dedication to ABC!

Legislative Action Team Gets LinkedIn!

The ABC Legislative Action Team (LAT) now has a LinkedIn Account. The group was founded and is maintained by Jeremy Stendera (APEX). It is a resource for information on legislation, candidates, articles and discussion threads.

To join, search LinkedIn groups for ABC Western Washington LAT.

Making a Difference on Our Community



ABC/WW members and staff worked with the National Association of Industrial and Office Properties (NAIOP) to make NAIOP's annual Community Enhancement Day a success.

On September 26th more than 350 volunteers joined together at Ryther Child Center in north Seattle to make major improvements to this 10-acre residential campus that provides care and treatment to at-risk youth.

ABC members **Graham Contracting Ltd., Berntson Porter & Co., PLLC,** and **V.P. Peri Painting Co.,** had large crews of their employees helping on the 20 projects undertaken that day. ABC staff **Aran Buchan, Stacie Elledge, Kathleen Garrity, Victoria Klyce, Wendy Novak** and her daughter Kendra provided registration, dispatch and volunteer services.

ABC Presents "Meet the Generals!" *(Cont'd. from pg. 1)*

dating" format, general contractors will meet face-to-face with member subcontractors to ask questions and share their pre-qualification requirements. Subcontractors will be given the opportunity to ask questions of each general, talk about projects and share information about their company. This format will allow members to learn more about each other, the work they do and provide a direct line of communication for future work collaboration.

This program will help members develop more business for their companies, as well as further the basis of the merit shop philosophy: the more quality bids you receive on a job, a lower cost and higher quality product will result.

We are looking forward to this event and the chance to provide ABC members a great opportunity to find more work with like-minded companies. This event is geared towards general contractors and subcontractors. Sponsoring is the only way for industry professionals and suppliers to participate. For more information, please contact **Amy Gegoux** at (800) 640-7789.

Congratulations to our 2009 ABC Safety Alliance Members!



Adept Mechanical Services, Inc.
Bird Construction (USA), Inc.
CHG Building Systems, Inc.
Graham Contracting, Ltd.
Haggard Electrical Contractors
High Country Contractors, Inc.
Ketchikan Drywall Services, Inc.
Marpac Construction, LLC
McMullen Electric, Inc.
North Star Electric, Inc.
Pattison General Contractors
Remco-Deacon, Inc.
Rushforth Construction Co., Inc.
Saybr Contractors, 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.

2010 Minimum wage is \$8.55



The Department of Labor & Industries announced that Washington's minimum hourly wage

will remain \$8.55 next year. This is the first time since 1998 that the minimum wage has not risen.

Voters approved an initiative that year tying the minimum wage to inflation. Inflation, measured by the Consumer Price Index, did not increase during the last year, but rather decreased by about two percent. Even with no increase, Washington still has the highest minimum wage in the country.

Spotlight on Safety

ABC Safety Department Attends Governor's Industrial Safety and Health Conference

The ABC Safety Department attended the 58th annual Governor's Industrial Safety and Health Conference on October 7th and 8th at the Tacoma Convention Center. Mike Southards, president, Governor's Industrial Safety and Health Advisory Board, welcomed everybody to the conference, followed by Judy Schurke, director of Department of Labor & Industries. The opening session also included presenting the 2009 Lifesaving & Humanitarian Award to those nominated and deemed heroes for their swift actions during emergencies, both major and minor, in the past year.

ABC's Safety Department, Vice President of Safety & Education **Ann Jarvis** and Safety Coordinator **Stacie Elledge**, joined by **Gregorio Rodriguez** from the Inland Pacific Chapter and ABC members **McMullen Electric, Inc.** and **SD Deacon Corp. of Washington**, split up to attend the many course offerings covering a variety of topics aimed to assist participants in understanding the seriousness of injuries and deaths and how to prevent them. Topics included: effective JHAs, the new crane rule coming into effect in January 2010, the consequences of drowsy driving and sleep deprivation, ergonomics, silica awareness, and workplace violence, among many others. They also took part in a lattice boom crane training simulator.

A highlight of the conference featured "The Story of Flight 232, Teamwork Under Crisis," presented by Captain Al Haynes, the pilot for the 1989 United Airlines Flight 232, which crashed in Iowa City. The audience heard the 911 calls demonstrating the teamwork that was required and implemented that day, in which 110 of 285 passengers, along with one crew member, perished due to an engine and complete hydraulic failure resulting in the complete loss of flight controls.

Unfortunately, due to time constraints and overlapping of sessions, they missed out on the annual Forklift Rodeo, where operators faced a challenging obstacle course, but were lucky enough to witness the Pole Top Rescue. Teams for both competitions come from all over the state. A coveted trophy is awarded annually to the best team in each competition, as well as individual awards in the Forklift Rodeo.

All in all, the two-day conference was a success and the Safety Department took away a lot of helpful information to relay to our members. There were 81 fatalities, 18 in construction, and 119,788 on-the-job injuries in the year 2008. Preventing injuries and deaths is a top priority for L&I. The ABC Safety Department is committed to continuing to bring our members the most current information needed to help keep your workers safe.

US Department of Labor Assistant Secretary Testifies Before Congress on OSHA State Plan States' Occupational Safety and Health Programs

Federal OSHA to review all state plan programs

Jordan Barab, acting assistant secretary for the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA), told a Congressional committee that the serious shortcomings discovered during his agency's evaluation of the Nevada Occupational Safety and Health Administration's safety program raised concerns about federal OSHA's monitoring of all state plan states.

Barab said in testimony before the House Committee on Education and Labor that, as a result of deficiencies found in Nevada OSHA's program and this administration's goal to move from reaction to prevention, federal OSHA will implement a number of changes to strengthen the oversight, monitoring and evaluation of all state programs.

"To improve oversight immediately, I sent interim guidance to OSHA regional
(Cont'd. on pg. 5)

Spotlight on Safety

Can You Improve Your Losses by 7%?

By Greg Kabacy, Employer Resources Northwest



Over the last couple of months, ERNW has provided information about how the Department of Labor and Industries has instituted a number of negative changes to the state retro program. These changes will ultimately result in lower refunds across the state for retro participants. Labor and Industries has been calculating retro refunds incorrectly for years and retro participants

have been the beneficiary of these mistakes. That means that retro groups have earned millions of dollars more than they should have.

The Department of Labor and Industries has finally corrected these mistakes which will result in lower refunds. Moving forward, the gut reaction is to complain and attempt to force the department to reform its system so that retro participants can achieve the types of refunds they have had in the past. Ultimately this argument has very little ground to stand on, as contractors would be asking the department to figure out a way to provide them the same amount of money they received in the past, even though they did not deserve it.

The other option (and the only real solution moving forward) is to concentrate on our retro group's performance. Based on all the changes that the department made, if employers and retro groups can reduce their loss ratios (developed losses divided by standard premium) by seven percentage points, the resultant losses by the Department's miscalculation would disappear. The quickest way to reduce losses are to prevent injuries from occurring, and if an injury does occur, provide light duty and/or Kept on Salary (KOS) as needed. The key to surviving L&I miscalculation to retro is simple: perform better.

For information on reducing loss ratios or the ABC Retro Program, please contact **Greg Kabacy** at (800) 433-7601, extension 803.

US Department of Labor assistant secretary testifies before Congress on OSHA state plan states' occupational safety and health programs *(Cont'd. from pg. 4)*

administrators about the monitoring tools available to them and encouraged more in-depth investigation of potential problems," said Barab. "To ensure that deficiencies similar to those found in Nevada do not exist in any of the other state plans, OSHA will conduct a baseline evaluation, similar to what we conducted in Nevada, for every state that administers its own program. These evaluations will lead to better program performance and consistency throughout all state plans."

Although federal OSHA is strengthening its oversight of state plan programs, Barab also pointed out the benefits of state programs. They add resources to the federal program and cover state and local government employees not covered by federal OSHA. Federal OSHA strongly supports the initiative and dedication of state programs.

"We want to work together with the states and provide assistance before a state's program becomes deficient and causes worker deaths, injuries and illness," said Barab. "We are not trying to change the nature of our relationship between federal and state OSHA, but we need to speak with one voice and assure American workers they will receive adequate protection regardless of the state in which they work."

The Occupational Safety and Health Act of 1970 encourages states to develop and operate their own job safety and health programs. Federal OSHA approves and monitors the state plans and provides up to 50 percent of an approved plan's operating costs. Twenty-five states and two American territories have sought and obtained plan approval.

OSHA's role is to promote safe and healthful working conditions for America's men and women by setting and enforcing standards, and providing training, outreach and education. For more information, visit <http://www.osha.gov/index.html>.

Retro Corner:

How Can ABC Retro Help You Deal with the Proposed Rate Increase?

By Greg Kabacy, Employer Resources Northwest

Recently the Department of Labor and Industries announced that it was raising workers compensation rates by an average of 7.6% statewide. This was a bit of surprise as the actuaries at the department have indicated that for Labor and Industries to stay solvent, it should raise rates by over 19%. The department is banking on the economy turning around within the next year thus increasing the amount of premiums employers would pay, making up the difference between the proposed 7.6% and the recommended 19%. If the economy does not improve over the next year as projected by L&I, a double digit rate increase for 2011 will be necessary.

ABC's Retrospective Rating Program can help you financially deal with this proposed rate increase. By being a positive contributing member of the ABC Retro Program and controlling your workers compensation costs, your refunds can help offset the increase in premiums.

ABC's Retro group is primarily a performance-based program. While it may not seem like providing light duty or Kept on Salary (KOS) options for injured workers is financially feasible, in this economy, by providing these options you may be increasing your own individual refunds within the group. The group average for ABC for the 2007-2008 plan year was 26%. By successfully controlling workers' compensation costs, some members received refunds above 30%. This amount of return would easily offset L&I's proposed rate increase.

Membership Renewal

Reminder to all members, membership dues renewal deadline is January 1, 2010.

If you have not renewed your membership, do it soon so as not to lose out on important member benefits. If you have questions on your renewal, or if you would like to schedule a payment plan, please contact Kim Trautman at (800) 640-7789 or (425) 646-8000 or kim@abcwestwa.org. We look forward to providing you with the support and resources you need to run your business in the coming year.

Ask an ABC Member Professional:

**Dustin Walling, Principal,
Dustin Walling Associates**



Question:

What type of strategic planning should I do to emerge as a thriving and successful business?

Answer:

High performance companies engage in strategic planning which changes the way they operate on a monthly basis. The single most important output from strategic planning is Performance Factors, those key performance indicators and key accountabilities most critical to successful attainment of corporate goals. Any strategic planning should produce clarified values, vision, and mission; an analysis of current situation; financial forecast; competitive analysis; and staff analysis. But the single best key to high performance is creating forward-looking expectations for your own success, and planning to make it happen: Performance Factors. Check progress at least monthly.

Dustin Walling Associates is a management consulting firm that helps build high performance organizations in Seattle, the Puget Sound, and throughout the Western United States. Their passion is to generate greater profitability and productivity, improve quality of life for our client leaders and staff, and foster giving to the communities and environment in which we live.

Dustin is very active in ABC, and a member of the Industry Partners Council, a group of members servicing and educating fellow ABC members.

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

Meet the New Members

Dovetail, Inc.

Kathie Wood | General Contractor | 206.545.0722 | www.dovetailinc.net

Dovetail, Inc. is a general contractor that has been creating finely crafted residential and commercial buildings in the Puget Sound area since 1991. From the design phase through completion, Dovetail specializes in high-end residential new construction and remodels, as well as restaurants and commercial spaces including custom cabinetry and museum-quality furniture. Dovetail owns and operates a fully equipped wood shop which provides cabinetry, millwork, and general support for their construction projects. Dovetail joined ABC to participate in the Retro Program.

Olympic Reprographics

Steve Soames | Reprographics | 206.622.6000 | www.olyrepro.com



Olympic Reprographics is a reprographics company specializing in document management, online planrooms, black and white and color printing, banners and print/copy equipment and supplies. Their document management, printing and graphic solutions enable customers to be more effective and to devote more of their time to billable activities. Olympic Reprographics joined ABC for marketing and networking opportunities.

Phoenix Builders LLC

Marilynn Moch | General Contractor | 206.84.4783

Phoenix Builders LLC is a general contracting company that specializes in supplying and erecting pre-engineered steel buildings and can do turn-key. They have crews who specialize in small foundations, studs and drywall, ceiling, welding and ornamental iron work. Phoenix Builders joined ABC for networking and mentoring opportunities. We thank **Judy Jewell** with **Olympian Precast, Inc.** for sponsoring this member.



Steve Soames (left) with Olympic Reprographics co-sponsored the October dinner meeting with Stan Uhlig (right) of Federal Construction Consultants.



Left: Dave Perrin (CITC) won the gift basket drawing, provided by Brian Mead (Balancing Service Co., Inc.). Right: Brian O'Neil (Bacic Group, LLC) and Eldon Carlson (Merrill Carlson & co., PLLC) represented the ABC Golf Committee as Volunteers of the Month.

ABC Working For You

ABC Green Council: Green Bites



Are you looking for a one-stop-shop for all your green building questions? Look no further, ABC has developed www.greenconstructionatwork.com to help answer all your questions and provide up-to-date information in the ever-changing field of sustainable building.

Some of the great features to check out include a calendar of green events happening around the nation, tools and resources to help answer questions ranging from finding out about the LEED® rating system, to funding opportunities, to a glossary of green terminology, news and events for up-to-date industry news and much more. Learn how to become a certified ABC Green Contractor, or share a recent green building project you have worked on (check out which ABC/WW member is currently featured). And get tips on sustainable practices in greening your jobsite, office or everyday life.

It is ABC's mission to advance its members' ability to support their customers and thrive in the green building industry by providing education and resources, advocating for smart energy policy and legislation that supports ABC members, establishing partnerships and working with construction owners to champion green initiatives that are inclusive of ABC members, and develop and communicate best practices to ABC members to demonstrate a commitment to sustainability and promote an eco-friendly culture throughout the association.

ABC has been at the forefront of the green building movement since its inception with green building pioneer **SIGAL Construction**. This ABC member went on to become a founding member of the U.S. Green Building Council (USGBC) and one of the authors of the Leadership in Energy and Environmental Design (LEED®) rating system. ABC understands that more thoughtful and environmentally responsible construction is an important step in ensuring we leave a softer footprint on the landscape for future generations.

For local ABC/WW information on green building check out www.abcwestwa.org/green. The ABC/WW Green Council is here to help provide education, resources and connections to enable you and your company to succeed in the rapidly growing field of sustainable design and construction.

Join us on Thursday, December 3rd from 11:30 – 1:00 PM at Enterprise Fleet Management in Renton for the ABC Green Council Roundtable: Building with Rebates: Save Money and Energy. Come and join us for a presentation on energy conservation and what sort of rebates, tax incentives and products are available to help you save money while building.

ABC Co-Hosts the SMPS Breakfast Meeting on Integrated Project Delivery

ABC co-hosted the monthly meeting of SMPS (Society for Marketing Professional Services) at the Washington Athletic Club in November. The topic was "Integrated Project Delivery" (IPD) and was presented by a panel of speakers who are currently working on one of the Northwest's first "true" IPD projects, Seattle Children's Hospital Ambulatory Surgery Center in Bellevue.

IPD is defined by AIA as "a project delivery approach that integrates people, systems, business structures and practices into a process that collaboratively harnesses the talents and insights of all participants to optimize project results, increase value to the owner, reduce waste and maximize efficiency through all phases of design, fabrication and construction."

IPD is a new approach to how the A/E/C industry can work together. IPD changes the areas of project delivery by including communication, scheduling, teaming, contracting, and technology to improve the efficiency and performance of the project.

For more information, "A Guide to Integrated Project Delivery" can be downloaded at <http://www.aia.org/contractdocs/AIAS077630>. A white paper on IPD can be found at www.tedsive.com.

ABC Open House and Free Networking Event

Network your way to a brighter 2010 by joining your fellow members and the ABC staff at the ABC office for our annual Open House on Wednesday, December 9th from 5:00 - 7:00 pm. We'll be giving away \$100 cash prizes to any ABC member who brings a non-member company that joins, and 15% off the dues of any non-member that joins the night of the event!

Enjoy good company, appetizers and drinks at this free event designed to help you build up your contacts for the New Year. Two Marines will be attending the Open House to show support to our members for their donations for ABC's Young Professionals Group Toys for Tots Toy Drive. December 9th will be the last day that toys can be collected. Come thank the men who serve our country! For more information or to register, contact **Amy Gegoux** at (800) 640-7789 or amy@abcwestwa.org.

ABC's School of Construction Management Starts Up Again in the Spring

The popular ABC School of Construction Management spring session is scheduled to begin February 9th in Bellevue. This course always gets rave reviews and becomes an important peer-sharing opportunity for the participants.

The school is designed to provide instruction in the skills it takes to run a successful construction firm and provide an opportunity to meet others in your industry. The goal of the school is to improve the skills of those looking to move into higher management positions within established construction companies. Knowledge from the school, plus networking opportunities in class and at other ABC events, will enhance your ability to become part of the overall construction community.

ABC's School of Construction Management is for you if...

- You want to improve your knowledge in the broad spectrum of skill areas needed to run a profitable and successful construction company in today's competitive environment

- You have "up and comers" on your staff whom you think would benefit from some additional classroom training in a variety of construction areas -- to

(Cont'd. on pg. 11)

ABC Institute Provides Leadership Training



ABC group out to dinner at The Polynesian Resort on the second night. Front row: Victoria Klyce, Kathleen Garrity and Erin VerHoeven. Back row: Aran Buchan, Les Sargeant and Nick Cooper.

The ABC Institute for Leadership & Professional Development is designed for member companies and chapter leaders. This year's institute was held in late October in Orlando. Representing ABC of Western Washington were: **Les Sargeant, United Systems Mechanical, LLC**, chapter chair; **Erin VerHoeven, Corstone Contractors, LLC**, chapter chair-elect; and four staff members: **President Kathleen Garrity, Vice President-Membership Wendy Novak, Vice President-Communications & Events Victoria Klyce, and Vice President-Government & Labor Affairs Aran Buchan.**

In addition, **Pam and Larry Stewart, Synergy Construction, Inc.**, attended the Construction Executive track. Sessions were held on a wide variety of topics for volunteer leaders, chapter staff and construction executives. **Nick Cooper (Cooper Johnson Enterprises)**, attended the National Diversity Committee and the board meeting.

The Western Washington Chapter also provided some of the programming. Aran spoke on a panel on "How to Build an Effective State Government Affairs Program." He discussed developing the infrastructure to an effective government affairs program, communicating with members and government officials, and raising political action committee funds.

Wendy spoke at two sessions concerning membership growth. She is the incoming chair of the National Membership Council and had many other responsibilities in that capacity. Kathleen sat on a panel concerning the chapter diversity program.

Member **Aaron Lindstrom (Enterprise Fleet Services)** led two workshops on sales techniques that were very well-received.

ABC Working For You

Donate to ABC's YPG Toys for Tots Toy Drive!

ABC Young Professionals Group is holding its annual toy drive for the U.S. Marine Corps Toys for Tots Program. Last year ABC was able to donate around 200 toys, and we are hoping to top that this year. The U.S. Marine Toys for Tots Foundation is a 501(c) (3) not-for-profit public charity that began in 1947. A main goal of ABC's YPG is to get involved in community enhancement programs.



The program collects new, unwrapped toys during October, November, and December each year, and distributes the toys as Christmas gifts to needy children in the community. The primary goal is to send a message of hope to youngsters that will motivate them to grow up into responsible, productive, patriotic citizens and community leaders.

ABC would like to thank **Stan and Sharon Uhlig of Federal Construction Consultants** for the first donation! All donations (cash donations are also accepted) can be brought by the ABC office in Bellevue from now until ABC's Open House on December 9th from 5:00 – 7:00 pm. Two Marines will be attending the Open House to show support to our members for their donations. Come thank the men who serve our country! If you have any questions, please contact **Amy Gegoux** at (800) 640-7789 or amy@abcwestwa.org.

The First Step to Qualify for Public Washington Jobs - CITC/CATC Apprenticeship

As private work declines many contractors are looking at bidding on public work for the first time. A key component to qualify for public work is to be able to meet Washington State's apprenticeship utilization requirement. A 2007 state law requires that on all state projects over \$1 million 15% of the labor hours must be worked by state-registered apprentices. Many cities, school districts and the Port of Seattle also include this requirement.

The Construction Industry Training Council's apprenticeship division: **Construction Apprenticeship Training Committees (CATC)** is the open shop provider in Washington State. "CITC, with the support of ABC of Western Washington and ABC National, has fought for 20 years and spent a large amount in legal fees to make sure open shop contractors have access to state-approved apprenticeship," said Chapter President **Kathleen Garrity**. "Without it our contractors would not be eligible to bid on this work."

"While participating in the CATC apprenticeship program is one reason to participate in training, it also makes very good dollar sense," said Vice President/Education **Dave Perrin**. "It pays to train." A 2008 Construction Industry Institute study of Canadian and U.S. contractors shows that there is between a \$1.30 and \$3.00 return on investment per dollar spent on training. That training resulted in:

1. Increased productivity and reduced "re-work"
2. Reduced absenteeism and turnover
3. Reduced OSHA recordables

Additionally, a 2006 review of Experience Modified Rates of construction trade association members showed that companies that trained had an EMR of .78 vs. a rate of .98 for companies that did not train.

For more information about the CATC apprenticeship program call (877) 428-0442 or visit the website at www.catc.org.



Adriana Gamboa (right) with Construction Apprenticeship Training explains to Vice President of Membership Wendy Novak what CITC/CATC can offer ABC members.

ABC Working For You

AQC Program Puts You Ahead of the Pack!

Are you interested looking for a way to market your company in the industry and business community? Check out the ABC Accredited Quality Contractor (AQC) program. This is an accreditation program which is publicly recognized and honors those construction firms which have documented their commitment in four key areas of corporate responsibility: safety, employee benefits, training and community relations. Besides recognition, some of the other benefits include national and local recognition in publications, authorization to use AQC language in bid documents, discounts on other business development opportunities offered by ABC National and permission to use the AQC logo on letterhead, business cards and jobsite signs.

If you have received a Platinum or Gold STEP award in the last two years you have fulfilled half of the safety requirements. Now is the time to be thinking about getting into this program. This is an annual program that is renewable each year. Applications are reviewed in December, March, June and October. The application takes about four hours to complete. If you start now for 2010 you will have all year to utilize this valuable marketing tool for your company.

Join the following ABC of Western Washington members who have already taken the AQC pledge: **CHG Building Systems, Inc., Hamer Electric, John Michael Hall Corp., S.M.E., Inc. of Seattle, Synergy Construction, Inc. and Merit Mechanical, Inc.**

For more information on the AQC program, visit our website at www.abcwestwa.org/AQC to download a brochure and application, or contact Membership Coordinator **Kim Trautman** at kim@abcwestwa.org or (800) 640-7789.

Auction Shootout Wrangles a Great Time for All!



On left: Connie Krebs and Jody Runge from RESTORx dressed to the nines! On right, Patty and Les Sargeant (United Systems Mechanical, LLC) were sheriffs for the night.

ABC's 26th Annual Dinner Auction "Shootout at the ABC Corral" was rip-roaring good time with cowboys out in full force, rag time music filling the air and saloon women dressed to impress. The evening would not have been possible without the help of our sponsors. Thank you to the Corral Sponsor, **Oles Morrison Rinker Baker LLC**, and supporting sponsor **United Systems Mechanical, LLC**.

Corstone Contractors LLC and **RESTORx of Washington** started off the fun-filled evening with a complimentary whiskey reception that proved to be very popular! The night flew by with three silent auctions and a very entertaining live auction facilitated by **Tim Leahy** of **Tim Leahy Benefit Auction Services** and **Troy McVicker** of **Event Source Northwest**. With all the great donations we received, members were able to take home some great once-in-a-lifetime items. We also want to congratulate **Greg Tozer** with **Express Construction Co., Inc.** for winning the 50/50 raffle and taking home \$500!

In these trying times ABC members came through to show their support to ABC's community partner the Make-A-Wish Foundation® of Alaska, Montana, Northern Idaho & Washington by raising an impressive \$21,450. Seven-year-old Alyssa and mom Jennifer from the "wish family" shared Alyssa's incredible story of how her dream to be a cowgirl came true for a day! Alyssa was very brave to get up on stage and share some of her favorite parts of her wish, including her pink cowgirl outfit which she showed off with pride! Some of the things she learned during her wish was how to cut cattle, rope a calf, barrel race, and brand a cow with paint. From all the contributions made at the auction ABC is honored to announce that four more
(Cont'd. on pg. 10)

Volunteer of the Month: November



Jeremy Stendera, president of **APEX**, has been selected as ABC's Volunteer of the Month for November.

As ABC's Vice Chair - Government and Labor Affairs (GLA), Jeremy took on the task of reshaping the function and goals of the GLA Council in 2009 and 2010. He has attended every PAC fundraiser, submitted testimony on behalf of his company and ABC against the workers' compensation rates increase, recruited new members for ABC's Legislative Action Team and started a LinkedIn account for the same group. His strong belief in the merit shop system and ABC as an association has been beneficial to the entire membership.

Jeremy participates in ABC's Rising Star Leadership Program, sits on the Young Professionals Group Steering Committee, and serves on the ABC Board of Directors. Jeremy's support of ABC is continually shared with others as he tells non-members about the value ABC membership.

Jeremy attends many ABC events such as the monthly dinner meetings, YPG events, legislative events as well as safety training and education for his employees. His company also takes part in ABC's STEP program (Safety Training Evaluation Process) and earned recognition at the silver level.

Thank you, Jeremy, for your commitment and involvement in so many facets of ABC!



See more photos of the 2009 ABC Dinner Auction "Shootout at the ABC Corral!" on the web at www.abcwestwa.org

Connie Bown Awarded Certificate of Achievement at the 2009 Pillar Awards

ABC member, **Connie Bown** with **The Snowden Company, Inc.**, recently received the Regional Small Business Development Program's (RSBDP) Certificate of Achievement award at the First Annual 2009 Pillar Awards. The RSBDP is a local community organization that helps small businesses grow through education and technical assistance. Connie says, "Since my initial involvement with RSBDP in 2007 I have learned a lot and enjoy the networking and interaction with other construction firms."

President of The Snowden Company, Connie started out as a janitorial company in 1987 and has now expanded into flooring. Connie explained that she persevered, worked hard, and eventually took her business to the next level by building relationships with the help of the RSBDP. It wasn't easy for her being a woman in the construction business.

Bown received this award from collecting contracts from the Port of Seattle and the Seattle School District. The Snowden Company has received 23 contracts totaling over \$2 million since joining the RSBDP.

Auction Shootout Wrangles a Great Time for All!

(Cont'd. from pg. 9)

children's wishes will come true!

ABC wants to say thank you to everyone who donated, sponsored or participated, making this great event possible. We especially want to give out a big thanks to our Auction Committee who worked very hard to make this evening as exciting and fun as it was. Led by Chair **Candi Pfluger** of **Clothier & Head, PS**, the committee also included **Anthony Christoffersen**, **Lynnae Cullinane** with **Enterprise Fleet Management**, and **Steve Ridgwell** of **Lovsted-Worthington, LLC**.

If you thought this year was a good time, mark your calendars for November 13, 2010 for an even bigger and better auction! If you would like to be part of the Auction Committee to help plan this great event, please contact **Amy Gegoux** at (800) 640-7789 or amy@abcwestwa.org.

Network News

Industrial Resources, Inc. Completes Work on MV Alucia

Industrial Resources, Inc. has completed work on the M.V. Alucia, a 183-foot luxury yacht/submersible support ship/scientific exploration vessel. Deep Ocean Expeditions LLC has redesigned and replaced nearly 100 percent of the piping, wiring, machinery, joinery and equipment as well as added many new systems to the vessel. In addition, reworking the hull made possible a new submersible hangar, a sundeck and a helicopter pad.



MV Alucia underway in Puget Sound.

Industrial Resources worked on hull repair, piping, joinery and major renovation of the engine room. "In fact there isn't anywhere that IRI didn't have an active hand," said Rob McCallum, expedition manager for Deep Ocean Expeditions. "Their experience with high end marine support and fishing vessels was invaluable. From the new submersible hangars, helicopter pad and sundeck to the pilot house and cabins, IRI played a significant role."

The ship was heavily damaged in Hurricane Katrina and IRI did repair work to the hull including opening the ship in various areas for hull access for sandblasting and painting. IRI assisted with the HVAC throughout the boat and installed the exhaust systems off the three generators and two main engines, installed miscellaneous hull penetrations for transducers and two fair waters for hydrophones.

For the dive locker, IRI opened up the main deck and rigged in three compressors, mounted them to the deck, plumbed in sink and ran air to the area. They also installed additional supports and framework for storage under the deck and ran tie ins off saltwater cooling for the compressor. On the helicopter deck, IRI installed a winch that covers a six foot by six foot area and is capable of running data cable from a depth of 10,000 feet for scientific research. They also installed all deck pockets, sea containers and the cradle for the 33-foot Northwind skiff that sits atop the helicopter deck. In the deep sea aquarium, IRI ran all of the hot and cold penetration into the space and installed deck drains. They installed the hydraulic power units for steering the boat as well as quadrant arms for the rudder posts.

"The fin stabilizer installation was a highlight for us," said **Marvin McAllister**, IRI's project manager. It's an independent roll stabilizing system that counteracts the ships rolling at sea and it interacts with many other systems on the boat." IRI installed all the piping for the air, salt and fresh water, plumbing, fuel systems and aft fueling station including JP5 fuel for a helicopter.

Alucia was originally built in France in 1974 as a support ship for Jacques Cousteau's government-sponsored research organization. The three-year renovation put more than \$30 million into the local economy and employed approximately 1,000 people. "We would not have initially thought of Seattle as the place to restore this ship," said McCallum, "But after Hurricane Katrina we could not work in Gulf Port, Mississippi. It was a pleasant surprise to find that we could get a highly talented and skilled workforce here."

In addition to Industrial Resources, Inc. other local contractors included: Armorclad Floors; Elmore Electrical; Eltech Electric; Maximum Performance Hydraulics; West Coast Insulation; Joseph Artese Design; Jeff Brandewiede; and Pacific Northwest Metal Fabricators.

Website of the Month

Visit this website:

<http://www.recovery.gov>

and click on the "Where is the Money Going?" link



Spec That Truck!

By Aaron Lindstrom, Enterprise Fleet Management



In today's high performance driven economy, businesses want more from their fleet of vehicles: improved performance, lower maintenance, longer life and greater fuel economy – and reduced life-cycle costs. In addition, because modern vehicles are increasingly complex and technologically advanced, all the parts, though manufactured by many suppliers, must work together as a complementary system for optimum performance.

Spec'ing vehicles based on accurate information can make a big difference in selecting components that will provide maximum performance, lowest service and repair costs, and best resale value over the life of the vehicle.

One of the most critical considerations is the gross vehicle weight rating (GVWR). Simply put, the GVWR refers to the maximum a vehicle can weigh at any time. The GVWR includes the net weight of the vehicle, plus the weight of the driver and any passengers, as well as fuel, cargo and any aftermarket equipment or accessories added to the vehicle.

Exceeding the GVWR by regularly overloading a vehicle not only reduces its service life significantly, it also can be a safety hazard. It could also expose a company to legal litigation and judgments if there is an accident and the facts show that it was caused by an overweight vehicle.

Manufacturers determine the maximum acceptable weight limits for each vehicle by considering the combined weight of the strongest weight bearing components (the axles) and the weaker components (vehicle body, frame, suspension, and tires). When these are factored in, the manufacturer sets the vehicle's GVWR in accordance with established industry standards. However, modifying the chassis by adding helper springs or heavier tires/components does not increase the GVWR or payload capacity.

The easiest way to figure out how much weight a vehicle is designed to carry is to subtract its net weight (found in your owner's manual) from the GVWR (usually on a placard on the door jam). The remaining number is the maximum weight the vehicle can safely carry, including the driver, fuel and cargo. Aftermarket accessories and equipment also increases the weight of the vehicle and must be added to the net weight listed in the owner's manual. The best way to check the net weight is to take the vehicle to a certified scale and weigh it.

While drivers may continue to load materials into their trucks if there appears to be space left in the vehicle, the frame, suspension, brakes and tires are not designed for weights above the rating the manufacturer has established. Overloading a truck can cause premature mechanical failures on driveline components such as axles, drive shaft universal joints, transmission, and suspension parts and brakes. In addition, vehicles that operate above the GVWR are a potential safety hazard by affecting the way the truck handles and stops.

A good rule of thumb to follow is what most people in the trucking industry refer to as the "80 percent rule." While your truck will certainly be loaded to 100 percent capacity from time to time, the best practice is to generally spec your vehicle to operate at 80 percent of its GVWR. This will reduce the operating costs of your truck and help extend its service life.

Although years ago, overloading a vehicle was more commonplace, times have changed. While today's manufacturer's warranties usually cover everything except normal wear-and-tear items like tires, brake pads and filters, failure to comply with the truck's GVWR can often end up voiding the warranty.

Spec'ing new vehicles should always begin with a detailed assessment of a company's needs, including annual mileage, payload requirement and service application. The initial cost of a properly spec'd vehicle may be slightly higher than expected, but you will save money in the long run with less expensive maintenance and repairs, reduced down time, and higher resale value.

The Blue Book Launches New Digital Document Viewer

The Blue Book of Building and Construction has announced a new free service designed to help advance the bid communication process for construction professionals. Vu360 is a universal digital document viewer that enables users to easily view plans, specifications and other documents in .TIFF and .PDF formats, take measurements and add comments to the documents. Markups can be shared among the project team, facilitating viewing and response to RFIs (request for information).

Vu360 works with any online plan room (that supports .TIFF and .PDF files) as well as "offline" with files on a CD or saved to a computer. The Blue Book designed and developed this complete document viewer specifically for the commercial construction community. Vu360 is integrated with The Blue Book's search tools so users can easily find and spec products, materials and equipment as well as message vendors. Allowing users access to the Web directly from within their takeoff tool enables them to simultaneously look at a blue print, examine a spec page and review a product Web page to determine if they want to bid the project and give direction to their project team – all within their current workflow.

"The Blue Book is focused on improving digital communication within the AEC Community," explained **Rich Johnson**, The Blue Book's general manager. "Vu360 will fit right in to the growing digital workflow of the entire industry. More and more professionals are utilizing online plan rooms and digital documents. It makes perfect sense for them to have a product that allows them to quickly assess a project and determine if they want to bid on it. Plus with Vu360, they can spec products and find installers – all within one application."

For more information on Vu360, please visit www.thebluebook.com/vu or contact **Ed Haege** at (800) 431-2584 or email ehaega@mail.thebluebook.com.

ABC's School of Construction Management...

(Cont'd. from pg. 7) improve their knowledge and help them move up in your company.

Contact **Kim Trautman** at (800) 640-7789 or kim@abcwestwa.org to register or for more information.

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Patriot Partners



Liberty Partners



Platinum Partners

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Dochnahl Construction, Inc.
High Country Contractors, Inc.
HUB International NW, LLC
McGraw-Hill Construction Publications
Synergy Construction, Inc.

Gold Partners

Keithly Electric, Co.
Kirby Electric, Inc.
Kirtley-Cole Associates
Lovsted-Worthington, LLC

Silver Partners

Clausen Law Firm, PLLC
Davis-Bacon Pension Plans, Inc.

If you are interested in becoming a 2010 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!

- ABC 2009-2010 Member Directories**
 - Please send me # ___ hard copies of the ABC Directory.
 - Please send me # ___ copies of the ABC Directory on CD.
- ABC Green Contractor Certification**

Please send me information on becoming an ABC Certified Green Contractor.
- 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.
- 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.
- Safety 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.
- ABC Labor Emergency Kit**
 - Please send me an ABC Labor Emergency Kit and invoice me for \$100 (incl. tax) + \$14 shipping & handling.
 - Please save an ABC Labor Emergency Kit for me - I will bring a check or credit card for \$100 (incl. tax) to the ABC office in Bellevue.
- ABC Dinner Sponsor**

I'm interested in finding out more about being a dinner meeting sponsor. Please contact me to go over the benefits!
- 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: _____

Company: _____

Address: _____

Phone: _____

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