

CCIA HIGHLIGHTS *of the week*

A weekly information bulletin for members of the Connecticut Construction Industries Association

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CCIA WELCOMES NEW MEMBER: GDS Contracting Corporation, a drywall and acoustical subcontractor, is an AGC/CT Specialty Contractor member. Contact: Jack Squillacote, Vice President; e-mail: jack@gdscontracting.com; phone: 860-828-1568; address: 1623 Berlin Turnpike, Berlin, CT 06037.

THE STATE'S GENERAL FUND is expected to have an operating surplus of \$461.9 m., which will help push budget reserves to nearly \$2.3 b. by the end of the fiscal year, Office of Policy and Management Secretary-designate Melissa McCaw announced last week, according to an [article](#) in the *Hartford Business Journal*. The surplus is up \$219.5 m. from the projection last month due mainly to revised consensus revenue numbers released in early January. The Special Transportation Fund is expected to see an operating surplus of \$69.6 m. and end the fiscal year with a balance of \$315.3 m. Revenues in the fund have been revised upward by \$3 m. from last month, but tax revenues reflecting lower than expected oil prices decreased gas tax revenues by \$17.5 m.

CONCEPT BILLS of potential interest to the construction industry were introduced this week in the General Assembly, including: [H.B. 5775](#), An Act Appropriating Funds to the University of Connecticut to Study Pyrrhotite and Crumbling Concrete Foundations; [H.B. 5883](#), An Act Requiring Workers' Compensation Insurance Coverage for Detoxification for Certain Injured Employees; [H.B. 5945](#), An Act Concerning a Study Regarding Public-Private Partnerships; [S.B. 164](#), An Act Including Certain Mental or Emotional Impairments Within the Definition of "Personal Injury" Under the Workers Compensation Statutes; [S.B. 350](#), An Act Protecting Employers Who Terminate or Refuse to Hire an Employee Because of a Failed Marijuana Drug Test; [S.B. 423](#), An Act Concerning the Creation of a Connecticut Transportation Authority; S.B. 439, An Act Concerning Resolution of Disputes Involving Contractors.

STATE SENATOR ALEX BERGSTEIN, a freshman Democrat from Greenwich who favors tolling on all vehicles, began the 2019 debate over tolls last week. *The CT Mirror* [reports](#) Bergstein, vice chairwoman of the legislature's Transportation Committee, has also said fellow lawmakers should consider another cost-sharing option that could accelerate the rehabilitation of the transportation system: marketing the potential \$950 m.-per-year toll revenue stream to private investors. Rather than getting 40 or 50 cents up front for every \$1 of future toll revenue pledged, Bergstein said, Connecticut could leverage more money up front than it commits down the road, possibly \$7 to \$9 of private-sector money for every \$1 the state pledges.

THE CLOSURE OF THE FEDERAL Transit Administration (FTA), which is part of the U.S. DOT, one of nine federal agencies that are shutdown, has put on hold the Greater Bridgeport Transit Authority's awarding of a

contract for a construction project and also \$3 m. in federal funding for several other transit projects, according to an [article](#) in *CT Mirror*. ConnDOT is losing about \$16 m. a month in FTA grants, said DOT spokesman Judd Everhart, but that loss has not yet impacted operations. The \$1.1 b. the state will receive in federal highway funding this year has not been affected by the shutdown because it comes largely from the Highway Trust Fund that is supported by gasoline taxes and other user fees. But other federal funding may be at risk, especially if the dysfunction in Washington continues for much longer.

GOVERNOR LAMONT, in his inaugural address, said he wants Connecticut's cities to be the first in New England with access to fifth-generation, or 5G, mobile networks, according to an [article](#) in *Hartford Business Journal*. Major telecom providers say the service will have significant economic development benefits, including virtual and augmented reality applications, industrial automation, connected devices, and driverless cars. It will be up to the carriers just how fast they roll out 5G, and where, but several reacted to the governor's statement with enthusiasm. Experts and officials say Connecticut has made important strides that could help quicken 5G deployment, but major hurdles remain before the state can distinguish itself as an early adopter.

CONSTRUCTION COSTS nationwide declined in December but remained elevated compared to year-earlier prices, AGC of America [reports](#). An index measuring projected costs for nonresidential buildings was unchanged for the month and ended the year 5.3 percent higher than in December 2017. AGC Chief Economist Ken Simonson observed that this "bid-price" index outpaced the index for construction input costs only in the last two months of 2018, implying that many contractors experienced unexpectedly high costs for materials and services during the year.

CONSTRUCTION EMPLOYMENT in Connecticut, on a month-to-month basis, increased in December, as the CT DOL posted on its [website](#) that there were 2,100 more construction workers in December (67,000) as there were in November (64,900). Construction employment, on a year-end basis, was up by almost 17 percent overall, as there were 57,300 construction jobs in December 2017 compared to 67,000 in December 2018. The industry, in general, still has a long way to go to catch up to pre-recession job levels.

NONRESIDENTIAL CONSTRUCTION spending nationwide on buildings is projected to grow by 4.4 percent through 2019, according to a new [consensus forecast](#) from the AIA. Healthy gains in the industrial and institutional building sectors have bolstered growth projections for 2019; however, the AIA Consensus Construction Forecast Panel is suggesting that a broader economic downturn may be materializing over the next 12 to 24 months.

NATIONWIDE ARCHITECTURE FIRM billings growth decreased in December but remained positive for the fifteenth consecutive month, according to a [new report](#) from the AIA. AIA's Architecture Billings Index (ABI) score for December was 50.4 compared to 54.7 in November (any score above 50 indicates growth). The Northeast region saw an ABI of 51.5 for December.

NEW MILFORD IS TRYING to repair the Merryall Road bridge but the location, state requirements, and neighbors' concerns are making it difficult to determine the best course of action, according to an [article](#) in the *Stamford Advocate*. The bridge has a rating of four out of 10 and is classified as "poor condition." The least expensive option would cut into nearly 200 feet of private property but the plan does not account the purchase of that land. The other options include rebuilding the bridge in place using a temporary bridge or doing it one lane at a time to keep it open during construction. The town's public works department hopes to start construction next year.

CONNDOT BID RESULTS for January 23, 2019: There were no bid results this week.

AGC OF AMERICA hosted a media event in New York City last week to promote the release of its white paper, [The Business Case for Diversity & Inclusion in the Construction Industry](#), and to push for greater opportunities for high school students to enter into the industry, providing opportunities for high-paying wages to a larger, more diverse pool of workers. "If the construction industry cannot find an effective way to recruit hire and develop a more diverse workforce, we won't be able to keep pace with demand," said AGC of America CEO Steve Sandherr. Standing on the steps of City Hall, AGC announced a nationwide push to make vocational training available to more high school students, in an effort to reach minorities and women at an earlier age.

C.H. NICKERSON & COMPANY of Torrington, a CCIA and AGC/CT member, is celebrating its 80th anniversary this year and the milestone is highlighted in an [article](#) in the digital edition of the *Construction Today* magazine. Founded in 1939, the company is a self-performing general contractor that has built and rehabilitated more than 200 water and wastewater treatment facilities in New England and the Northeast since its inception. On average, the company completes between \$80 and \$100 m. in environmental construction projects on an annual basis.

MAINTAINING ROAD SURFACES not only makes for smoother riding but a new study says it also helps the

environment, reports [Rutgers Today](#). The study, led by Rutgers University's School of Engineering, determined that extending the life of pavement when it reaches early stages of failure can reduce greenhouse gases, particularly carbon-dioxide. The study determined that a thin asphalt overlay of up to 2 inches reduced carbon-dioxide emissions by 2 percent, the most of the repair methods studied. Researchers attributed the emissions reduction to the overlay's ability to reduce road roughness.

OSHA RELEASED YESTERDAY its final [electronic recordkeeping rule](#) and, as the agency proposed in July, employers with 250 or more employees will not have to electronically submit Form 300, "Log of Work-Related Injuries and Illnesses" or Form 301, "Injury and Illness Incident Report." All covered employers will still have to submit Form 300A, "Summary of Work-Related Injuries and Illnesses," electronically. The rule was published to the [Federal Register](#) today and will take effect after 30 days. Employees must still record, retain and, when required, report the information for this form as they have in the past.

OSHA'S FINAL RULE to increase its civil penalties by approximately 2.5 percent for 2019, with a new maximum single-violation penalty for willful and repeat violations of \$132,598, has been published in the Federal Register and took effect immediately on January 23, 2019, according to a [report](#) in Safety.BLR.com. The penalty increases adjust for inflation as required by the Federal Civil Penalties Inflation Adjustment Act of 2015, which initially raised civil penalties by 78 percent after over 2 decades without a penalty increase and mandated annual adjustments each year.

SAFETY REMINDER: All employers with 10 or more employees must post a copy of OSHA's Form 300A, which summarizes job-related injuries and illnesses logged during 2018, by Feb. 1, 2019. Each year, from Feb. 1 to April 30, [the form](#) must be displayed in a common area where notices to employees are usually posted.

THE 72ND ANNUAL MEETING of the AGC of Connecticut, Thurs., Feb. 13, 2019, at the Aqua Turf, Plantsville, CT, will feature keynote speaker, [Dr. Barbara Jackson](#), a nationally-recognized leader in the design-build industry. Social and food stations begin at 5:00 pm, and the program begins at 6:30 pm. Special thanks to Program Sponsor, Marcum LLP. Registration and sponsorship information may be found at this [link](#). Click [here](#) for on-line registration.

FLIERS INCLUDED IN HIGHLIGHTS, 1/25/19: 1) [CCIA January Calendar](#); 2) [72nd AGC/CT Annual Meeting 2/13](#); 3) [YCF Membership Meeting, 2/21](#).

FROM THE INTERNET: On January 25, 1964, Nike was founded. The company was originally named Blue Ribbon Sports, and officially became Nike in 1971. Bananas are curved because they grow toward the sun. In 2017 more people were killed from injuries caused by taking a selfie than by shark attacks. The average male gets bored of a shopping trip after 26 minutes.