CCIA HIGHlightS of the week

A weekly information bulletin for members of the Connecticut Construction Industries Association Phone: 860-529-6855

November 30, 2012

CCIA Annual Membership Meeting & Holiday Reception | Wednesday, December 5, 2012 | 5:00 - 9:00 pm Aqua Turf Club, Kay's Pier North – Plantsville | Registration & Information Invitation



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THE SECOND INSTALLMENT of Town Aid Road grants-in-aid of \$15 million to municipalities for construction or improvements of local roads, highways and bridges would be financed if a request from ConnDOT before the State Bond Commission at its last meeting of the year, on Mon., Dec. 10, 2012, is approved.

RESURFACING, SAFETY IMPROVEMENTS and bridge rehabilitation on the Merritt Parkway in Stamford and New Canaan would be financed with \$9.6 million in special tax obligation bonds if the bond commission approves the request from ConnDOT at its meeting. Additionally, the agency is requesting about \$24.7 million to finance four bridge improvement and rehabilitation projects across the state. The projects overall will, according to the Office of Policy and Management, create or retain approximately 719 construction related jobs.

LOCAL CAPITAL IMPROVEMENT projects, including road construction, repair or resurfacing, and sewer and water treatment facilities, would receive \$7.5 million if the bond commission approves the request from OPM.

CONGRESSMAN BILL SHUSTER (R-PA) was selected by the House Republican Conference to be the next chairman of the House Transportation and Infrastructure Committee. Shuster, in a <u>statement</u> made following the announcement of his selection, said the committee will focus on "strengthening America's transportation networks to make us more efficient, more competitive, and more prosperous." House Majority Leader Eric Cantor (R-VA) added that Shuster has a "proven commitment to strengthening our nation's infrastructure." Shuster has served on the committee since coming to Congress in 2001, and has previously served as chairman of two subcommittees. He replaces Rep. John Mica (R-FL) who, under House Republican term limit rules, must step down from his leadership of the panel at the end of 2012.

CONGRESS RECONVENED this week following its Thanksgiving recess, and private discussions between President Obama and congressional leaders are underway to find a compromise and avoid the "fiscal cliff" early next year.

CONSTRUCTION STARTS in the institutional building market weakened further in 2012, sliding 15% to 276 square feet, according to McGraw-Hill Construction's 2013 Construction Outlook. All institutional structure types have registered decreased activity, as reduced government support continues to take its toll. Contracting for the institutional group as a whole is expected to level off in 2013, slipping 2% to 270 million square feet while the dollar amount steadies at \$86.6 billion. Meanwhile, public works construction in 2012 will drop 3% to \$100.6 billion, from a 10% slide for highway and bridge construction and 9% drop in environmental categories, while other public works rebound 32% due to more pipeline and rail projects. The sector is projected to slip another 1% in 2013, due to ongoing uncertainty about how the federal budget will affect transportation projects.

WAIVERS FOR COMPANIES operating in relief and recovery efforts associated with Hurricane Sandy that were allowed under a <u>declaration of an emergency condition</u> by ConnDOT to carry a divisible load limit of up to 100,000 pounds for vehicles engaged in the transport of certain products or commodities, including petroleum products, food, emergency supplies, and construction materials, expire at midnight on Wed., Dec. 5, 2012. The <u>federal exemption from motor carrier safety regulations</u> expired Nov. 27, 2012, which means that anyone providing

interstate transportation services related to the emergency must comply with the FMCSA regulations, including driver qualification, hours-of-service and maintenance requirements.

CONNDOT IS NOT required to implement rescissions as part of the Governor's Allotment Reductions submitted by OPM to leadership of the Appropriations Committee. The list of \$170 million in rescissions from state agencies is part of an effort to balance the state budget, which has an estimated deficit of \$365 million in the current fiscal year. Most of the cuts are personal services, which includes overtime and salaries saved from unfilled positions. Unionized employees will not be laid of, as part of an agreement that was reached last year. The Dept. of Construction Services will be required to cut about \$497,000 in personal services and other expenses. The legislature is scheduled to convene during the week of Dec. 17 to address additional cuts to balance the budget.

DECLINING MOTOR FUELS taxes are having an adverse impact on revenue available for transportation improvement projects, OPM Secretary Ben Barnes explained in a presentation of OPM's <u>Fiscal Accountability Report</u> to the Appropriations and Finance, Revenue and Bonding Committees this week. Rep. Pam Sawyer (R-Bolton) argued that the structure and increasing rates of gross-receipts and other taxes are making Connecticut uncompetitive.

CONNDOT BID RESULTS of November 28, 2012: Project No. 0146-0194: Vernon Maintenance Facility Tank Replacement, Vernon: Richards Corporation, Terryville, CT \$707,007.00, Garsan Construction Inc., Wallingford, CT \$794,142.00. Project No. 0034-0325: Backus Avenue Signal Coordination Project, Danbury: A.M. Rizzo Electrical Contractors, Inc., Danbury, CT \$1,198,452.07, The NY CONN Corp., Danbury, CT \$1,233,000.00. Project No. 0042-0311: Replacement of Noise Barrier Walls, East Hartford: Rotha Contracting Co., Inc., Avon, CT \$3,679,274.00, MIG Corporation, Inc., Acton, MA \$4,136,674.40, Northern Construction Service, LLC, Weymouth, MA \$4,165,006.00.

AGC OF AMERICA will present a webinar, The New NCCI Workers' Compensation Split-Point Formula and Its Impact on Experience Modification Rates, on Thurs., Dec. 6, 2012, at 2 pm. The webinar will cover changes to the experience mod formula for workers' compensation, including the reasons for and timing of the change. Registration is \$49 for AGC/Am members.

CCIA AND CEUCA testified in support of the Natural Gas Sector strategy in DEEP's draft Comprehensive Energy Strategy, saying the \$5.2 billion in public and private capital that it calls for would help utility construction contractors performing state and public utility projects to hire and employ workers and improve infrastructure in the state. Heating oil distributors and

propane dealers are vigorously opposed. An additional public hearing and technical meetings on the strategy are scheduled. Written comments will be accepted by DEEP until Dec. 14, 2012. Legislation that would provide additional authority will likely be considered by the General Assembly.

A GROUP OF 31 Democratic Congressmen, including Rep. Joe Courtney (D-2nd Dist.), wrote to leadership of the House and the Appropriations Committee to encourage inclusion of additional funding for wastewater infrastructure construction in any year-end agreement that might be negotiated before Congress adjourns. If states and communities leverage the federal funding through the Clean Water SRF or other complementary guarantee programs, they stated, it would generate as much as \$10 billion in local funding for such projects, which in turn would produce more than 300,000 new jobs and have a significant beneficial impact on economic recovery and water resources.

A BUSINESS TAX CREDIT would be available to eligible contractors for buildings constructed in major disaster areas under H.R. 5839, the Disaster Savings and Resilient Construction Act of 2012. Rep. Rosa DeLauro (D-3rd Dist.) has signed on to the bill as a co-sponsor.

MINER DISCRIMINATION complaints have received an increased emphasis from the Mine Safety and Health Administration. MSHA filed 39 requests during fiscal year 2012, more than in any other year, with the Federal Mine Safety and Health Review Commission for temporary reinstatements on behalf of miners who submitted complaints of discrimination in the form of a suspension, layoff, discharge or other adverse action. "MSHA strongly encourages miners to exercise their rights under the Mine Act and maximize their involvement in monitoring safety and health conditions," said Joseph A. Main, assistant secretary of labor for mine safety and health.

FLIERS INCLUDED IN HIGHlights, November 30, 2012: 1) CCIA December Calendar; 2) Annual Membership Meeting & Holiday Reception 12/5; 3) Transportation Funding in CT 12/10; 4) EMF Holiday River Cruise 12/13; 5) Technology Update 12/18; 6) CHRO Update 12/19; 7) ACI Flatwork Finishers Certification Schedule.

FROM THE INTERNET: On Nov. 30, 1874, Winston Leonard Spencer Churchill, the British leader who guided Great Britain and the Allies during World War II, was born at Blenheim Palace in Oxfordshire, England. The highest scoring word in Scrabble, BENZOXYCAMPHORS, is worth 1,970 points. Each king in a deck of playing cards represents a great king in history: King David (Spades); Alexander the Great (Clubs); Charlemagne (Hearts); and Julius Caesar (Diamonds). A cow can be led upstairs, but not downstairs. The Tour de France dubs the last-place finisher the "red lantern," after the old practice of hanging a red light on a train's caboose.