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Steelers & Oilers



by JAKE LOCKLEAR TAUC PRESIDENT PRESIDENT AND CEO.

APM + APCOM

"Develop your elevator speech for the value and the vision of your business and our industry -- express WHY and HOW it represents an opportunity for the next generation."

EING FROM HOUSTON, I should not say this, but ... I am a fan of the Pittsburgh

Why? The Steelers organization at the top is highly respected. They are stable and patient, with coaches who endure the ups and downs of the NFL with integrity. They consistently play good football - fast and physical, with

some fun. Over the years they have innovated — e.g., introducing the defensive 3-4 zone blitz schemes and incorporating a wide-open offense that is still rooted in physicality.

More than anything else, though, they are a team that identifies with their city. Their name, the STEELERS, exemplifies the bluecollar, hardworking, bring-yourhardhat-and-lunchpail Pittsburgh steelworker. The team respects the profession and identity of its citizens, and in turn its citizens respect the team and thus are passionately loyal.

We can learn from Pittsburgh and its Steelers. Reflecting on our recent Summer Summit in Pittsburgh, I trust we already have (see recap on Pages 10).

We learned something about leadership. respected William "Bill" Peduto gave a passionate speech, sharing his vision and value story for Pittsburgh. He has led the city through adversity, in turn transforming its image through innovation, while keeping true to the city's working roots. And he has done so with an inclusive message: "We work together to make Pittsburgh a place that works for all."

We learned something about consistently performing with excellence. To perform with excellence in our industry, we must be great at safety. Safety is our core value, our fundamentals, our "blocking and

tackling." I was so impressed with the turnout for our EHS Committee meeting in Pittsburgh. Close to 100 safety professionals, experts in their field, engaged in learning about and sharing practices that keep our craftsmen and craftswomen safe. Nothing is more important to our industry; both the attendance and engagement proved we understand that.

We learned something about innovation and transformation in a blue-collar industry. Once again, our legacy partner DeWalt stepped up. From a behind-the-scenes look at their R&D facilities outside Baltimore, to their presentation during the EHS Committee meeting, DeWalt continues to deliver on our partnership to move our industry forward. We also saw how Werner has transformed itself from a ladder producer to a provider of both goods and services, including safety training. Finally, we learned from our visit to Carnegie Mellon's National Robotics Engineering Center that no challenge in our industry is impossible if we can expand our minds and dream the solutions.

As with any meeting, conference, or summit we attend, there should always be takeaways. I still have Boston Police Chief Dan Linskey's advice from his presentation at the Leadership Conference in Santa Barbara earlier this year ringing in my ears: breathe deep, center yourself, find the calm .. and then act – provide specific actions your team can take. In that spirit, I offer four actions for us all following Pittsburgh. And in the spirit of Mayor Peduto, who has given the same speech hundreds of times, I will repeat many of the actions we took away from Santa Barbara.

1. Attend two additional events this year, and bring someone with you.

- a. The NMAPC, our sister organization, will host its annual Zero Injury Safety Awards Gala this November 2 in Washington DC. Attend and invite a customer whom you could partner with on our core value, safety.
- b. Our State of the Union Construction Industry Forum is scheduled for December 14, also in Washington DC. Attend and invite a customer, labor partner, or fellow contractor to join you in DC on the Hill. We are a stronger voice when we are partnered together. We too can work together to make our industry a place that works for all.
- 3. Be inspired by the presentations of DeWalt, Werner, and the National Robotics Engineering Center – and then raise a specific challenge you see in the industry that we

- could collaborate on to identify an innovative solution.
- 4. Develop your elevator speech for the value and the vision of your business and our industry. Express WHY and HOW your business and industry benefits craftsmen and women and is an opportunity for the next generation to develop careers in an innovative profession. Move from defense to offense.

Finally, I grew up in Houston. We, too, had a team that expressed the identity of our city blue-collar, hardworking, bring-your-hardhatand-lunchpail Houston refinery operators and roughnecks: the Houston OILERS. I left Pittsburgh with a prayer for us all to be safe, especially since I was flying back to a hurricane threatening the Texas coast. As you have seen on the news, the Houston Gulf Coast area - from Corpus to Galveston to Beaumont - has been devastated by HH (Hurricane

Harvey). Honestly, the news does not, and cannot, totally convey the devastation.

Yet with every disaster, there is opportunity. I have seen our Houston Gulf Coast area rally together. From rednecks with boats to soccer moms with pantries to individual citizens living courage in the moment, Houston and Texas and America have responded with greater force than HH. With this spirit - Safe & Strong - we will rebuild. We will make the Houston Gulf Coast area a place that works for all.

Thus, our final action ...

5. Calendar time each week to serve your community. Remember the parable of the Good Samaritan. A man asked Jesus, "Who is my neighbor?" Jesus answered with the parable, asking the man a different question (paraphrase), "Who is a neighbor?" Don't ask who your neighbor might be; rather, choose to be a neighbor to someone.



How to Fix a Three-Legged Stool

By STEVE LINDAUER, TAUC CEO

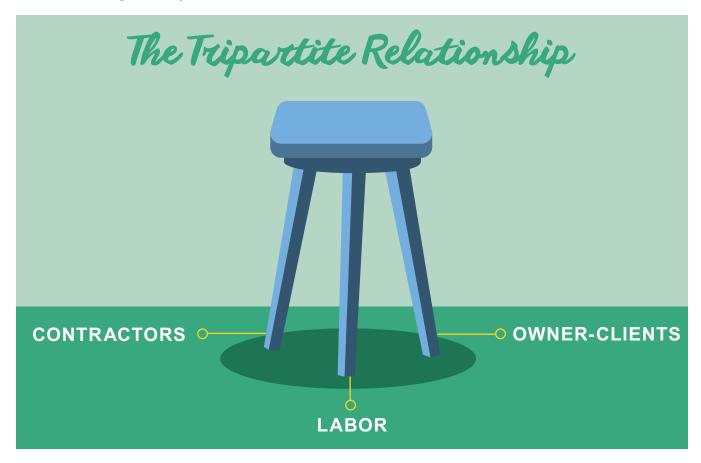
HE THREE-LEGGED STOOL has been the primary symbol of the tripartite relationship since TAUC's predecessor organization, the National Erectors Association, and the NMAPC were founded in the late 1960s and early 1970s, respectively. The stool is a metaphor for our industry, of course; the contractors represent one leg, labor the second, and our owner-clients the third. The idea is that without all three legs, which provide the foundation for the relationship, the stool would collapse.

But the metaphor, as good as it is, only goes so far. Ironically, it leaves out an important aspect of our business: maintenance. An actual wooden stool, like any piece of heavily used furniture, needs to be taken care of and shored up from time to time -- applying a new coat of varnish, for instance, or using a screwdriver to tighten a loose, wobbly leg. You don't wait until the stool is covered with scratches or it collapses when you sit down on it.

Intangible concepts like the three-legged tripartite relationship are no different. They, too, require periodic maintenance, though naturally of a different kind. It's not enough to simply put a contractor, labor rep and ownerclient in the same room together and claim you've achieved tripartite perfection. There's much more to it than that, and if we don't tend to our metaphorical three-legged stool, it will eventually vanish altogether, a forgotten memory.

If you're wondering where I'm heading with all of this, here goes. In my role as Impartial Secretary and CEO of the NMAPC, I've noticed a troubling problem. Our tripartite stool is getting a little wobbly, and it's mainly due to one "leg" - the contractors. So it's time for a little bit of preventive maintenance.

Every leg in the tripartite stool plays an important but different role. The owner leg provides the initial opportunity (the job), while the labor leg supplies the skilled men and women who do the actual boots-on-the-ground work. In the middle, you have the third leg - the contractors. Their job is perhaps the most multifaceted and difficult: they have to manage the labor leg while at the same time work with the owner leg to ensure everything is done according to plan.



Contractors who are signatory to the NMA wear another important hat: they are the first line of communication with the NMAPC. They are our eyes and ears on the ground. By signing the Agreement, they affirm their role as the primary "conduit" between the jobsite, our administrative offices and the NMAPC Program as a whole. When things start to go sideways on a project - be it lack of manpower, absenteeism, or a potential violation of the terms of the NMA – the contractor is ultimately the one responsible for picking up the phone and talking to someone at our headquarters.

"Contractors who are signatory to the NMA wear another important hat: they are the first line of communication with the NMAPC. They are our eyes and ears on the ground."

The key word here is "start." Unfortunately, in multiple instances over the past several months, the NMAPC wasn't notified of a major jobsite problem until it had already reached an advanced, critical stage and the success of the entire project had been thrown into jeopardy. This forced our staff - and the entire NMAPC program - to shift into "fire drill" mode, scrambling to do whatever we could before time ran out. To make matters worse, the people who told us about these problems weren't even contractors, but owners!

Have you seen the popular car insurance commercial where the elderly woman covers one wall of her home with photographs and mistakenly thinks she's posted them to her "wall" on Facebook? Her friend tries to correct her, but she cuts her off by saying, "I unfriend you." Frustrated, her friend exclaims, "That's not how any of this works!"

I'm starting to feel the same way when it comes to the NMAPC and the three-legged tripartite stool. Owners shouldn't be the ones to inform the NMAPC about problems. It's simply not their job – it's forcing one leg of the stool to do the job of another. I enjoy talking to clients, but when one of them calls up to tell me about a serious delay or miscommunication on a project, I am, quite frankly, embarrassed. It means the Program isn't working the way it's supposed to, and the very foundation of the tripartite stool is being jeopardized.

Let me give you a few examples. Recently I attended a high-level meeting where an owner rep mentioned that his company was struggling with a major project. The problem: they couldn't get enough skilled manpower. After he

finished giving us a rundown of the situation, he turned to me and said, "But I'm sure you guys are already aware of this." Well, no – because the contractors hadn't told us! We've got a great team at the NMAPC Program, but we're not psychic.

Then a second owner sitting at the table chimed in. He calmly noted that his firm had to shelve a major project because they didn't have enough manpower, and they were waiting in the hopes that the situation improved. Again news to me.

A few days later, I received a frantic email from yet another owner requesting an emergency meeting about yet another project teetering on the brink of disaster. We went into fire drill mode once again, scrambled to make hotel and plane reservations, got everyone into the same room - but it was too late. The project was too far gone and the company missed its scheduled launch date. In other words, it was a collective failure.

My intention here isn't to beat up on contractors. As I said earlier, I believe they have the hardest job on the tripartite team, because they must deal with both labor and the client on a daily basis. It often feels like a high-wire juggling act with no room for error. That's why it's so important that contractors understand their role within the tripartite team and within the NMAPC Program, too. By reaching out to us at the first sign of trouble, contractors can actually lighten their load and relieve a lot of unnecessary pressure.

I'm not saying the NMAPC can magically solve any problem, because we can't. But if we're kept in the loop and brought in early, what we can do is act as facilitators and magnify the problems so that everyone can see them. We can get the right people talking to one another. And we have the full power and authority to ensure that the provisions of the Agreement are correctly and fairly implemented and enforced. When necessary, we can typically help to provide a swift approach toward resolving seemingly impossible dilemmas.

We have a wonderful, high-tech system in place at the NMAPC: a contractor dials our number and we pick up. Phone calls are cheap. And wobbly legs have a habit of spreading like the common cold – first one starts to come loose, then the other two quickly follow suit. If you don't believe me, remember those examples I just gave. They learned their lesson the hard way. Don't be next.



Steve Lindauer is the CEO of The Association of Union Constructors and also serves as Impartial Secretary and CEO of the National Maintenance Agreements Policy Committee, Inc. (NMAPC).

The Abuse of Apprentices Stops Now

By MARK BRESLIN

CAN'T BELIEVE I signed up for this s***." And so began a tale of stupidity, short-sightedness and tradition that reflects a broken culture and wasted talent.

The words were spoken to me by a young man in March 2017 after I gave a presentation to 400 young people serving their union apprenticeships. During my talk, I asked a question that I have been asking for over 10 years to well over 100,000 union craftsmen and women: "How many of you during your apprenticeship were hazed, teased, called names, given meaningless work, ignored or not taught because the guy in front of you was afraid for their job?" And in that room, like the other 200 times before, 95% of the hands slowly rose into the air.

"Talent development is not about hazing or mistreatment. It is about instilling confidence, skills and belief through mentoring, guidance and coaching."

Ninety. Five. Percent. In the year 2017. Not 1970 or 1990. Today. Now.

The young man in question approached me at the end of my presentation. He waited until everyone else had left. He told me he had military leadership experience. He had seen and done more than any of his apprentice peers. He had joined a union and the apprenticeship to again be part of a team that cared about each other – but he found something entirely different.

His experiences included being degraded; given little to no mentoring or instruction; seeing his peers called names (though no one would do it to him as he had that look in his eyes); and watching poorly performing journeymen be treated with more attention and respect because they were friends with the foreman. He felt he was part of a team only when it was funny to treat the low man on the food chain poorly.

Here is the future of our business. The ideal candidate, signing up with exactly the right reasons and a perfect foundation for success...but it had only taken him two years to go from enthusiasm and belief to "I can't believe I signed up for this s***."

This legacy practice of mistreating and degrading apprentices needs to end now, and it is the contractors first — and the union second — who have to start taking a stand. The current crop of apprentices needs to be the very last that are ever abused in the apprentice system as a stupid excuse for developing our young talent. It is being done by insecure people who had it done to them. And it is, decidedly, over.

I know some old-school guys are going to tell me that if you don't have thick skin, don't sign up; if you can't hack it, then you don't belong. I disagree. Talent development is not about hazing or mistreatment. It is about instilling confidence, skills and belief through mentoring, guidance and coaching. This is not always common behavior in an industry that prides itself on toughness and independence. As well, many are going to say that the Millennial Generation is soft and has received too many trophies for too little effort. While some of that may be true, it doesn't





justify poor behavior at the jobsite on the part of journeymen whose pensions will someday be paid by those very same apprentices.

I would like to suggest three solutions to this challenge — one for the apprentice training staff, one for the contractors and one for the union leadership — so each can play a part in a constructive evolution going forward.

First, apprentices must be given a true picture of what they are going to face. We cannot ignore the fact that this is going to be part of their experience. In my book Survival of the Fittest (and especially in the accompanying workbook), I outline roleplaying behaviors for classes to engage in and discuss. Spend ten minutes at the end of classes doing roleplaying. Stand back and watch the wheels turn. How does an apprentice deal with hazing? How do they respond when told to "slow it down"? How do they ask for assistance or mentorship? How should they go about earning respect on the job? These are not technical skills but jobsite survival skills that every apprentice needs so they can get through the wringer until we change the culture.

Secondly, contractors need to draw the line: if you abuse, haze or mistreat an apprentice, you are fired. Foremen are expected to develop apprentices or at least match them to journeymen capable of maximizing their ability. Companies need to move away from the idea that apprentices are cheaper labor with limited skills and begin developing them as our future leaders and workforce. A change in mindset needs to precede a change in behavior.

Finally, unions can help by standing up for apprentices and giving them the camaraderie they were first offered. The best part of being in the trades isn't the money; it's the people and the work and the pride that comes with doing something that you feel is important. Sharing that with others and seeing it play out every day, with everyone having each other's backs, is what it's all about. Every union in North America might consider an annual "Mentor of the Year" award for the journeyman who is tops in development of apprentice talent. Make it visible. Talk about it at the hall. Put it in the newsletters. Bring the brotherhood (and sisterhood) back to union affiliation.

In summary, it is time for a change. Not every apprentice is going to make it, and we aren't running a babysitting service. If an apprentice doesn't have the heart and passion to be a tradesperson, maybe they need to do something else. But for every young man or woman who comes to us offering us the next 25 years of their life - their blood and sweat and best effort - we deserve to give them more. And the time is now.



Mark Breslin is a strategist and author of several books, including most recently, The Five Minute Foreman: Mastering the People Side of Construction. Visit his website at www.breslin.biz or contact him at (925) 705-7662.

TAUC Summer Summit: Business, Baseball and...Robots?



PNC Park, Pittsburgh

N LATE AUGUST, TAUC headed west from Washington, D.C. to Pittsburgh, Pa. - heart of the Marcellus Shale boom – for our annual Summer Summit. The event brought together more than 200 local contractors, labor reps and owner-clients for two days of meetings, networking opportunities, informative field trips and a half-day seminar featuring some of the industry's brightest talents. Here's a brief recap - and if you weren't able to make it this year, mark your calendars for 2018!

Things kicked off on Wednesday, August 23 with a morning of committee meetings, followed by lunch and then, in the afternoon, a field trip to the nearby Carnegie Mellon National Robotics Engineering Center. There, attendees received an exclusive tour and fascinating handson demonstrations of cutting-edge technological applications, including virtual reality (VR) simulations and an actual robot that knew how to use a battery-powered screwdriver! Afterwards, leaders from the NREC met with our contractors and discussed how robotics and other advanced high-tech solutions could be integrated into the industrial construction and maintenance market sector.

That night, it was time for a little relaxation, networking - and, of course, baseball. Our guests enjoyed a nail-biter of a game at PNC Park between the Pirates and the L.A. Dodgers (for the record, Dodgers pitcher Rich Hill had a spectacular no-hitter going through nine innings before the Pirates' Josh Harrison slammed a leadoff home run in the tenth, earning the 1-0 victory for the home team).

Infrastructure Update

On Thursday, August 24 we wrapped up the Summer Summit with a lively and informative morning seminar. Brent Booker, Secretary-Treasurer of North America's Building Trades Unions (NABTU), kicked things off with an update on the hottest topic on Capitol Hill right now: the

possibility of a huge trillion-dollar infrastructure investment package. Booker noted that NABTU has been engaged "at every possible level" with the Trump administration, and reminded the audience that the president invited NABTU President Sean McGarvey and several other union leaders to the White House on his first full day in office.

Booker said NABTU is hopeful that "something happens" on the infrastructure front soon, but he's not optimistic that a bill will move through Congress this year. Still, his organization has been in near-constant contact with both Democrats and Republicans on the issue.

"We have a seat at the table," Booker said of the ongoing discussions - with "we" meaning both unions and the union construction industry as a whole. "One thing I am confident of with this president and his administration [is that] we have a seat at the table. We are having weekly phone calls with administration staff as to where they're going to go with this, what it's going to look like.

"The Trump plan for infrastructure isn't your traditional \$1 trillion investment package," Booker added. He said public-private partnerships will likely be a part of any administration proposal, along with a plan to use taxes gleaned from repatriated money currently parked in offshore tax havens by large U.S. corporations.

Cracker Talk

Booker also discussed the massive Shell ethane cracker project underway just outside of Pittsburgh. He said at the project's peak, various building trades will have 7,000 craftworkers on site. "This is a home game for the building trades," he told the audience, calling the cracker a "highrisk, high-reward" undertaking. "If we can be successful here, it will only lead to more opportunities for us in other regions of the country. We're starting to bring industrial

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Owners today also want safe jobsites, and they are demanding that their contractors place a priority on safety. The UA Standard for Safety creates a workplace culture that puts safety first and is intended to help meet the contractor's responsibilities to provide a safe work environment.

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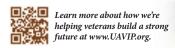
This is why the United Association (UA) created the *Veterans in Piping (VIP)* Program, an award-winning training program that equips transitioning military service members with today's sought after skills, including welding, and heating, ventilation, air-conditioning and refrigeration (HVACR). Once training is completed, VIP graduates are immediately placed into solid private-sector jobs with good pay and benefits.

Because it offers real help to veterans in real time, UA VIP is recognized as one of the best veteran assistance programs in the country, winning praise from Congress, the U.S. Department of Labor, the military and media. In 2011, the Military Officers Association of America honored the UA VIP Program by giving UA General President Bill Hite its Distinguished Service Award.

UA VIP is provided to transitioning active-duty military and veterans either on military bases or at local UA facilities around the country. A nationwide training initiative with all military branches, this program provides services at no cost to veterans or the military—the UA and UA contractors pay all costs.









Larry Nelson

work back to [unions in] the Northeast that has been absent for decades."

Larry Nelson, Secretary-Treasurer of the Beaver County Building & Construction Trades Council and a business rep with IBEW Local Union 712, also gave an information-packed update on the Shell job. The early phase of the project - including demolition of an old zinc smelter plant on the site and relocation of a rail line, among other tasks – peaked at about 600 workers, he reported. "We had numerous local union contractors from the area on the job, and most of them are still there today," he said.

Nelson conceded that there were some communication problems early on - not unexpected for a project of this size and complexity. However, all parties involved stepped up to the plate, he said. Great Arrow Builders - a joint venture between Bechtel, McCarl's and Babcock & Wilcox – is the EPC contractor for the project, and they "were very up front with us and told us everything they could," he noted. "They were very receptive to our questions and concerns and always came back to us with the answers." In December 2016, Great Arrow and the unions began holding monthly labor-management meetings to improve communication and coordination.

As of late August, "massive concrete pours" were being conducted on the site, Nelson said. There are currently around 748 union workers on site and anywhere from 50 to 100 subcontractors, a number that will most likely rise to 200 or even 300 by year's end.

Leaders in Abundance

TAUC was also honored to welcome Michael Scott, the new executive director of the National Coordinating Committee for Multiemployer Plans (NCCMP). Scott gave attendees a comprehensive update on the "state of play" on Capitol Hill with regards to passing the final piece of the multiemployer pension reform puzzle: legislation authorizing the use of composite plans for certain troubled retirement funds. Scott said he anticipates a bill will be introduced in mid-September.



NABTU's Brent Booker

Darrell Roberts, Executive Director of the Helmets to Hardhats program, gave an informative presentation on his organization's efforts to connect quality men and women from the Armed Forces with promising building and construction careers. And Pittsburgh Mayor Bill Peduto stopped by to welcome us to town, as well.

TAUC wishes to thank everyone who took time out of their busy schedules to join us in Pittsburgh - and once again, if you weren't able to make it, please consider blocking out time on your calendar in late August of next year! More details on time and location will be announced in mid-2018.



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NMAPC Announces Major Upgrade to Work Hours Reporting Process

By DAVID ACORD

HE NATIONAL MAINTENANCE Agreements Policy Committee, Inc. (NMAPC) has substantially upgraded its work hours reporting process to give contractors and unions a robust new set of analytic tools to promote their services and increase market share. These new features also make it much easier for owner-clients to track various NMA projects and see firsthand the benefits of using the industry's foremost project labor agreement.

Launched in mid-July, the new Work Hours Search Tool gives users a number of new ways to view reported work hours. In the past, most users could only search work hours by state, union or owner-client name. The new Search Tool, however, provides virtually limitless options to view and slice the data. Users can search for work hours using any combination of the following criteria:

- · Date Range
- State
- Owner-Client
- Facility Name
- Local Union Number

As an example, with just a few clicks of the mouse button, a contractor can call up all work hours his or her company reported between the first quarter of 2015 and the first quarter of 2017 by a specific local union (or all unions, for that matter) for a specific client — or for work completed in a specific state. With another click, the contractor can then export that data to their desktop in convenient Excel format, where it can be used for sales and client presentations, internal performance analysis, or any number of other applications.

How it Works

The new Work Hours Search Tool has been seamlessly integrated into the existing Work Hours Reporting Tool. To access the new search features, simply log in to www. nmapc.org. On your individual landing page, under the Work Hours section, you will see a new blue button that



reads "Work Hours Search" (see image). Click on it, and you're on your way!

This major search upgrade builds on the heels of last year's initial work hours enhancement phase, which linked work hours to specific Site Extension Requests (SERs).

Friendly Reminders

In addition to the Search Tool, the NMAPC is continuing to make strides in ensuring all contractors report their work hours as required by the NMA.

Signatory contractors will now receive electronic notifications reminding them that it's time to report work hours. The notification will be sent directly to the individual that submitted the SER as well as the Contractor's primary contact. The electronic communication will identify all SERs for which work hours need to be reported, along with a hyperlink to the NMAPC's Work Hours Reporting Tool.

If a contractor fails to report its work hours for each active SER within 30 days, a second notice will be sent to both the individual that submitted the SER as well as the primary point of contact, advising them that they have 14 days to report their work hours before the international unions with whom they have approved SERs are notified of their non-compliance.

If you would like to learn more about the improvements to the NMAPC work hours reporting and/or search processes, contact the NMAPC Administrative Office at (703) 841-9707 and ask for Mr. Daniel Hogan or Mr. Michael Dorsey.

To review a tutorial video on how to report your organization's work hours under the NMAPC Program, please visit the NMA I.Q. eLearning Resource Center at http:// www.nmaiq.org/workhoursreporting/.

GM's Michael Mayra on the Value of Union Labor & PLAs

Editor's Note: The Construction User is pleased to present the first in an occasional series of in-depth interviews with some of union construction and maintenance's most loyal owner-client companies. These interviews will give contractors and labor a chance to hear directly from customers about their priorities, perspectives and future goals. For our first interview, we turned to one of the industry's largest and most loyal customers – General Motors (GM).



Michael Mayra

ROM JULY 2015 through July 2017 alone, General Motors (GM) performed more than \$2.8 billion worth of industrial construction and maintenance under the National Maintenance Agreements (NMA), GM's project labor agreement (PLA) of choice for this type of work. That commitment resulted in more than 10.4 million work hours per-

formed under the NMA in the U.S.

Recently we spoke with Michael Mayra, Construction Group Manager in GM's Global Facilities – Facility Projects division. Mr. Mayra has been with GM for more than three decades and has spent his entire career in the project management group for facilities. His duties have taken him all over the world, but he is currently responsible for asset sustainment in North America. In this role, he oversees replacement of manufacturing facility assets (building and infrastructure systems) for 40 GM manufacturing facilities in North America. This year, GM will complete 115 asset sustainment projects totaling roughly \$200 million.

In addition to his role at GM, Mr. Mayra is also a member of NMAPC's Owner Advisory Committee; serves on the board of directors of the Lean Construction Institute; and co-chairs the Construction Users Roundtable's (CURT) Project Excellence Committee.

This interview was conducted on August 3, 2017 by *The Construction User* Executive Editor David Acord and TAUC Senior Director of Industrial Relations Dan Hogan.

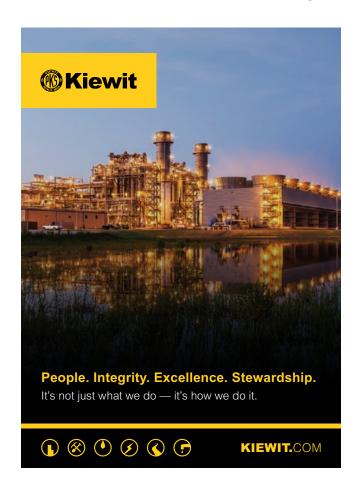
TAUC: GM has made a commitment to complete all of its asset sustainment projects using union labor and a project labor agreement – specifically the National Maintenance Agreements (NMA). What went into that decision?

Michael Mayra: The decision to use a PLA was made a long, long time ago, because we feel it helps streamline our construction process. With a PLA, we're able to use common language and the same work rules on projects across all of our sites in the United States. This helps our project

managers a great deal -- they don't have to worry that there is going to be a different type of labor agreement with different work rules and terms and conditions when they go to a new site. We move our project managers around as needed. With the same work rules on all of the sites, it makes it much easier for them to do their jobs. We know what's going to happen, and so do the contractors and the trades. They know what the expectations are, because they are all familiar with working under the same agreement.

TAUC: It sounds like a very efficient system, just in terms of saving time, if nothing else.

Continued on Page 30



Sewaren 7: Tripartite Excellence on Display in New Jersey

By DAVID ACORD

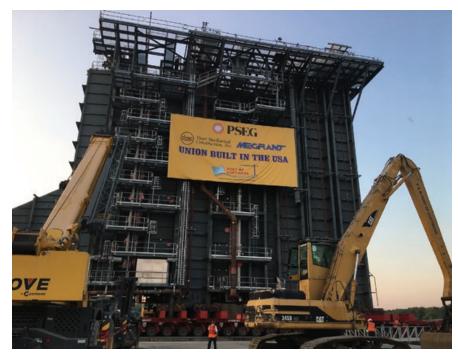
OR YEARS, MEMBERS of the union construction and maintenance industry have heard the same advice: if we want to expand our market share and take advantage of opportunities in the power sector, we need to be more flexible, think outside the box and step out of our comfort zones. More often than not, the response to these repeated warnings has been something along the lines of, "Well, that's good advice, but try telling it to sinsert name of contractor or local union]." In other words, we know what we need to do - but talk to the other guy about actually taking some action.

Recently, however, industry observers have pointed to a number of projects where union tripartite teams (owner-client, contractor and labor) have broken with tradition and embraced innovative new work methods – with impressive results. Instead of resisting change, they welcomed it. "That's how we've always done things" has been replaced with a new catch phrase: "Whatever it takes."

Nowhere is this new philosophy more apparent than at Public Service Enterprise Group's (PSEG) massive \$600 million Sewaren 7 project in Woodbridge, New Jersey. PSEG is in the process of replacing an older natural gas generating unit with a new highly-efficient combined-cycle plant. When completed in the summer of 2018, it will provide 540 megawatts of clean-burning energy to customers, primarily using natural gas (with a low-sulfur fuel oil system as backup).

Creative Thinking

From the beginning, however, the project presented some serious



HRSG Unit arrives after trip down Hudson River

challenges. Space on the 12-acre power island was extremely tight, and time was not on PSEG's side. "Engineering fell behind the baseline schedule, and we were coming out of the ground with foundations later than planned," explained Kevin Reimer, Director of Construction Projects for PSEG. "It was obvious that site congestion and stacking of trades would be very difficult on our 12-acre power island. We also had one of our suppliers experience an accident at their international fabrication facility which was impacting the ship dates of [certain] modules by seven weeks, which would just compound an already congested site footprint."

Faced with these realities, PSEG and its contractor partners made the decision to "go modular" and assemble some of the project's largest components off-site – 170 miles north at the Port of Coeymans near Albany, New York. In addition to several air-cooled condenser (ACC) units, a giant heat recovery steam generator (HRSG) was also assembled at the port. Weighing in at 8 million pounds and towering 130 feet into the sky, the HRSG is thought to be one of the largest modular units assembled in the United States to date.

"I knew [modularization] had been done before with a HRSG in Astoria, New York," Reimer said. "The primary difference was that the ones done before were shipped from totally non-union fabrication facilities overseas."

In this instance, though, the tripartite team at Sewaren 7 found a way to keep it "all in the family" by committing to build the HRSG union, and right here at home in the U.S. The offsite assembly was handled by a joint venture between two union contractors (and TAUC members), Megrant Corporation and Durr Mechanical, with Boilermakers Local 5-197 performing the bulk of the work.

"When afforded the opportunity to get two-hundred-plus headcount off the site and still not lose any additional schedule, we had to explore the modular option," Reimer explained. "This helped take the pressure off an already tight site for logistics, and saved having to lease an additional 12 acres of laydown area locally to store and ship the components to site via trucks to be stick-built."

The Right PLA for the Job

The use of a project labor agreement (PLA) further allayed concerns. The entire Sewaren 7 development, including the HRSG assembly at Port of Coeymans, is being completed as a priority "Yellow Card Project" under the terms of the National Maintenance Agreements (NMA), the country's leading industrial PLA.

"In over 30 years at PSEG, the NMA has always been my go-to labor agreement of choice," Reimer told The Construction User. "The Agreement has always served my company, contractors and the building trades well. I have been fortunate to utilize it without having to spend an inordinate amount of time jumping through hoops with 14 local agreements that aren't fully aligned. If all the stakeholders live up to their piece of the Agreement, it brings stability and certainty to the build."

"The NMA gives us uniformity, and it gives the contractors and, ultimately, the owners a tool for having an efficient job site operation," added Sam Mirian, Megrant's VP of Business Development. "That is the main purpose of the NMA. It's an extremely helpful tool to the contractors and to the benefit of the owners."

The Big Float

Durr-Megrant began work on the HRSG modular unit in January 2017. "I really want to thank the unions who worked on the project," Mirian said. Due to a busy construction season, the contractors initially faced some difficulties recruiting enough craft workers, but eventually they put together a solid crew. "It just went very smoothly, no trouble or difficulty union-wise," he said. "We were exactly on schedule, too."

In late August, Durr-Megrant and PSEG began preparing the completed HRSG for its long barge trip down the Hudson River to the Sewaren site. Mirian accompanied the unit for the entire trip, which took nearly two days. The spectacle of the giant chunk of machinery floating down the river, passing by the Statue of Liberty on its way into New York Harbor, generated an enormous amount of local and national media coverage.

"The float down the river was an incredible event, and it did a couple of things simultaneously," said Steve Lindauer, Impartial Secretary and CEO of the National Maintenance Agreements Policy Committee, Inc. (NMAPC), which administers the NMA. Lindauer traveled to New Jersey to witness the HRSG's arrival alongside PSEG executives.

"First off, and most importantly, the generator was delivered safely, professionally and on schedule," he said. "It served as the perfect advertisement, if you will, for union construction and maintenance. We've endured a lot of bad press at times over the years, and frankly, we deserved a lot of it. But here was our very best on display: a huge, important project completed using only union labor, and completed in an extremely innovative way.

"Secondly, it proved to skeptics within our own industry that modularization isn't automatically the enemy." Lindauer added. "We can take advantage of this assembly method and make it work within a union framework. The HRSG unit was our 'proof of concept,' if you will. Don't believe it can be done? Well, look at what's coming down the river."

With this success under its belt, PSEG is planning more modularization jobs in the future, including another HRSG unit for a similar project in Bridgeport, Connecticut. Stay tuned!



Another view of the HRSG Unit

4 Ways to Improve Inter-Generational Decision Making

By JILL JOHNSON

AKING DECISIONS IS always difficult. It is hard enough when the decision needs to be made by a group of like-minded peers; but the hardest type of decisions to make are those in which there are multiple generations involved in the process. So what do you do? Bringing out the best in the generations impacting your decisions requires four critical approaches to ensure their decision-making involvement stays on track and is focused on moving to a decision outcome that matters.



1. Don't Assume Everyone Has Enough Insight

Decision making does not get a participation trophy. Just showing up is not enough in today's fast-paced business environment. Careful consideration of the available decision options is important. Frequently, the assumption is made that everyone at the table has enough insight and information to participate effectively in the process. All too often they don't.

Make sure your inter-generational team has enough information so they can be more mindful in evaluating your options. Established professionals can get grounded into a black or white point of view that makes them hold fast to historical assessments of potential options. Younger participants can have a limited viewpoint about possible options and consequences. This is not because they are incapable of complex thought; it's just they often don't have enough experience to engage in a more nuanced deliberation.

Prepare them for participating in this process. Do they need advance reading material, such as an article about the critical issue you are going to address? Write up a summary of the critical elements of the issue and why a decision needs to be made. Set the stage at the outset by doing a comprehensive presentation at the first decision making meeting. Provide them with clarity about how the decision

relates to your organizational business strategies and why this is an area of concern. Don't assume they understand this; consider this an educational opportunity.



2. Clarify the Decision Parameters

Keeping an inter-generation group focused is a challenge. They will careen from issue to issue unless you frame things up clearly for them. Establish a framework of what must be considered and the boundaries for how far they can go with the decision options. Set limits. If there are budget or staffing limitations, say so.

Make sure to clarify the boundaries of the group's role in the decision-making process too. Are they the decision maker, serving in an advisory function to others who will decide, or an influencer with critical insight into key decision options? Put this in writing so no one can say later that they misunderstood or did not hear you say there were limits to work within.

It is easy to defer to a group of enthusiastic young professionals, but unless you stay on top of them, they can go way beyond the appropriate parameters. This can result in very treacherous consequences; both in them going too far and in you dampening their enthusiasm for participating again. Have tons of interim check points and keep re-directing the discussion as needed. It is also easy for younger team members to defer to older professionals. Of course, they are seasoned and have experience. But they can also fall into the trap of only thinking within a box of historical options that limit consideration of new approaches to solving problems. You need the insight of all generations at the table. But it has to be effectively channeled.



3. Manage the Decision Discussion

Don't abandon your team to work without your involvement. You don't have to be there for every workgroup conversation, but you still need to manage the discussion. Most importantly, encourage candid dialog. Clarify for everyone the stakes, the resources of information you need, and begin discussing the decision parameters.

Have them walk through the potentials outcomes of the options under consideration. Require them to discuss the pros and cons of each option. Encourage them to ask questions of each other to explore the consequences of the ideas being suggested. Challenge them to ask if there is an element of this option that could be combined with something already reviewed to make a stronger option.

Approach this in a respectful manner. Carefully manage how the group communicates so those with strong voices do not drown out innovative ideas from more introverted participants who may lack confidence in speaking up in the group. If you get each of your participants deeply involved in the discussion, they will develop mutual respect and learn from each other. This enhances inter-generational communication and encourages a more collaborative decision dialog.



4. Manage Expectations

With inter-generational teams, also manage their expectations about how much influence they will ultimately have on the decision-making process. It goes back to the role they play in the decision. Will they get a vote in the decision? Or will they be influencing how you decide? Carefully

managing their expectations at the front-end will help manage angst at the back end if you are the final decider and go a different way than they recommend.

Make sure you develop feedback loops and mechanisms for follow-up. You will lose your younger team members if they don't get periodic follow-up on the decision outcome. If possible, continue to involve the decision team in reviewing the progress of the decision implementation. Then they can help you adjust and adapt your decision strategy based on the evolving outcomes.

Inter-generational groups can provide you with significant ideas beyond options you initially considered. When you can do this effectively with inter-generational teams, they bond more effectively and can learn from each other. They can also find unexpected approaches linking possibilities in powerful, and sometimes unexpected ways that may create amazing results.



Final Thoughts:

If you effectively manage your inter-generational decision making efforts, you will create a team dynamic that is powerfully focused on resolving issues. At the same time, they will be building critical thinking skills and learning how to work together for future decision making.

What are the ways you can strengthen your inter-generational decision-making to get better results?



ABOUT THE AUTHOR: Jill Johnson is the President and Founder of Johnson Consulting Services, a highly accomplished speaker, an awardwinning management consultant, and author of the forthcoming Bold Questions series. Jill helps her clients make critical business decisions and develop market-based strategic plans for turnarounds or

growth. Her consulting work has impacted nearly \$4 billion worth of decisions. She has a proven track record of dealing with complex business issues and getting results. For more information on Jill Johnson, please visit www.jcs-usa.com.

Avoid Leadership Pitfalls: Direction Versus Speed

On a Fast Train to the Wrong Destination?

By ELIZABETH MCCORMICK

AVE YOU EVER had a day where your wheels spin a bit slower? Have you noticed your team not putting the usual miles in at the office? Could it be burnout? The need for a vacation? Or is there something more underlying the malaise?

Many have experienced a much bigger drag on resources by giving the orders for your team to take off flying at full speed, only to find out later that the course was in the opposite direction of your desired goal.

Then, there are other times when a project is well underway and everything seems aligned properly, but there's just no lift. The wheels just won't leave the ground. Although tasks are getting completed and checked off the list, there's no altitude allowing the project to accelerate. What's happening? When started with a laser-focused goal in mind, the direction can change quickly if the proper guardrails and benchmarks aren't set in place to keep everyone on target.

"When you begin with the end in mind, you have a distinctive vision of your desired direction and destination before instructing your team to launch."

There's a world of advice on staying productive, but those activities don't mean anything if your coordinates are off, and that may be one of the biggest wastes of time (not to mention energy drains) you and your organization could experience.

Here are five tips to assure your leadership and team directives match the end result you envision.

1. Know Your Destination

When you begin with the end in mind, you have a distinctive vision of your desired direction and destination before instructing your team to launch. It doesn't matter how big or small your project is - if the direction, intention, or desired outcome isn't clear, it will be tough to fly your team to the dream. Assume nothing, clarify everything, and have it in writing. If some aspect is open to interpretation, close that loophole up, or better yet, ask your team to contribute to the ownership of the project by being open to their quest for clarity.

2. Engage Your Team

Once you have communicated the objectives to your team, start by having team members re-state the goals and desired outcomes in their own words. Confirm and clarify often. This quite naturally highlights any variance between intention and perception. You can also use this opportunity to start fleshing out the project, brainstorming with the team,

and adding detail to the project. This type of activity will help jumpstart the comradery as your team begins working together as a team toward a common goal. This will also enhance the collaboration necessary to ensure proper communication can take place from beginning to end.

3. Plan Your Work, Work Your Plan

Once everyone is on board and the team is headed in the right direction, be sure you have established the proper safety devices, benchmarks, and signposts for you and your team, so that if there is any drifting off course, it will be recognized and realigned quickly without much time or effort wasted. Ensure that work is broken down into manageable, measurable, short-term goals to aid in motivation and increase productivity. Work organized into logical segments also aids focus and self-management of direction.

Complex projects lend themselves to digressions and diversions. Spelling out where you should be and when keeps efforts centered on the essential goals originally intended.

Another way to encourage motivation and productivity is to take the time to get to know your 'flight crew' and their strengths. Don't randomly dole out tasks; be strategic in aligning tasks with specific gifts and skills, allowing team members to take ownership of their part of the project.



4. Own Your Results

As a leader, it's your attitude, stamina, direction, commitment to the project, and work ethic that establishes the environment and culture of your team, as well as the success of your project at hand. If you are unclear of your destination, you can be sure your team will have a tough time understanding the purpose of the project and the directions you are trying to communicate.

One of the biggest reasons people drift, get distracted, and are taken off task, is that the purpose for their task isn't strong enough to keep them engaged. If this is happening, recognize it, take some time to clarify your purpose and your destination, and then let your team know you wish to communicate better as you share your vision more clearly and effectively with everyone involved.

Sometimes the best of plans just don't have the results intended. It happens. Maybe it was due to misinformation, miscommunication, not enough research, too many agendas, a drastic change in the economy, or an unexpected shift in trends to name just a few of the ever-changing facets of being a leader in business. Regardless of why it happened, own the results. Empower your team to help you assess what went wrong,

develop the proper benchmarks and guardrails to prevent that from happening again, and then map out a new flight plan to a better destination.

5. Collaborate - Share Your Progress

For most people in corporate positions, there's (hopefully) an effective boss who helps ensure there are proper reports on progress, with the responsibility to follow up. What happens, though, when you're the boss? Who does your project most effect, and who needs to know about the progress of your company, your goals, and your overall destination – your stakeholders? Your staff? Your clients? Other departments?

Regardless of who your project affects most, it is important to communicate, collaborate, and share your progress. Your strategic plan very well could be a thing of beauty, worthy of a business textbook. The marketing department, however, may have new information that invalidates an initial premise or puts your data out of date. Informing them only at completion risks the success of your entire project. Or, your biggest clients may be ready to sell their business and retire, which now means your project is underfunded.

Include progress updates to those who your plans will impact, so that changes can be incorporated along the way. Sure, detours are inconvenient, but navigating them minimizes backtracking and maximizes the effectiveness of your efforts.

Leadership On Course and at Full Speed

With the direction of your project embedded in the planning and with contingencies made for changing conditions, you'll soon see that the extra work in project planning serves productivity. When the runway is clear, your direction is plotted, and your flight plan is filed, you and your team can attain top speeds as you soar to success.

Elizabeth McCormick is a Keynote Speaker specializing in Leadership, Sales and Safety presentations. She was recently named #4 on the list of Leadership Experts to Follow Online. A former US Army Black Hawk Pilot, and author of "The P.I.L.O.T. Method; the 5 Elemental Truths to Leading Yourself in Life;" Elizabeth teaches instantly applicable strategies to boost your employees' confidence in their own leadership abilities. For more information, please visit: www. YourInspirationalSpeaker.com.

What's Missing from Foreman Safety and Health Training?

By DR. LINDA M. GOLDENHAR

ESEARCH TELLS US that "safety climate" workers' perceptions of how well safety policies, procedures, and practices are implemented on the jobsite — is a key indicator of injury outcomes.

Foremen and lead workers are the linchpins to creating a strong jobsite safety climate by being effective jobsite safety leaders. Unfortunately, there is a shortage of needed safety leadership training.

To help address this gap, CPWR - The Center for Construction Research and Training, with funding from NIOSH, developed The Foundations for Safety Leadership (FSL), a two-and-a-half hour safety leadership training module designed to teach foremen and lead workers five critical safety leadership skills and how to put them into practice. Two key drivers led CPWR to recognize the need for such training. The first was discovered at a 2013 CPWR-NIOSH workshop where 70 construction stakeholders worked together and decided on eight key leading indicators of a strong jobsite safety climate, one being site supervisor safety leadership. The second came from a 2012

McGraw Hill - CPWR survey showing that many construction companies, regardless of size, require their new foremen to take the OSHA 30-hour course to learn leadership skills. Unfortunately, the OSHA 30-hour course didn't have a leadership training module until the FSL became an official elective on January 1, 2017.

The FSL is the result of a rigorous 18-month development process. Beginning in September 2014, I, researchers from CPWR and two Colorado universities worked closely with a 17-member curriculum development team (CDT) that included OSHA 10- and 30-hour outreach trainers, construction workers, safety and health professionals from small and large companies, representatives of building trade unions, consultants and OSHA staff to make sure the final leadership module would meet the needs of foremen as well as those who would conduct the training. The final module contains foundational material plus seven realworld animated scenarios.

The five critical safety leadership skills are outlined in the chart below.

FIVE CRITICAL SAFETY LEADERSHIP SKILLS

01 02 03 05 04**LEADS BY EXAMPLE ENGAGES AND ACTIVELY DEVELOPS TEAM RECOGNIZES TEAM EMPOWERS TEAM LISTENS AND MEMBERS THROUGH MEMBERS FOR A JOB** · Establishes safety expectations as a **MEMBERS PRACTICES 3-WAY** TEACHING. COACHING. **WELL DONE** core value **COMMUNICATION AND FEEDBACK** Engages, · Privately and/ · Shares safety vision encourages, and or publicly · Actively listens to · Respectfully teaches with team members empowers crew acknowledges team hear what team and coaches workers members to identify members for going members are saying · Demonstrates a · Watches the learner fix and act upon unsafe above and beyond positive attitude · Practices 3-way the hazardous situation situations by... for safety about safety communication by or perform the task to - Reporting hazards having a person make sure it's done · 'Walks the Talk' and safety repeat the message correctly concerns they heard · Focuses on potential - Providing solutions consequences rather than on the team - Reporting near member misses · Uses the FIST - Stopping work if principle: Facts, Impact, necessary Suggestions, Timely



The likely benefits of having your foremen and lead workers participate in the FSL training include:

- Positive safety climate
- Reduced hazards and injuries
- Increased morale and sense of teamwork
- More productive due to better communication

Here's one quote from the president of a contractor company who incorporated the FSL into his firm's safety training:

I think the crew is more willing to bring up items to the foreman...I know that we have had guys bring stuff up that matters, and we've actually made changes on site or brought it to the attention of people who can make changes because of what our guys are bringing up.

One FSL-trained foreman said:

The biggest thing I took out of the training – and it's something that I've always done but never took it as seriously as I do now - is that three-way communicating. Instead of just giving somebody some information, sending them off blindly to do the job, and then getting mad 'cause they didn't do it right, they can explain to you exactly what you said to them and if they didn't get it the first time, you can talk about it, have an opportunity to get it right. And it also makes them feel like they're part of the planning.

If you want to incorporate the FSL into your ongoing training, there is no cost to downloading all of the teaching materials, including Power Point presentation, animated videos, instructor guides, and student materials from CPWR at https://www.cpwr.com/foundationssafety-leadership-fsl. If you send foremen to the OSHA 30-hour course hoping they will receive some leadership skills training, encourage them to ask the trainers to select and teach the FSL as one of the electives.

The industry has said loud and clear that they want their foremen and lead workers to have the skills needed to be effective jobsite safety leaders. The Foundations for Safety Leadership module, whether taught as an elective in the OSHA 30-hour course or as part of a company's on-going safety training, has already demonstrated that it can meet the industry's needs and desires.



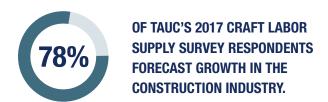
Dr. Linda M. Goldenhar, Director of Research and Evaluation at CPWR — The Center for Construction Research and Evaluation, is the FSL project lead. For additional information about the module, contact her at lgoldenhar@cpwr.com.

Construction Industry Trends – And What They Mean for Labor

by JACOB SNYDER

ONSTRUCTION HAS HISTORICALLY been an industry that often lags behind what other industries and markets are seeing in terms of trends. However, our business is still constantly changing, and the pace of change has never been greater.

In evaluating the construction industry, I have tried to forecast the trends that will impact labor in the next several years. Below are four trends I believe will have a major effect on the construction industry. Some are part of normal construction cycles, while others have the potential to change the face of the industry.



1. Manpower will be an increasingly large challenge.

In TAUC's 2017 Craft Labor Supply Survey, 78% of respondents forecast growth in the construction industry. This is further confirmed by PWC's Construction Forecast 2030, which predicts an average growth rate of construction of 3.9% annually all the way through 2030, outpacing GDP growth projections by more than 30%. This growth means more jobs.

When the great recession hit, the construction industry lost roughly 2.3 million workers between April 2006 and January 2011, according to the Wall Street Journal. Many of these workers retired or left for other industries because of the length of the downturn. As construction spending begins to pick up, the industry is faced with the challenge of a growing workforce demand despite a lower-than-average number of available workers.

Further, the most recent numbers from the government's Bureau of Labor Statistics (BLS) show a 4.3% national unemployment rate and a 4.9% national unemployment rate for the construction industry. These areas are both near historically low levels and point to competition

for talent in the economy. Couple this with an aging baby boomer generation that will soon retire —which comprises a substantial portion of the construction workforce — plus a difficulty in recruiting millennials into construction, and you have the recipe for a real problem.

As we evaluate the challenges in growing manpower needs, we also need to understand that the skillsets required to fill those needs are changing. Some of the technology changes are addressed below, but the construction industry will face tough challenges because the needed skills for a craftworker entering the construction industry may be very different than they were for previous generations. Further, while union construction has historically done a great job of meeting demands through apprenticeship and organizing, we must also address skill upgrades for our journeymen craft workers.

Things to consider: What does the future construction worker look like? How will we attract and train future craft workers? What can be done to minimize the negative impact of labor shortages? Can this shortage be a growth opportunity for union construction? How can a company leverage manpower delivery as a differentiator?

2. Modular construction continues to gain popularity

As construction owners look for ways to reduce costs and risk, one trend that seems to have gained momentum is the concept of modular construction. This is a means of taking portions of a project from the field to a manufacturing or fabrication-type environment for construction and assembly.

This approach reduces exposure to some of the challenges that are faced with onsite construction such as weather, congestion, and material storage concerns. Further, as manpower in the construction industry faces challenges, modular construction can limit the number of site personnel required to construct a project and better disperses the risk.

For construction employers to be successful in this environment, many companies will have to shift their focus to either offer fabrication-and-install options or team up with fabricators/manufacturers in order to deliver complete projects. One of the potential concerns with modular equipment is that in some sectors where we see the use

of this approach, the OEM will require either their own employees or other certified installers to place and install the equipment. This approach has the potential to limit union construction utilization if the appropriate partnerships are not established.

Things to consider: What needs to change about our business model as the result of increased use of modular construction? How can union construction address concerns that warranty requirements may pose as a barrier to entry for union contractors? Is there an opportunity to organize more shops/fabricators to help maximize opportunities for union field construction? How can a company leverage modular construction as a growth opportunity?

"What needs to change about our business model as the result of increased use of modular construction?"

3. Virtual Reality (VR) and The Internet of Things (IoT) will change construction

Think of the IoT as a set of technology solutions for tracking and managing data to improve performance. In the construction industry, this will include things like wearable technology for tracking employees; using drones for survey data and project tracking; and remote equipment operation and tracking.

Virtual Reality (VR) and Augmented Reality (AR) are technologies that use a similar platform to simulate realworld experiences. VR offers a digital recreation of a reallife setting, while AR delivers virtual elements as an overlay to the real world. These technologies can allow companies to see physical construction sites remotely, overlay plans into an existing system, or immerse people in "real" experiences of a design concept. Both VR and AR help identify potential conflicts, project challenges and safety issues in the design and planning phases to make onsite construction more seamless and safer.

As use of VR and AR tools spreads, it will be incumbent upon companies to have a plan in place to embrace and implement them - and keep up with rapid changes to the technology.

Things to consider: Do our current labor agreements address these technological changes? What possible technology will our craftsmen need training on? How do we prepare an industry that can be slow to embrace change for major technological shifts? Is there any part of this technology that can be leveraged to make union construction more efficient?

4. Construction is growing and costs are rising

In the construction industry there are many factors that drive up costs, but a few are of particular concern.

First, manpower is going to be in demand. In construction, as demand for labor increases, costs tend to rise accordingly. According to the most recent data from the Construction Labor Research Council, wage costs for craft workers are on the rise and have been every year since 2011. Based on the information discussed above, as skilled manpower becomes more difficult to find, this increase in wage costs is likely to accelerate. According to CLRC data, in 2006 (during the construction boom of that time) the average increase in craft package was about 4.5%. In 2017, that number is still only at 2.7%, so it is likely that we will see the annual percentage number continue to rise.

Along with increasing labor costs, the cost of building materials and components is on the rise. The latest construction cost index published by ENR shows a 4.4% increase in material costs this year so far. If you look at the previous five years, the increases only range from 2.3% to 3.0%. So, costs are increasing at a higher rate than in previous years, and many predict that this trend will continue for some time.

The last item I see continuing to be a factor in the trend for rising construction costs is the political and regulatory environment. The political environment is unpredictable, but at the very least it is safe to say that there will be more regulation before there is less. An example is the new OSHA Silica standard that went into effect this year, which will cost construction companies millions and millions of dollars to comply with. These three factors all point to increased cost for completing construction projects.

Things to consider: What is your company doing to limit risk on price escalation for projects with late start dates or long durations? Are there ways to reduce the impact of these costs for your company? Is there any way union contractors could take advantage of these trends?

Examining the marketplace to understand the trends in the industry is crucial for contractors. By examining this trending data, you can help better position your company for the future - and your hard work will hopefully act as a platform for discussion with TAUC and its industry partners as we try to identify opportunities to grow the union segment of the construction industry.



Jacob Snyder is the TAUC Industrial Relations Committee Chairman and Director of Safety and Labor Relations for Enerfab Power & Industrial, Inc.

The Power of Preparation

By SCOTT FISHER

T OUR LAST LEO meeting in Pittsburgh in August, Mike Buck from Association Benefits Company gave a thought-provoking presentation on multiemployer health care plans. He spoke passionately about the need for trustees to take proactive measures to ensure the sustainability of these plans. He boiled it down to seven words: "Expect nothing, blame no one, do something."

Proactive problem solvers, Buck noted, focus on their own "circle of influence" - the things they personally have control over and can do something about. Reactive problem solvers, on the other hand, do just the opposite; instead of focusing on things they can actually assert control over, they spend time on other issues, diminishing their effectiveness and

Being proactive doesn't come naturally to most of us. We would rather ignore problems looming on the horizon and hope they just go away - or that someone else will take care of them - rather than confront them head-on. But this delaying approach almost always leads to even bigger problems, especially when you have been entrusted to manage the health care plans for hundreds or even thousands of union workers.

A few days after our LEO meeting, Hurricane Harvey hit the Gulf Coast area, and not long after that, Hurricane Irma battered Florida. As I watched the news coverage of both disasters, I couldn't help but think of Mike's discussion about the importance of being proactive. I was seeing it play out in real time: although many communities in Texas and Florida were hit hard with winds and flooding, it could have been a lot worse had their local officials and residents not planned ahead for just such a scenario. Evacuation plans were put into place before a single raindrop fell and tens of thousands of people were able to get to high ground in a safe and orderly fashion. Cable news reporters predictably focused on panicked shoppers stripping grocery store shelves clean, but they didn't mention all of those residents who had already stored away plenty of food and water to get them through the storms and had contingency plans in place (along with plenty of bass boats).

In the union construction and maintenance industry, we are facing our own series of hurricanes, although they are financial in nature. Many multiemployer health plans are facing an uncertain future due to rising drug costs and high-dollar claims. Like many LEO members, I serve as trustee for a number of these plans. As tempting as it might be to kick the can down the road and let "the next guy"



take care of the situation, we can't give in to such thoughts. We need to be proactive and focus on our "circle of influence" – the things we actually have the power to change.

Some of you reading this may not even know how to define your circle of influence. That's fine - at least now you know where to start! Being proactive means starting from where you are and taking that first, small step towards finding a solution. I encourage everyone reading this - whether you are a plan trustee, contractor or labor representative - to do what you can, where you can...and do it now. I guarantee, it will pay off - and if you don't believe me, just ask the hundreds of folks in the South who are alive today because years earlier, someone else took the time to stop and ask themselves, "What would I do if the worst-case scenario actually happened?"



Scott Fisher is the TAUC LEO Committee Chair and Vice President of Labor Relations, Safety & Health and Workforce Development for the Associated General Contractors (AGC) of Michigan.

The Status Quo is Not an Option

By STEVE JOHNSON

RECENTLY ATTENDED TAUC'S Summer Summit in Pittsburgh, and three speakers in particular gave presentations or remarks that were impactful to me in my role as TAUC's Government Affairs Committee Chair.

North America's Building Trades Secretary-Treasurer Brent Booker thanked our organization profusely for working with his organization to beat back several aggressive attacks against Davis-Bacon on Capitol Hill over the past several months. He believes, and I agree, that when labor and management show a united front on issues that impact our collective businesses, we are a force to be reckoned with in Washington.

As some of you may know, TAUC recently joined the National Coordinating Committee Multiemployer Plans (NCCMP) as a Contributing Member. We felt that this was a simple way for us to show our support for all that NCCMP has done in the past and continues to do as it relates to pushing for the passage of composite plan legislation.

NCCMP's new Executive Director Michael Scott also made a presentation at the Summer Summit, and he outlined the top five priorities of his organization.

They include:

- 1. Composite Plan Legislation must be passed so that a new voluntary plan design is available to the multiemployer community;
- 2. Achieve a legislative solution for the large multiemployer plans projected to go insolvent and whose previous solutions have been rejected by the Treasury Department (i.e. Teamsters Central States Plan and similar plans);

- 3. For the Pension Benefit Guarantee Corporation (PBGC) to be a credible insurer using premiums that are affordable:
- 4. To ensure MPRA is a real tool for Trustees: and
- 5. Repealing the Cadillac Tax and ensuring it is not replaced with a cap on current employer-sponsored insurance exclusion

Mr. Scott noted that the PBGC has provided evidence that it will fail in its statutory purpose with the insolvency of Central States, and asked why our industry should be forced to throw good money (in the form of increased PBGC premiums) after bad.

"TAUC's Government Affairs Committee is aggressively pursuing the passage of composite plan legislation."

He also cited the fact that Congress passed the Multiemployer Pension Reform Act (MPRA) in 2014 in part as a tool to resolve critical and declining status plans, but MPRA has not been utilized to the fullest extent, as the Treasury Department has declined a number of applications for its implementation.

NCCMP is working on a new legislative tool — the creation of a new federal loan program — that could provide troubled plans with the funding and additional time they need to climb out of insolvency.

The last speaker I'd like to mention was the Mayor of Pittsburgh, Bill Peduto. He gave an impassioned and inspiring speech to our attendees on the history of his city. Mayor Peduto pointed out how its economy has transformed over time from being the epicenter of the domestic steel industry to a hub for both natural gas innovation, thanks to the Marcellus Shale (the Shell ethane cracker project is a glowing example of this), as well as a thriving technology corridor with huge investments from Fortune 500 companies in robotics, in part due to Carnegie Mellon University's expertise and talents. His story, the story of Pittsburgh, is one that resonated with me, because it's one our industry needs to embrace — reinvention.

This leads me to why I titled this article "The Status Quo is Not an Option." TAUC's Government Affairs Committee is aggressively pursuing the passage of composite plan legislation.

We are also partnering with NABTU and the other trades when we agree on an issue, as it is the best way to get our collective points across. And we continue to be engaged in the signatory contractor coalition, the Construction Employers of America (CEA), which advances a pro-industry message whenever possible. In other words, we are reinventing ourselves as it relates to government affairs. For us, the status quo is just not an option!



Steve Johnson is the TAUC Government Affairs Committee Chair and President of GEM Industrial Inc.

Drones Are Here to Stay

by JOE LASKY, JR., CSP, CHMM

OOK! A BIRD? A plane? No, it's a drone! About a month ago, we attended a wedding on a boat on the Chicago River. During the wedding ceremony, I noticed something flying and hovering over the boat and realized it was taking pictures/videos of the bride and groom and guests. That is the first time I really saw a drone in action. A few weeks later, my wife and I took our grandkids to the Chicago Museum of Science and Industry to spend the day sightseeing. While visiting several exhibits, the one that was remarkable to us was the "Robot Revolution" section. Signs in the exhibit said "Drones are here for Good" and "Drones are Robots, Too."

When you think about that first quote, it should remind us that the sky is the limit for what drones can do, and if you surf the internet, people continue to dream up new uses for them. At a past TAUC EHS Committee meeting, we saw an excellent presentation on drones by Mr. Carl Heinlein. The presentation showed the current usage of military and civilian drones and their capabilities and case studies. At the end of the presentation, several of our governing members said they were using drones in their construction work. They use them for land surveying, construction progress, job inspections, etc.

Often called "unmanned autonomous vehicles" or UAVs, drones operate independently or can be remotely controlled. Many drones have guidance systems that allow them to adjust their speed, correct their flight path and navigate on their own. Drones can operate on the ground, in the air, and even in the water making them useful in many situations.

These robots/drones are not without controversy, especially with safety and privacy issues, but their abilities can prove useful in a myriad of situations. We can send them into dangerous situations, like storms and volcanoes, to collect information. We can use them to monitor endangered wildlife. They can also deliver medicine or find people stranded far from other help. Some companies (i.e. Amazon) will soon be using them to deliver merchandise to your homes or businesses, as well.

There are a myriad of applications for drones in the construction industry. I mentioned a few of them earlier, but in an article published earlier this year on Drone Guru.net by Stewart Lawson, entitled "7 Ways Drones are improving the Construction Industry," he explains how UAVs play a pivotal and extremely helpful role in our field. Lawson outlined the emerging roles of drones in seven different areas:

- 1. Land Surveying
- 2. Marketing & Promotion
- 3. Safety and Insurance

- 4. Showing Job Progress to Clients
- 5. Monitoring Multiple Job Sites
- 6. Construction Inspections
- 7. Monitoring Workers

If you are contemplating employing the use of drones on your projects/work sites, the first thing you must do is familiarize yourself with the myriad of federal, state and local regulations over their usage. But the writing is on the wall: drones are here to stay. The robotics industry, which includes unmanned aircraft systems (i.e. drones), is projected to reach \$237 billion in revenue by 2022!

If you have an opportunity, visit the Museum of Science & Industry in Chicago and tour the exhibit on "Robot Revolution." If you are like me, you'll agree that when used properly, this technology will help us all to improve project safety.

Stay Safe Out There!



Joe Lasky is Chair of the TAUC Environmental Health and Safety Committee and Director of Corporate Safety, Health and Environment for Scheck Industries.



Contractors and Subs: It's All in the Details

by STEVE FELLMAN, TAUC LEGAL COUNSEL

RECENT NEW YORK case is a dramatic reminder that in cases where a subcontractor and a general contractor never get around to signing a complete set of subcontract agreements, they may find that their liability insurance is not in force.

Here are the facts in the case of Colony Insurance Company v. American Empire Surplus Lines Insurance Company and Champ Construction Corp., decided in the New York State Supreme Court on May 10, 2017.

CP&A Construction Company (CPA), the general contractor, entered into a subcontract with Champ Construction Corp. (the sub) for a project built for 57 Graham Corp. (the owner). It required that Champ have a \$5 million liability insurance policy and that 57 Graham and CPA be named as insured parties under it. The subcontract also stated - and this will become important later on - "This subcontract is not valid without the Subcontractor General Conditions Version 2012-003 signed and agreed to by both parties."

Champ's insurance company drew up the policy and included as named insured any parties with which Champ had a signed subcontract. During the completion of the project, a Champ employee was injured on the job when his hand was struck by the blade of a cement helicopter that was being hoisted. The employee sued the general contractor, the subcontractor and the client. Colony Insurance Company, acting on behalf of the owner and general contractor, demanded that Champ's insurance

company take over the defense of the action. After all, Champ, as subcontractor, had taken out the \$5 million insurance policy covering the general contractor and the owner, right?

"If contractors fail to keep track of details & paperwork, they can be left holding the bag."

But Champ's insurance company refused to take over the defense or assume any liability. Colony sued, but Champ's defense was simple - and surprising: it argued that there was no signed contract between Champ and the general contractor in the first place. Furthermore, Champ's insurer argued that the general contractor and Champ had never signed Subcontractor General Conditions Version 2012-003 either, so it wasn't required to provide coverage to

The Supreme Court of the State of New York agreed with Champ's insurance company and granted summary judgment in its favor. The Court held that the subcontractor's policy provided coverage for an owner or a general contractor only where there was a valid contract between the general contractor and the subcontractor, and then only if both parties had executed Version 2012-003. Based on the record before the Court, there was no evidence whatsoever that either

party ever signed the Subcontractor General Conditions.

What does this mean for TAUC members? Whether acting as general contractors or subcontractors, many members have a long history of dealing with favored companies. Historically, especially on smaller projects, the subcontractor and the general contractor would have a written agreement on price and then exchange formal written contracts. In simple language, each contract would provide that regardless of what happens, it is the other guy's fault. Often the projects would start without either the general contractor or the subcontractor signing a complete contract.

The New York case should serve as a warning. All the parties believed that they would have insurance protection and that the subcontractor's insurance would provide the basic coverage if an employee of the subcontractor was injured on the job. As it turned out, neither the owner nor the general contractor were covered by the subcontractor's policy. By failing to pay attention to details and keep track of the various paperwork flowing between companies at the start of the project, both the general contractor and the owner were left holding the bag.



Steve Fellman is a shareholder with GKG Law in Washington, D.C. He is also general counsel to The Association of Union Constructors.

GM's Michael Mayra on the Value of Union Labor & PLAs

Continued from Page 15

Michael Mayra: Yes, but there's a lot more -- a PLA also ensures that we're going to put our best foot forward in terms of obtaining sufficient quantities of trained workers with the necessary skills to perform the job safely, efficiently and with the quality that we expect. For instance, with the NMA, there are rules and requirements for conducting pre-job conferences, where we can go over the goals and expectations for each job and review manpower needs prior to anyone stepping foot on the jobsite. And when we run into issues with getting enough tradesmen in certain locations, the NMA can step in and help to provide the necessary labor to meet our tight schedule. Our schedules are only second to safety in terms of priority. And if any other issue or problem comes up later on, we don't have to stop the project - there's a quick dispute resolution process already in place. The NMA also offers some additional benefits, like the ability to establish flexible work schedules or to request an addendum to modify the agreement to allow GM to be more effective with its capital expenditures.

TAUC: You mentioned safety being a top priority. How does working under a PLA impact the safety aspect of a project?

Michael Mayra: Well, all of our contractors are prequalified and have to meet certain safety hurdles just to get on the bid list to do work. With such high expectations and the rigorous program we have in place, the contractors have to make sure they are going to be employing labor that has the right training and understand that safety is the number one value for General Motors. And I think that by using a PLA with union labor, we also have a much better ability to know that we're going to have a safely trained, skilled workforce.

TAUC: We've had other owner-clients tell us that a PLA allows them to focus more on their core priorities.

Michael Mayra: It does bring consistency to the process. We don't have to try and manage every situation or problem ourselves - if we did, we'd be struggling on every project. We know that in the case of the NMA, the leadership and staff can help us and keep things running smoothly. If there's an issue, we can just pick up the phone, they'll call the parties involved and get it resolved. The NMAPC has very experienced people who've been doing this a long time, and they also have a good working relationship with all of the trade unions. It makes things go a lot easier for us.





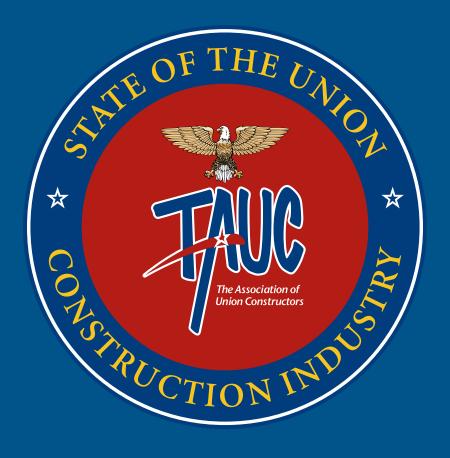
e Learning Resource Center

The National Maintenance Agreements Policy Committee, Inc. (NMAPC) has been serving the union construction and maintenance industry for more than 40 years. We negotiate and administer the National Maintenance Agreements (NMA), a series of collective bargaining agreements utilized by more than 2,000 industrial construction and maintenance contractors employing members of fourteen international building trades unions.

Now, the NMAPC has created a comprehensive web-based resource center to help contractors, clients and crafts more effectively utilize the NMAPC Program.

The NMA I.Q. eLearning Resource Center is the web-based resource for "all things NMA." It is designed for newcomers and industry veterans alike, and equally useful to all members of the tripartite community – contractors, building trades unions and owner-clients. It offers easy-to-follow online tutorials and short videos on virtually every aspect of the NMA, from a "How does it work?" general overview to detailed instructions and explanations on more technical aspects of the Agreements.

Try it today – it's free! www.NMAIQ.org



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