Construction Today

WINTER 2012 Published by the General Building Contractors Association, Inc.

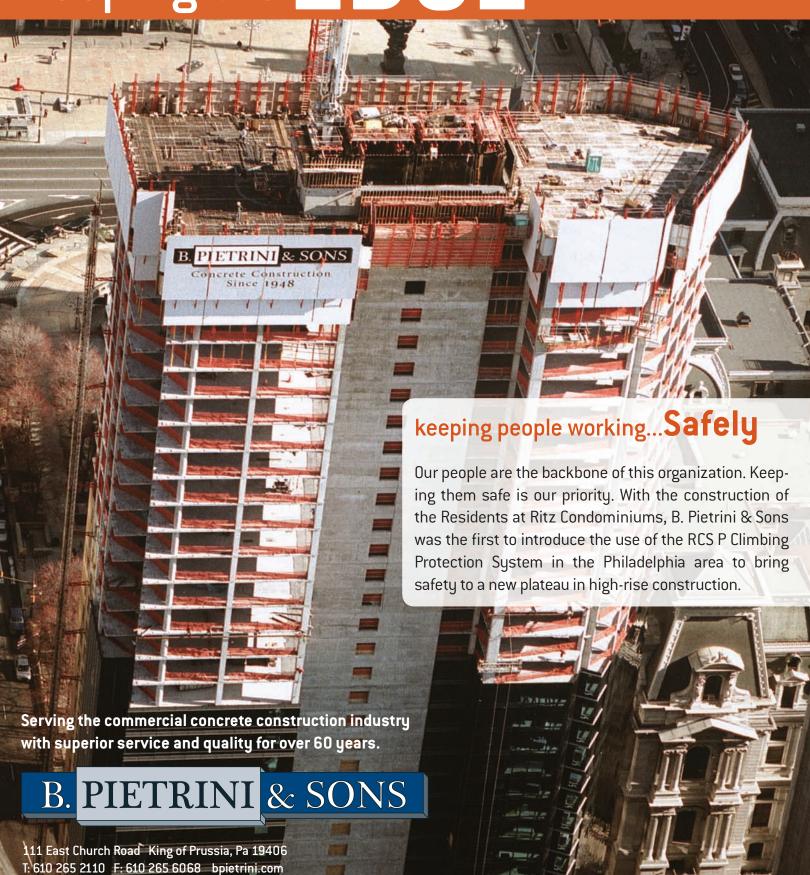
2012 GBCA Annual Meeting

The New Philadelphia PLA

2012 GBCA Officers

PRESORTED
STANDARD
U.S. POSTAGE
LANGHORNE, PA
DERMIT #118







PUBLISHER'S COLUMN



Walter P. Palmer, 3rd

u_A.J.

Welcome to the Winter issue of Construction Today®. Even though the region has not experienced much winter this year, any Philadelphian can tell you anything can still happen. In the construction industry we are experiencing the same sense of anything can happen. Recently, several tower cranes have been erected in the region. The finishing touches are coming together on the Barnes, which I think will be a regional show stopper. Villanova, Drexel, Temple, Penn, CHOP and Penn Health are all getting ready to move forward on their capital programs.

Here at the General Building Contractors Association (GBCA) labor negotiations are under way. And so we have to all get on the same page. We have different wage rates, work rules, jurisdictional disputes, apprenticeship rates, benefits and contracts. One owner has a 700-page construction contract and thinks they will get a better price because of it. This problem is not with just one group or sector in the construction industry, it's the responsibility of us all, we are all to blame. At the 2012 GBCA Annual Meeting, one of our speakers who has the benefit of 50 years of Philadelphia union construction experience, had some interesting words of advice for the attendees. We must respect each other, listen and trust one another. It's that simple, but many don't heed those small simple words with big meaning.

A rising tide lifts all boats. So why are we having so much trouble understanding each other? We need to insure that we treat each other with fairness and equity. This region has many challenges and many great resources. We all need to take advantage of them to propel us all forward. We must make a way forward.

The Mayor announced a new Project Labor Agreement for all Philadelphia projects over \$5 million dollars. The Mayor and the PLA have admirable goals in wanting to help Philadelphians learn a craft and provide for their families. I applaud the mayor with his vision in the PLA, and his commitment to work with employers, owners and unions to ensure that anyone who wants an opportunity to work hard and join America's greatest industry has a place.

The construction industry is perfectly positioned to train people who want to learn a craft. So let's get to work. Let's make a way forward to connect the dots between projects, people, skills, and funding. Every Philadelphian and every resident of the region should be interested in a newly expanded airport. Everyone should know that better water infrastructure is in the best interest of us all. We need more power no matter how green our buildings get. We need better hospitals, roads, bridges, and schools. These mean jobs, skills security and most importantly a goal for our region.

To all mayors, governors, elected officials, labor leaders, business leaders and citizens -- A rising tide lifts all boats. Let's get all on the same page and let's get to work.

Construction TODAY

Walter P. Palmer, 3rd Publisher

Lisa R. Godlewski Editor

Lisa R. Godlewski Production & Circulation

Harry Eaby, Paradigm Grafix Advertising/Sales

CONTRIBUTING WRITERSJim Adams / Paul R. Flora

Fredrick R. Gerngross / Lisa Godlewski Hiliary H. Holloway, Jr. / Dennis M. Powell Alfred Rauch III / Claire Swedberg

Joelle C. Miller Design & Layout

Elizabeth Carey-Holmes Accounting

EDITORIAL OFFICE

General Building Contractors Assoc., Inc. (GBCA) 36 South 18th Street P.O. Box 15959 Philadelphia, PA 19103 215-568-7015

Fax: 215-568-3115

ADVERTISING & PRINTING

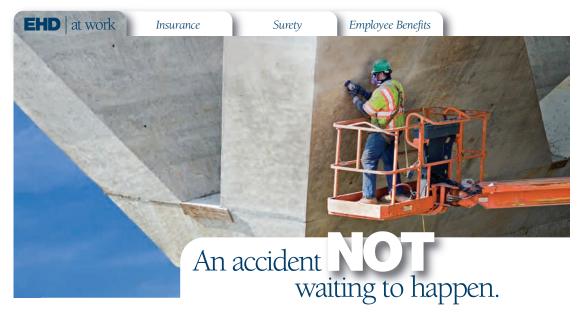
Paradigm Grafix 123 Keystone Drive Montgomeryville, PA 18936 215-641-4844 Copyright: CONSTRUCTION TODAY® registered in U.S. Patent and Trademark Office Copyright ©2004 by the General Building Contractors Association. All rights reserved.

Submissions for editorial review should be sent to the above address. Neither the publisher nor any individual associated with any branch of production, nor the advertisers will be liable for misprints or misinformation contained herein.

PRINTED IN U.S.A.







That's the advantage of having EHD evaluate your risk exposures and the effectiveness of your workplace and job-site safety and management policies.

Through loss analysis, employee training, site-specific safety programs, safety committee assistance and more, EHD helps to keep you at work — safely. And by identifying and reducing your total underlying cost drivers of risk, EHD can improve your bottom line. That's no accident.

Contact EHD at 800.544.7292 or visit ehd-ins.com. EHD has four local offices serving clients throughout central and eastern PA, NJ, MD and DE.







connerstrong.com

1-877-861-3220



Features

- 12 A Portrait in Stone
- 20 Green Globes™
- 26 Issues Branding

On Topic

- 9 2012 Economy
- 22 Mechanics' Lien
- 30 Government Update
- 34 Tracking Our Workforce
- 37 Construction Outlook
- 40 ... It Didn't Make Sense

In Every Issue

- **42** Construction Notes
- 44 CT Classifieds
- 45 Referral Directory
- 46 Advertisers Index

Cover: Mayor Michael Nutter and GBCA Chairman of the Board Rudy D'Alessandro.

Union Iron Workers

OF LOCAL 401



Philadelphia and Vicinity

PRIDE • CRAFTSMANSHIP • SAFETY • PRODUCTIVITY

Providing a highly trained, drug-free workforce specializing in the erection of:

Structural Steel for Buildings and Bridges

Structural Steel Barjoists, Trusses and Metal Decking for All Types of Floor and Roof Systems

Structural Precast Concrete for Buildings, Parking Garages and Bridgeways

Pre-Engineered Building Systems in their entirety

Erection and Modification of Communication Towers, Tower Cranes, Material and Personnel Hoists

Installation of All Types of Metal and Pre-Fabricated Masonry Curtain Wall Systems, and Dryvit Wall Systems

Exterior and Interior Metal Wall Panels

Installation of Architectural Metal Windows, Window Walls, and Entrance Ways

Chain Link, Ornamental Iron and Hollow Metal Fencing

Metal Storage Racks of All Types

Installation of All Types of Steel Roll-Up Doors,
Sectional Overhead Doors and Security Screens & Gates
for Commercial and Industrial Use

By Paul R. Flora

opeful optimism pervades the typical outlook for 2012 among business contacts in our Third Federal Reserve District states of Delaware, New Jersey, and Pennsylvania. The mood has improved significantly since late summer/early fall when fears of a double-dip recession arose. While many business plans contain projections of modest growth, most remain cautious.

The generally positive outlook within the business community mirrors the most recent forecast for 2012 from the Survey of Professional Forecasters, which centered on 2.4% GDP growth, an 8.8% unemployment rate, and headline inflation of 1.9%. Their most recent forecast for 2012 (released mid-November) marked a path of continued growth relative to 2011 but was slower than previously forecast, primarily reflecting the anticipated impacts of Europe's slowdown.

This article will provide a brief overview of the economy's performance, prospects, and concerns for 2012 with an emphasis on nonresidential construction. Concerns include economic drag from unresolved problems in the housing sector, risk from ongoing problems in Europe, and uncertainty from endless debating in Washington.

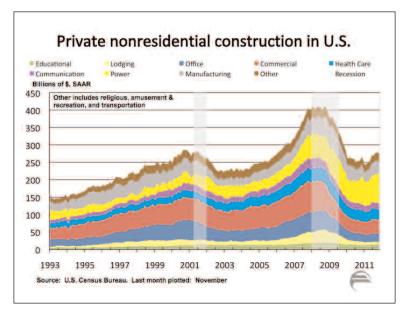
In what many have called a jobless recovery, the U.S. labor market has

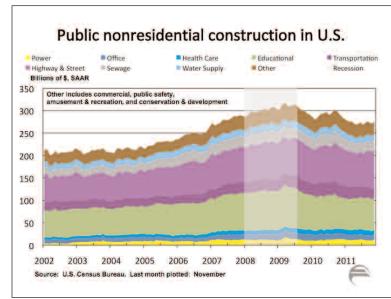
regained 2.46 million net jobs since February 2010 – only 28% of the 8.75 million jobs lost beginning in January 2008. The recoveries that followed the prior two recessions also struggled to recapture net jobs lost.

In a departure from precedent, Pennsylvania has outperformed the nation, recovering about half of the quarter million jobs lost during the recent recession (51%). In the prior two jobless recoveries, as well as most of the postwar business cycles, Pennsylvania has recovered more slowly than the nation.

Pennsylvania has outperformed the nation, recovering about half of the 250,000 jobs lost during the recession.

Pennsylvania's relatively stronger jobs recovery also compares well to Delaware and New Jersey where the recapture rates of jobs lost during the recovery are 8 % and 15 %, respectively. A somewhat more modest housing boom (and bust), plus a late response to deteriorating state and local fiscal conditions, may have contributed to Pennsylvania's recovery. However, the key difference between this





Source: Federal Reserve Bank of Philadelphia

recovery and past recoveries for Pennsylvania appears to be the "goldrush" emergence of the Marcellus shale gas industry.

Pennsylvania's relatively stronger recovery is also evident in its unemployment rates. Since the recession's end, Pennsylvania's unemployment rate has averaged 1.1 percentage points lower than the national rate. In contrast, from 1990 through the end of the recent recession, Pennsylvania's unemployment rate closely tracked the nation's rate. Both averaged 5.5% over that 18-year span.

A lack of recovery in the housing market creates a significant hurdle to attaining robust economic growth. The rate of seriously delinquent mortgages (defined as mortgages in foreclosure and mortgages past due by 90 days or more, as a percent of all mortgages) has begun to moderate but remains at historic levels nearly four times greater than past recession highs for the nation. House prices are generally still falling, although prices in some areas may be stabilizing. With high foreclosure rates and falling house prices, the rate of new home construction has flattened out at extremely low levels for the past three years. For

A stronger growth path might have been constructed for 2012 if the drag from housing problems had been addressed

2012, there is little expectation for anything more than slight growth over 2011 levels.

Business contacts in nonresidential construction and real estate markets are slightly more optimistic than in residential markets, with positive signs emerging in select sectors and geographic areas within our three-state region. Real estate contacts have indicated higher rents, fewer concessions, and lower vacancy rates in selected submarkets. Strength in some geographic markets, e.g., warehouse space in the Lehigh Valley, comes at the expense of other geographic areas, e.g., southern New Jersey.

Continued slow growth is anticipated for 2012 in the Philadelphia area with ongoing or emerging demand for new construction in certain sectors and locations. The greatest demand for new construction is focused on the institutional,

biotech, multifamily, and warehousing sectors.

National trends of the value of monthly private and public nonresidential construction indicate that few sectors are expanding overall (depicted in the accompanying charts). Within the private sector, the value of lodging, office, and commercial investment fell substantially during the recession. With the exception of power utilities, which have increased investment, values in most sectors are now holding steady. On the public sector side, there is a general slowdown associated with ongoing cuts in capital spending from the federal government and most state and local governments.

Public sector infrastructure spending has been a victim of Washington's ongoing budget battles, resulting in repeated short-term extensions of spending authorizations at levels lower than in past years. Aside from the potential stimulus of such spending, three separate research studies released in 2009 and 2010 indicated that the additional annual spending needed to maintain and improve U.S. transportation infrastructure was on the order of \$200 billion.

The original stimulus bill provided only about \$60 billion spread over several years.

With a few exceptions, most state and local governments have also reined in their capital infrastructure spending throughout this recession and recovery. This stands in contrast to the conventional wisdom from several decades before, when states often chose to accelerate spending on public infrastructure projects. Increased spending was chosen to save taxpayer money by taking advantage of lower costs of labor and materials, as well as to provide a stimulus effect.

Today, some states strive to build rainy day funds of 5% to 15% of their annual revenues for use during recessions. Many states do not meet the goal and some states choose to not spend the money. In general, almost no state has amassed adequate reserves to meet the needs during a recession. One far-flung example stands in sharp contrast to the recent experience of U.S. states. Hong Kong has amassed reserves of about 150% of their annual revenues. In the recent recession, they drew upon those reserves to reduce taxes and fees, to meet the demands of higher social costs, and to accelerate their public infrastructure spending.

A stronger growth path might have been constructed for 2012 if the drag from housing problems had been addressed, if Europe had avoided or more quickly addressed its fiscal problems, if the federal government stopped delaying hard fiscal decisions, and if state and local governments were better prepared to meet their own fiscal challenges. Instead, most business contacts are preparing for another year of slow economic recovery.

This article was compiled from remarks made at the GBCA's Annual Business Meeting on January 9, 2012. Paul R. Flora is the Senior Economic Analyst for the Federal Reserve Bank of Philadelphia.

YOUR OPPORTUNITY TO BE HEARD!

Many of you follow the Federal Reserve Bank of Philadelphia's monthly Business Outlook Survey of manufacturers in the Third Federal Reserve District, which includes eastern Pennsylvania, southern New Jersey, and Delaware. Since its creation in 1968, the survey's reputation as a key barometer in manufacturing has grown and is closely watched by economists, forecasters, and reporters around the world.

The Philadelphia Fed is currently expanding its survey efforts to include other sectors of the economy and would like to invite you to participate. We will use a set of questions similar to those used in the BOS such as asking participants about the direction of change in overall business activity and about the various measures of activity at their firms: employment, working hours, new and unfilled orders, inventories, prices paid, and prices received. Find the latest Business Outlook Survey at http://www.philadelphiafed.org/research-and-data/regional-economy/business-outlook-survey/.

Since other business sectors represent an increasingly greater share of employment and GDP, broadening our survey beyond manufacturing is critical. Your participation in the survey effort adds great value and ensures that the experience and perspective of your business are represented in the Third District's economic outlook. For more information, or to participate in our new survey, contact Elif Sen at (215) 574-6424 or by e-mail at phil.surveys@philadelphiafed.org.





D.M. Sabia Completes Work at the Barnes Foundation

By Lisa Godlewski

The world of fine art and the art of masonry are more closely related than one might think. Despite tremendous variation in material and composition, there is beauty from the piece in its entirety, as well as in the smallest detail. The type of stone used, the pattern used to arrange it, even the story about where and when the stone was quarried, all add to the aesthetic of the project. For the past two years D.M. Sabia has been working with the stone of the Barnes Foundation Art Education Center and the result is a work of art.

A Company Portrait Just as Albert Barnes was putting the finishing touches on his venerable Barnes Foundation, Dominic Matthew Sabia was ready to show Philadelphia what he could create in brick and stone.

D.M. Sabia began in 1923 (a year after the Barnes Foundation) as a small "2-man band" in Chestnut Hill. "It wasn't big work," says Nick Sabia, grandson of Dominic and President of D.M. Sabia today. "It was mostly retaining walls and factory work. He probably had no more than two to three guys working for him for 20 years", one of whom was Dominic's own son and Nick's father, John.

To be involved in the business "you've got to know the business, and that's why you start outside." And so when John graduated with an accounting degree from LaSalle University, he quickly started his apprenticeship with the Bricklayers and jumped into the business with his father.

"My father did the estimating and ran the operations of the company," recalls Sabia. Projects continued to be on the smaller side, with D.M. Sabia completing multiple projects for long-time clients like Bryer's Ice Cream. Then somewhere in the

"We drove from Tel Aviv to S. Israel. North is very green but the south is barren desert. You'd see a guy on a camel every once in while and not much else."

1950's "my grandfather took a vacation. My dad went after the biggest job ever and D.M. Sabia got it...that was the first big step in 25 years. My grandfather came back from vacation and said 'John...what have you done?' But they got the job done," Sabia says with a laugh.

D.M. Sabia brought in a few more employees after that job and the company continued to grow incrementally over the following decades. In the 1960's they were doing work in the City and also a little bit in suburbs, says Sabia. Then when the Route 202 exploded, they got into office buildings along the corridor. Similarly in



the early 1980's the company, under the leadership of Nick's father, made a concerted effort to do work in New Jersey along the Route 1 corridor.

Today five of the Sabia brothers work in the company. "John Jr. is a Vice President and Director of Field Operations, Donald is a Bricklayer and foreman. Matt is also a Bricklayer. Tommy is an Operating Engineer, and I am the President," says Sabia. In addition to overseeing the day-today operations of the family business, John Jr. and Nick have both proudly served on the Board of Directors at the General Contractors Building Association (GBCA). Nick Sabia is also honored to be President of the Employing Bricklayers Association and a trustee on the Health & Welfare and Pension & Annuity funds for the Bricklayers.

"But every one of us started in the field. My father made that decision. Everyone started as an apprentice," recalls Sabia. "In the summertime we all labored on jobs but none of us said 'gee I want to be a brick-layer when I grow up."

Well D.M. Sabia has certainly grown up. The company was one of the first mason contractors in Pennsylvania to have an inhouse safety committee to be certified by the Department of Labor. "We've had a safety committee certified for over 20 years," says Sabia. All company employees are encouraged to attend an annual company safety seminar. "It's not a paid meeting and it's on a Saturday. We get a hundred plus employees to attend. That says a lot about our commitment to safety."

Over the years the projects the company has tackled have grown larger and more complex as well. One notable job was the Chester County Justice Center. "It's 'old school' traditional Jeffersonian fancy bond, fancy jointing, herringbone pattern," says Sabia. Because the job displayed masonry skills of yesteryear, Sabia counts it among the company's favorite projects.

Another memorable project was Princeton University's Butler Dorms. The job had over three hundred thousand bricks, including over 20,000 shapes along with 4-inch thick limestone panels. That project was not only a favorite of the company, but a favorite of several judges as well. The project won a 2010 Construction Excellence Award from the GBCA and a Golden Trowel award that same year. But it is perhaps one of the most recent projects that has captured the imagination and dedication of the employees of D.M. Sabia.

A Work of Art 181 Renoirs, 69 Cezannes, 59 Matisses, 46 Picassos, 16 Modiglianis and seven Van Goghs. The Barnes Foundation Art Education Center is set to open along the Benjamin Franklin Parkway in spring 2012. The galleries are being built to replicate the scale, proportion, and configuration of the existing galleries. Following Barnes' mandate that his collection be used for art education, the new building provides a increase in space for classes, traveling exhibitions, and special events; an auditorium, indoor and outdoor gardens, a fountain, and a restaurant; a retail store and increased parking, as well as



DIRECTLY ABOVE: The project demanded members of the TWBT and Sabia team visit the fabricator's facility in Palestine.

TOP: View of the quarry in Southern Israel. The stone was used throughout the Barnes Foundation Art Education Center.

expanded space for conservation, research, and administration.

And wrapping around the exterior of the building is a mosaic of stone artwork that ties it all together.

This job was a competitive bid job with general contractor L.F. Driscoll Company. The Barnes Foundation Art Education Center was also a design assist project meaning documents were not 100% complete. Instead D.M. Sabia worked with







ABOVE: The mosaic pattern of the stone in each super panel calls to mind the way the original Barnes Galleries were packed wall-to-wall, ceiling to floor. FULL PAGE RIGHT: Newly quarried Romon Gold/Gray Gold stone. Members of the Sabia group from left to right are Nick Sabia, D.M. Sabia, Ken Saretsky, ABC Stone, Joe Mancuso, D.M. Sabia, and Ricardo Alvarez, ABC Stone.

architect Philip Ryan of Todd White/ Billie Tsein (TWBT) of New York and Ballinger of Philadelphia to help price the design and work on details. Sabia describes it as, "I want a wall of stone with a block backing, you Sabia, and your engineers, design how it's going to work."

TWBT picked the stone, jointing and the finish. They picked Romon Gold/ Grey Gold, an Israeli stone quarried in southern Israel. "We had not worked with the stone supplier before. So in order to get a better comfort level with the fabricator and detailers, we knew we had to go to Israel," says Sabia.

And so, like artists in search of just the right medium, Joe Mancuso, a D.M. Sabia estimator and Nick Sabia headed to the quarry in Israel to see and know what they were working with. "It was quite the learning experience," says Sabia. "We drove from Tel Aviv to southern Israel. The north is very mountainous and green, but the south... it's barren desert land. You'd see a guy on a camel every once in while and not much else."

The first stop was the isolated quarry to see the tremendous blocks of the Barnes' stone before they were fabricated. The next stop was the fabricator's facility in the West Bank to go over details, packaging and shipping. To get to the West Bank "we had to pass through a 20 ft. high concrete wall with razor wire on top. You literally drive through the wall to another world."

Despite the razor wire and increased security, the visit to the fabricator proved a pleasant and productive meeting. "We sat

in their office on the floor and drank small cups of Palestinian coffee. They treated us as well as they could," remembers Sabia. Together they went over every detail, even putting together a Plan B on getting the stone out of Palestine should there be an uprising.

Just as Albert Barnes was putting the finishing touches on the Barnes Foundation, Dominic Matthew Sabia was ready to show Philadelphia what he could create in brick and stone

The group also made sure each stone was ticketed with its dimensions, anchor slots, where it went, and where it would be anchored to the building. Sabia engineers drew all of the tickets. The company shipped the tickets to fabricator and they attached the tickets, says Mancuso.

Even though the stone was sequenced, no job goes exactly according to plan. Coordination of stone was more difficult than expected. Sequencing, scheduling and storage were big challenges. The lack of space at the jobsite forced Sabia to store tons of stone offsite with delivery occurring exactly as the stone was as needed. On top of that, the stone used had multiple finishes — hand chiseled, patina, and bush hammered, all of which had to be placed in an exact, predetermined location.

The outside of the building features massive super panels made up of different

configurations of stone. Each super panel weighs approximately two tons and each super panel is different. Sabia says the mosaic pattern of the stones in each super panel calls to mind the way the original Barnes galleries were packed wall-to-wall, ceiling-to-floor, in a salon-style.

And each super panel is framed with stainless steel channels, not unlike a picture frame. Central Metals placed the stainless steel channels and the tubes that supported the stone and anchored it back into the building. What kind of hardware keeps two-ton panels anchored to the wall? The same bolts that are used in bridge building. Behind the stone is concrete block, insulation, a vapor barrier, water-proofing and the aforementioned tubes and channels.

This work of art was started two summers ago. D.M. Sabia anticipates completing its masterpiece in February, with the building completion in May.

What was the key to success with the Barnes, as well as all of the others? "We are user friendly and solutions oriented," says Sabia. "Starting with my grandfather, D.M. Sabia has always tried to help the situation."



Lisa Godlewski, M.A. is the Director of Public Affairs for the General Building Contractors Association. Godlewski is also Editor of Construction Today®.







Reviewing the 122nd Annual Business Meeting of the General Building Contractors Association

By Lisa Godlewski

Association (GBCA) held its 122nd Annual Business Meeting at the Union League of Philadelphia. A "who's who" of the construction industry, the attendees were there discuss the issues of the industry in 2012. The meeting also served as an opportunity to celebrate the largest gathering of the construction industry in three years.

"I'm told this is the largest meeting in five years," said Philadelphia Mayor Michael A. Nutter to the audience. "I'm going to take that as a sign of anticipation that you see that things are going to get done."

That being said, "we need to get more of you working, more of you building. It's good for you but it's also a little bit more tax revenue for us... but that never entered my mind," joked the Mayor. The Mayor also referenced his recent Executive Order that incorporates project labor agreements (PLA) on City projects over \$5 million dollars. The Mayor said he "applauded the PLA" as vehicle to get people back to work. This comment was almost certainly intended to stir the pot, considering the Association's communication with the City regarding PLAs. While the Association does not oppose PLAs, it has been vocal in its concerns regarding the impact they have on critical issues like collec-

tive bargaining. The GBCA appreciates opportunities like the Annual Meeting to further the PLA discussion with the mayor.

For over a century members of the largest construction trade association in the region have been gathering to see colleagues, to make new acquaintances, to discuss timely issues like the PLA, and to look to the future. "We are here as one industry that accounts for billions of dollars in wages, benefits and infrastructure," said Walter P. Palmer 3rd, President & CEO of GBCA.

Future "Many people ask me what the construction future is like," said Palmer. "How are the hours? Who is building what? Well, over the last couple of years the news has not been good." In fact, construction economists, including Ken Simonson of the Associated

COVER | Annual Meeting



Sam Staten, Sr. and Mayor Michael Nutter at the GBCA Annual Meeting.

General Contractors of America (AGC) and McGraw-Hill Construction, have predicted a sluggish 2012 with little recovery in sight.

"But I am here to tell you that they are wrong and they have been wrong before," said Palmer. He pointed to a 1947 GBCA newsletter in which Economist Roger Bobson declared that the American economy was sliding into a great depression that would last for 20 years. A prediction followed by one of the largest commercial expansions of all time.

"But I admit," said Palmer, "things are difficult."

"Building owners can help us meet the highest labor standard for the best price." -Rudy D'Alessandro

Recovery starts with a shovel in the ground and so the industry must work together to build more projects, hire more people, and see our market expand beyond the boundaries of the city. The GBCA is ready to be out there building a new airport, an improved rail system, rebuilding 195, upgrading water, electric, and gas utilities, building roads, bridges, and sidewalks. "Then and only then we can set the stage for a great commercial expansion," said Palmer.

The GBCA will help its members, and the larger union construction industry as a whole by following its 2012 strategic plan. This plan, put together with the input and guidance of the diverse membership of the Association, is a course of



Mayor Nutter talks about his recent Executive Order establishing PLAs on City projects.

action for the association to enhance member services.

Palmer promised the audience that "we, the GBCA will teach government officials and owners about the importance of union building, improve the competitiveness of union construction, grow membership in the Association, build more online services and increase visibility of the GBCA safety services."

Present The evening marked the close of a two-year Chairmanship for Francis A. Pietrini of B. Pietrini & Sons. "Thank you to all of our contractors, subcontractors and the Board," said Pietrini. "This is the best chapter of Associated General Contractors of America," he added. "We're committed to building all union. We are truly special in that matter." That commitment has not always been easy during Pietrini's tenure. Usually reserved for every three to four years, the past few years have seen almost-constant negotiations for one-year contracts.

"We still have tough times ahead of us," said Pietrini, referring to the labor negotiations already underway for 2012, "but this organization will continue because of all of the people here. Thank you for your commitment."

Newly elected Chairman of the Board, Rudy D'Alessandro of J.S. Cornell echoed those sentiments in his remarks as well. "We realize you put a lot of time and effort into your businesses and that you've taken time out to be here. We appreciate your support," he said.



Walter Palmer, Jr. was recognized by Bill Cobb of Haverstick-Borthwick.

As we move ahead, "we're all aware of the changing environment. It's not only a challenge, but a unique opportunity for the GBCA to have the owners look to us so we can meet the highest labor standard for the best price. We need to get together so our labor negotiations can provide us with the workforce we need," he said. "We welcome the opportunity to work with labor and we appreciate the values and needs of labor," he said.

Past The attendees of the 122nd Annual Business Meeting took time to honor a man who had affected the business and lives of many in the room. Walter P. Palmer, Jr. who began his career 50 years ago as Assistant Director of Education, is leaving the GBCA to pursue other challenges.

During his career Palmer spent 24 years as Executive Director of the Association. He was involved with the Associated General Contractors of America (AGC) for years, even serving as President of AGC Chapter managers.

Palmer directed the development of the GBCA logo, was involved in starting GBCA talent initiative in schools, put together a response plan for the construction industry in the case of a natural or man-made disaster, and selected office building the GBCA calls home.

More importantly however, Palmer was one of the first people to bring subcontractors into a more active role. He has been involved with labor and management for years and was Awarded Friend of Labor award just a few months ago.

"Union organizations need to have the respect of labor. I can say that Walter and is that person who has the trust of labor both locally and nationally," said Bill Cobb of Haverstick-Borthwick Co., a longtime friend of Palmer.

"Thank you. This is very humbling," said Palmer as he took the stage. "When I joined GBCA in early 1960's, the Association was humming. It was the envy of every AGC chapter in the country," remarked Palmer. "I've tried to do my best in the years I've been here to keep it that way."

Palmer's next comment was perhaps the most valuable. "I'm making a comment about the industry, from someone with 50 years of experience. A lot has changed, but one thing that hasn't, is that every success this Association achieved has come because of our ability to work well with others." This is so important, whether talking about GBCA members, who are friends and competitors, or talking about labor negotiations. "You've got to be able to work well with others who don't necessarily have the same viewpoint as you," said Palmer.

In fact, the inability to work together is playing out on the national stage right now, as existing union strongholds loose ground. "They can't seem to work together. We've been able to do it though. And so we must keep building trust, respect, and rapport with all the people that interface with our membership, said Palmer. For example, "I can't speak highly enough of the labor organizations we deal with. We must continue to work with that group."

Left to Right: Charles Cook, Ed Coryell, and GBCA Vice Chairman Mack Stulb.



Tying it all together Philadelphia has endured great change over 300 years. We have always been ready to adapt and overcome obstacles. Our citizens are strong and intelligent. And Joe Callahan of Ciright believes that through the "Liberty Valley" – the East coast is ready to thrive again.

"We are a city of firsts," says Callahan, "and we are now ready for another first. Normal business practices are going to shift again through an information explosion." Callahan was talking about how the use of software and "cloud computing" is set to revolutionize the way the industry, and the world, does business.

"I'm told this is the largest meeting in years. I take that as a sign of anticipation that you see that things are going to get done." — Michael Nutter

"It's time for our region to take back the leadership position via the Liberty Valley." To do this, and to create an area of innovation that will rival the Silicon Valley, Callahan told the crowd they have to realize how quickly communication is moving. "Today we are inundated with information and it's free. It's how we acquire it, manipulate it, add to it and ultimately invoice for it."



The GBCA will help the industry by following its 2012 Strategic Plan says Walter P. Palmer 3rd, President and CEO of GBCA.

He warned members of the industry that spreadsheets are "already out." The personal computer era is coming to end. The future, he said, "is in mobile devices." Through the use of new programs, entire construction projects will be coordinated using one centralized program, with data stored in a single spot, yet with instantaneous accessibility provided to everyone with a log-in name and password.

"No more servers, desktops, software, licenses to buy," said Callahan. Instead it is "all of the information you want at your fingertips, on the job site, at home, wherever you are." That is the thought Callahan hopes to be the foundation of his dream of a "Liberty Valley." As you embrace what this means for your company, he said, "it'll allow you to reclaim your rightful place as a dominant economic center."



Lisa Godlewski, M.A. is the Director of Public Affairs for the General Building Contractors Association. Godlewski is also the Editor for Construction Today®

At the Annual Meeting of the GBCA held Monday, January 9, 2012 the following Officers were elected for a one year term:

Chairman of the Board
Rudy E. D'Alessandro
J. S. Cornell & Son
Senior Vice Chairman
Mack Stulb
L. F. Driscoll Co.
Vice Chairman
Emily Bittenbender
Bittenbender Construction
Treasurer
Patrick S. Pasquariello, III
P. Agnes, Inc.

The following members of the Board of Directors were elected for three-year terms until the Annual Meeting in 2015:

Michael K. Armento Joseph P. Clearkin Michael G. Erickson Michael M. Gerardi Craig Melograno Torcon, Inc.
James J. Clearkin, Inc.
C. Erickson & Sons
C. H. Schwertner & Sons
Philadelphia D & M



Drexel's Bio-Wall Adds to the University's True Globes Rating

By Jim Adams, LEED AP

In September 2011, when the Papadakis Integrated Sciences Building opened on the campus of Drexel University, its 75-foot bio-wall of plant materials designed to naturally cool, humidify, and filter indoor air was one of many green features contributing to the building's anticipated LEED Silver certification. But the new home of Drexel's biology department also expects to earn a Three Green Globes rating from the Green Building Initiative. Drexel, like a growing number of institutions, measures sustainability not only with LEED, but also with this less expensive, reportedly more efficient system.

Green Globes, an environmental assessment and rating tool for buildings, started in Canada as a way to expand sustainable building concepts into the homebuilder market. The nonprofit Green Building Initiative brought Green Globes to the U.S. in 2004 and has expanded the tool for use in all building types. Green Globes' web-based process and reasonable cost have made it a niche competitor of the popular and widely used LEED certification system run by the U.S. Green Building Council. As it gains traction in this country, Green Globes has found early adopters, including Drexel.

How does it Work? Green Globes uses an interactive, online questionnaire to analyze

building data and provide instant recommendations and resources for additional sustainable improvements. Project managers fill out the online form at multiple points during design and construction. Green Globes literature promotes its layperson terminology, ease of use, and lack of formal training required to use the online system.

Green Globes uses an online questionnaire to analyze building data and provide instant recommendations for additional sustainable improvements.

Globe ratings are based on data submitted electronically and a third-party verification process. Verification involves review of drawings, specifications, evidence of energy modeling, and a walk-through site inspection. Globe ratings of one, two, three, or four globes roughly correlate to the four LEED certification levels of certified, silver, gold, and platinum, an intentional move by the Green Building Initiative to engender familiarity for those comfortable with LEED.

More of Green Globes ranking points are given for energy efficiency than anything

else. Energy performance is measured with data from the EPA's Energy Star Target Finder, rather than against hypothetical standards. This methodology is designed to reduce distortion and address micro-climactic design considerations present in some building environments. Green Globes factors in more technical issues, such as acoustics and space optimization, while also giving credit for life-cycle assessment of materials and systems.

How does Green Globes Differ from LEED? The primary difference from LEED is that with Green Globes, projects are not held accountable for strategies that do not apply; for example, an interior renovation project would not be required to submit information (or lose points) for lack of green exterior features. Projects earn globe ratings based on the percentage of applicable points they have achieved, rather than on universal point totals.

Where LEED recognizes only the Forest Stewardship Council's classifications, Green Globes recognizes all of the mainstream forest certification programs. Lack of favoritism in this arena has made Green Globes a player in regions with powerful timber lobbies.

Perhaps the most attractive feature of Green Globes for some users is its cost. LEED is often criticized for its paperwork-heavy process that requires significant investments in human and financial resources. In fact, a 2007 University of Minnesota study compared the two rating systems and found "Green Globes is less costly, easier to work with, and less time-consuming than LEED."

Online assessment and third-party verification expenses associated with Green Globes average \$3,500-8,500 for single projects that don't require complexity charges or a separate energy analysis. The GBI price list can be reviewed and downloaded from the Green Building Initiative website. Differing from LEED's sliding price scale based on project size, Green Globes charges a flat fee for each building's license to access the tool, regardless of building area. The cost for new construction is \$500 and \$1,000 for Continual Improvement of Existing Building. Green Globes also has a newly minted Continual



Bio-wall at the Papadakis Integrated Sciences Building. This building has earned three Green Globes.

Improvement for Health Care, with a subscription of \$2,000. (The variation in Green Globes pricing noted above relates to the certification process, which does vary by size.) The relatively fast and simple system also avoids the administrative time expense associated with information input by outside consultants. On its website, the GBI offers "Green Globes an Alternative to LEED" with additional details.

Green Globes offers an alternative suitable for projects with smaller budgets or owners without the ability to invest in LEED. It recognizes environmental commitment without subjecting owners to large financial commitments.

While Green Globes offers cost advantages for small projects and individual building owners, the system also appeals to real estate owners with large portfolios. Green Globes' online system allows building owners to analyze and compare an entire portfolio at a detailed level, rather than just by end-result rating.

Green Globes in Philadelphia Philadelphia's design and construction community can look to the Drexel campus for a Green Globes-rated portfolio. Drexel was an early U.S. adopter of Green Globes, and the first university to implement policy

standardizing its use.

According to Drexel's Student Life & Administrative Services, Green Globes use began by measuring operations of five new construction projects totaling \$200 million. The measurement helped Drexel set benchmarks for improving energy and environmental performance for the future. The five original projects include the 84,000-square-foot Daskalakis Athletic Center's Recreation Center addition; the 110,000-square-foot, 17-story Millennium Residence Hall; the 130,000-square-foot Papadakis Integrated Sciences Building; the 5,000-square-foot Northside Dining Terrace; and the 26,000-square-foot, threestory Queen Lane addition to the College of Medicine campus. To date, three additional Drexel projects have been registered with the Green Globes system. Both Millennium Hall and Northside Dining Terrace have been finalized after each achieved Two-Globe ratings. Additional details about specific project ratings and Drexel's sustainability initiatives are available at http://www.drexel.edu/green.

The Future of Sustainability Rating Systems While LEED continues to maintain market share and reputation as the leading greenbuilding rating program, Green Globes offers niche competition that could improve both systems. Both ratings promote improved energy and environmental efficiency and support green building design, construction, and operation. The bottom line – sustainability remains a growing concern for building owners, design professionals, and builders – and any methodology to integrate and track sustainability will continue to evolve with the industry.

Jim Adams, LEED AP, is a Managing Director of Jones Lang LaSalle Construction. As part of its commitment to sustainability, Jones Lang LaSalle acquired Energy and Environment Canada, developer of the technology underlying the Green Globes rating system in 2008. Operated in the U.S. by GBI, Green Globes maintains independence from JLL, which does not prioritize its use over other rating systems.

Union Benefit Fund May Now File Mechanics' Liens

By Frederick J. Gerngross and Alfred Rauch III

The Pennsylvania Superior Court kicked off the New Year by issuing an important Mechanics' Lien decision on January 6, 2012 entitled Bricklayers of Western Pennsylvania v. Scott's Development Company that should be of interest to all parties involved in the construction process.

The Superior Court held - for the first time - that union benefits funds are entitled to file mechanics' lien claims for unpaid benefits. To reach this conclusion, the Court determined that union benefit funds are "subcontractors" for purposes of the Pennsylvania Mechanics' Lien Law. The Court's decision was contrary to the commonly held belief that union benefit funds are not "subcontractors" because they do not have a direct contractual relationship with the trade contractors who contribute to the benefit funds. The Bricklayers decision has the practical effect of creating a whole new class of mechanic's lien claimants which did not previously exist.

The impact of the Superior Court's Bricklayers decision will be magnified by the 2006 amendments to the Pennsylvania Mechanics' Lien Law which, among other things, expanded that the class of parties entitled to file mechanics' lien claims to include second tier subcontractors (e.g. sub-subcontractors).

Consider what is perhaps the most common scenario in commercial union construction. A project owner engages a general contractor or construction manager who self-performs little work and instead subcontracts with various trade subcontractors to perform almost all of the work on the project. Each of these trade subcontractors is required to make specified contributions to the union benefit funds for its trade for each hour of labor worked on the project.

Union benefits funds are now entitled to file mechanics' lien claims for unpaid benefits

As a result of the Bricklayers decision and the 2006 amendments to the Mechanics' Lien Law, these trade union benefit funds are now entitled to file a mechanics' lien against the project owner if a trade subcontractor fails to make its required contributions to the benefit funds. Under the Mechanics' Lien Law (as well as the provisions of many construction contracts), the project owner is in turn entitled to withhold payment from a general contractor or construction manager if a mechanics' lien is filed by first or second tier subcontractor.

Under current law, a union benefit fund can wait up to five months after its labor was last on a project before notifying the project owner that it intends to file a mechanics' lien claim for unpaid benefits. This means that a mechanics' lien claim can be filed months after a project has been closed out and the contract balance has been disbursed by the owner to the general contractor (and in turn by the general contractor to its subcontractors), and as a result, project owners and general contractors may be exposed to the so-called "double payment" scenario for unpaid trade subcontractor union benefits.

The Bricklayers decision will likely have a broader impact in the mechanics' lien field beyond the specific issue of union benefit fund lien claims.

So what does the Bricklayers decision mean from a practical perspective?

Union benefit funds have a powerful new weapon in their collection arsenal, and because the Benefit Funds are well represented by counsel and are regularly involved in the collection process, we can expect the benefit funds to actively exercise their newfound mechanics' lien rights.

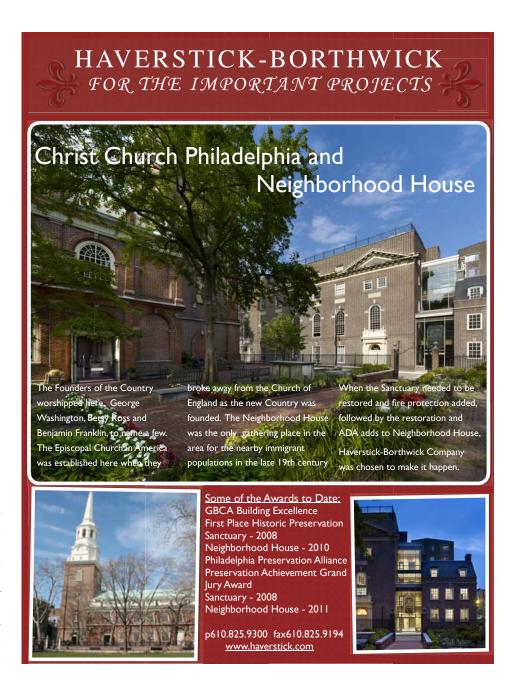
Prudent project owners, construction lenders and general contractors will be forced to take steps to monitor trade subcontractors' union benefit payments by obtaining partial and final lien waivers from union benefit funds or through other means.

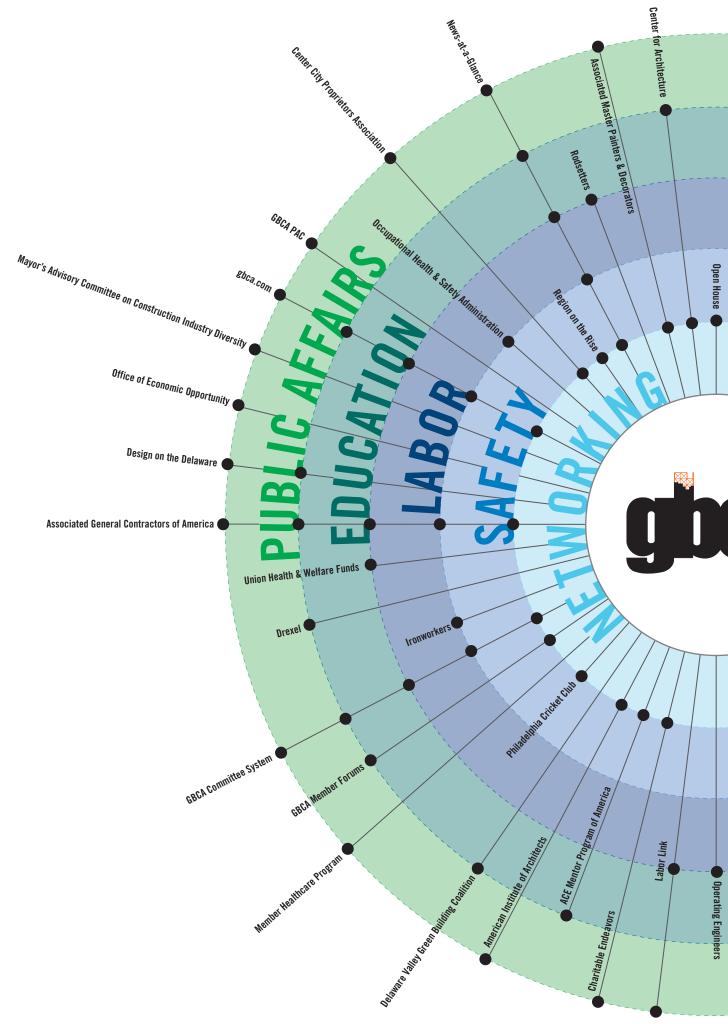
In addition, the Bricklayers decision will likely have a broader impact in the mechanics' lien field beyond the specific issue of union benefit fund lien claims. It has long been the law of Pennsylvania that the Mechanics' Lien Law was to be "narrowly construed" in a manner that restricted the filing of mechanics' lien claims. In the Bricklayers case, after carefully examining the history of the Mechanics' Lien Law, the Superior Court reversed course and determined that the Mechanics' Lien Law should

receive a "liberal interpretation" in favor of allowing mechanics' lien claims. We can expect that this new rule of liberal interpretation will ultimately result in the expansion of the circumstances under which mechanics' lien claims may be filed.

Finally, it is worth noting that the final chapter in the Bricklayers case may not yet have been written. Counsel for the project owner, Scott's Development Company, has indicated that his client intends to appeal the case to the Pennsylvania Supreme Court, a process which may take several years to yield a result. In the interim, the Superior Court's decision remains the law of Pennsylvania.

Frederick J. Gerngross and Alfred Rauch III are members of Black & areas of real estate law, including, acquisition, development, finance,









A Key to Political Success

By Dennis M. Powell

ast December, I was asked to speak at the APC/PennDOT Fall Seminar on issues management. The topic I chose was, "Branding the Transportation Infrastructure Issue."

The group of about 700 road builders, engineers and PennDOT officials were more than a little apprehensive, maybe better to say curious, about positioning their industry's issues using a process similar to how consumers connect with Coca Cola, Clorox bleach and Kleenex tissues. This said the group's interest was very high.

What does the public think of us?

Our message to the road builders was that they needed to stop talking about the things they build and start having conversations with the public about the problems they solve. This would require them to critically examine their interaction with the public at several levels.

I live in Plymouth Meeting near I-476. It is an amazing building project. They put up the orange barricades. Was I happy? No. I was very upset because it disrupted me for a couple of years. When they took them down did I write a thank you note? Nope. I said, "it's about time." We're in a \$7.5 billion dollar industry that gets zero credit. No one has an emo-

tional attachment to what we do. People have emotional attachment to cars and soap, but not us. We go to the public and say "help us" and the public says, "help you? I don't even know you."

Language

Brands use language that connects with customers at the emotional and visceral levels. The public does not understand the language of engineering. Yet, this is how the industry communicates its issues and value to the public. In short, the industry is talking among its members and partners and not with the public whose confidence they need in order to realize their political goals.

What does the public think about us? What image do we as an industry send out?

Data

Brands use data to relate their products and services with the buying public. Milk touts its medical benefits. Mercedes uses crash safety data to sell its high ends cars. The transportation infrastructure industry has a wealth of information. The problem is it very dif-

ficult to find and once found nearly impossible to understand. In the age of new media an opportunity is being lost by not connecting data with the people to whom it matters in a meaningful way.

Interaction

Brands interact with their consumers every day on the level playing field of the marketplace. Failure to consistently deliver on a brand's promise puts it at risk. In the world of transportation infrastructure the orange "Work Area Ahead" sign is emblematic of the industry's relationship with its consumers. The signs go up causing delays and inconvenience and the public usually knows little to nothing about the value that is being produced from the work. This is like a new consumer product being placed on supermarket shelves without the benefits accrued from marketing and advertising.

Talking about the problems you solve connects your issues with the public in a more meaningful way. Instead of taking about stresses, tolerances and structural deficiency, engage the public on the issues of safety, convenience and quality of life. Make what you do matter to them and their families. Position yourself as a solution rather than merely another cost they need to bear.

After my 23 minute presentation, I believe, there was little doubt left in the room that rebranding their issues, to change the way the public views the industry and the projects they build, was worthy of their full consideration as part of a comprehensive strategy to increase public support for infrastructure funding.

What is Issues Branding?

In short, it is a process to create and manage how your industry and its issues are positioned in the minds of the public. A well branded issue has high perceived need and high perceived value to the public.

Public Education is probably is most well branded issue in Pennsylvania. Annual funding increases are routine because people clearly perceive the need and value provided whether or not there is a direct correlation between investment and results in the classroom.

What are the Goals of Issues Branding?

Create your unique identity

The first goal is to find and create your unique identity in the marketplace of ideas. As an industry you share common beliefs and values about the worth of the services you provide. As members of an association you are joined in purpose and united in action to advance the industry and its politics. How your industry is viewed, known and understood by the public has a direct correlation to your political success. A positive identity does not just happen. It grows out of a well-designed and well-executed strategy.

Develop brand loyalty

The second goal of issues branding is develop brand loyalty. Loyalty grows out of a well managed identity in which you are understood to be the go to organization to solve brand specific problems. An association, much like a product that has attained loyalty, is more immune to price pressures as it becomes a widely held belief that we get more for our money with the brand. Loyalty also brings with it public support for your political goals as the public sees issues that are good for you also as good for them.

Build brand equity

The third goal of issues branding is to build brand equity. Equity is the reflec-

Are we happy when the orange barricades go up? No. They are an inconvenience to all of us. These signs are emblematic of the industry's relationship with its consumers. The signs go up causing delay and inconvenience while the public knows little to nothing of the value that is being produced from the work.



tion of what you do as an industry every day, the consistency you demonstrate in each of your actions, the perceptions you create around the quality and value of your services, the awareness those not directly connected with your industry have of your industry, and the positive emotional attachment people have to your industry.

Deliver on your brand promise

The last goal is to be in position to deliver on your brand promise. As an industry you stand for things that reflect your core beliefs and values. You also have a point of view that needs to be delivered in all of your communications and interactions to maintain the relevance of your brand in the minds of the public. Keeping in mind that all of your behaviors must serve to validate the brand is critical to success in branding and in maintaining public support and confidence in your industry.

Brands create loyalty, influence behavior, conjure emotion. Better branding, more profit.

How Does Branding Impact an Organization?

The organization becomes more connected around its brand. Whether it is outreach, member relations or advocacy common language will be consistent in every component of the organization and serve as a building block for promoting the brand to the public.

Secondly, your mission and value will be more clearly understood and embraced by the public. Your advocacy will move from "me" to "we" focused as you build both a stronger and clearer voice on both social and economic issues that impact your industry.

Thirdly, you will find that you are more relevant as you link your issues to the broader political narrative. This will enable you to accomplish your goals more efficiently and build political capital more easily.

Issues branding is a new field, but we believe the process can be of enormous benefit in connecting the goals of an association or industry group with the needs and wants of the public in a true "win-win" relationship.

Dennis M. Powell is founder and president of Massey Powell which provides strategic communications services to associations and trade groups. His three part speech at the APC/PennDOT Fall Seminar can be found on YouTube by searching, "transportation issues branding."

"Project Your Unique"

We help professional services providers unleash the power of their information to differentiate themselves from their competition.

Multi-channel communications strategies

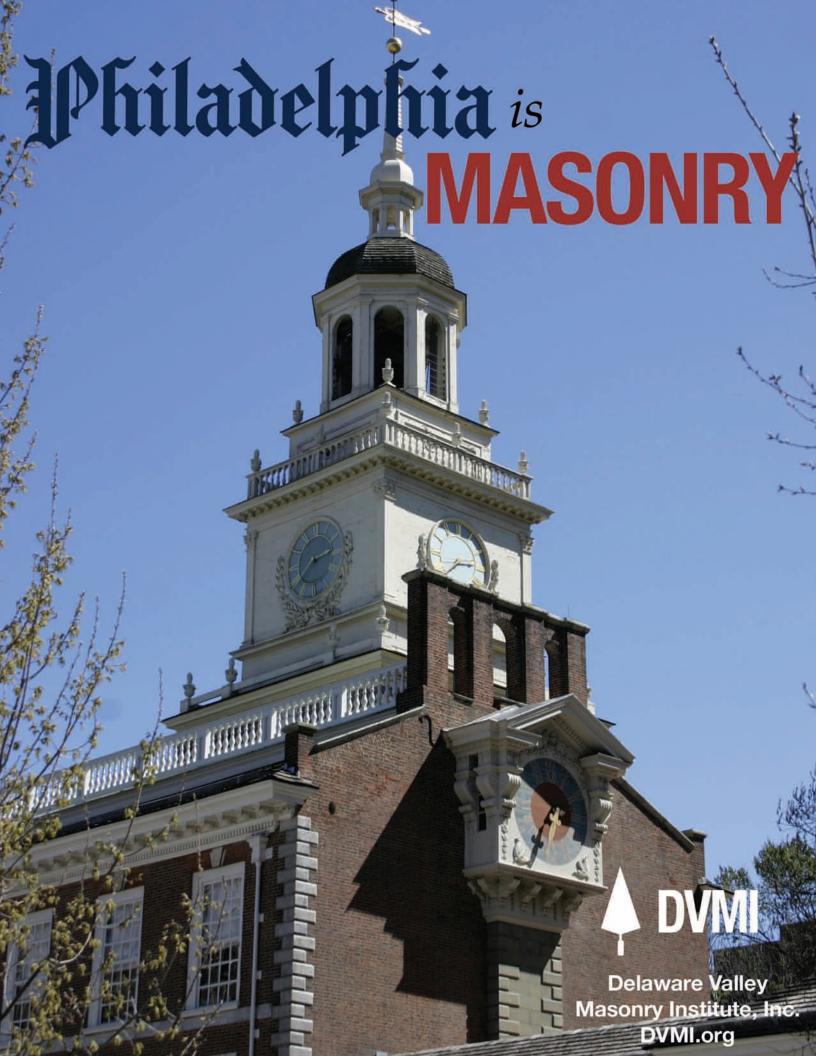
Marketing communications

Digital video production

Contact us at info@masseypowell.com to learn more about our cost effective marketing communications strategies to discover and project what makes your service offerings unique in the marketplace.



MASSEY POWELL Strategic Communications



GOVERNMENT update

Project Labor Agreements

PHILADELPHIA

Mayor Nutter signs executive order calling for PLA on all city projects

On November 29, 2011, Mayor Michael Nutter signed Executive Order No. 15-11, which allows for the City of Philadelphia to incorporate into its instructions to bidders, and other relevant bid documents, the right to demand that a potential bidder participate in a project labor agreement (PLA), as a condition to the award of a public construction contract in the amount of \$5 million dollars or more.

A PLA is a project-specific collective bargaining agreement between the contractor, as an employer, and a labor organization or trade union. By executing the PLA, the contractor agrees to the terms and conditions contained within the PLA. Typically these terms and conditions include work rules, no-strike clauses and jurisdictional determinations.

The PLA policy is intended by the City to ensure stability, efficiency, quality and diversity for major public works project in the city. These contracts will also have provisions to ensure that city residents, minorities and women are included in all of the City's major construction projects. For example, in the PLA to be used states that the contractor is required to hire a substantial number of African American, Latino, Asian and female workers — 32

percent men of color, 7 percent women and 50 percent Philadelphia residents.

It is no secret that the city and the trade unions have been at odds for many years most recently coming to a head during the construction of the \$700 million addition to the Pennsylvania Convention Center. The unions strongly resisted minority participation at that time. The residual unease that argument generated was clear in the statement from business manager of the Philadelphia Building and Construction Trades Council Pat Gillespie who said that this PLA will end the widely held view that "[We're] just a bunch of fat, white guys from the suburbs. That's not the case, never has been the case, but that's the way we were characterized."

In addition to the diversity goals, the City suggests that PLAs help ensure lower costs, higher quality construction and general labor peace.

The Executive Order also establishes an Advisory Committee, consisting of the Mayor's Chief of Staff, the City Solicitor, Managing Director, Director of Finance, Deputy Mayor for Transportation and Utilities, and Deputy Mayor of Economic Development, or their designees, to monitor and evaluate PLAs, provide periodic evaluations to the Mayor regarding the use of PLAs, and to recommend, when appropriate, modifications to the PLAs.

City departments and agencies will refer projects appropriate for a PLA above five million in estimated construction costs to the Mayor's Office, which will determine the feasibility of a PLA. In addition, city agencies are encouraged to review each project with construction costs less than five million dollars to determine whether those projects are also appropriate for PLAs. If a city agency determines that a PLA is appropriate, it must submit a written description of the project and its recommendation for a PLA to the Mayor's Office, which has the sole authority to require a PLA for a specific project.

The merits of project labor agreements have long been debated at the General Building Contractors Association (GBCA). In fact, at present three GBCA committees are engaged in the PLA discussion on both the member level and the city level. The GBCA Government Affairs Committee, the GBCA Labor Policy Committee, and the GBCA Executive Committee are all involved in evaluating the positive, and possible negative, consequences project labor agreements have on

the union construction industry. As part of this evaluation, copies of the "model PLA" from which all City PLAs will be drafted were circulated to the Association's membership in early December. Comments were collected and in late January, these comments, along with comments from GBCA's legal counsel were shared with the Mayor's office.

For more information on that meeting, or for a copy of the City of Philadelphia's Project Labor Agreement contact Lisa Godlewski at (215) 568-7015 or communication@gbca.com.

City Council Passes Contractor & Subcontractor Disclosure Legislation

Right before City Council adjourned in 2011, they passed Councilman Jim Kenney's Revised Contractor and Subcontractor Disclosure Legislation. The General Building Contractors Association (GBCA) was involved in amending the bill from its original form, which would have included exorbitant fines and license suspension to the final, more responsible bill.

This bill requires all contractors and

subcontractors to report their involvement at a construction site electronically to Licenses & Inspections within 3 days of starting work. The purpose is to ensure all contractors and subcontractors performing work in the City are paying taxes and fees owed.

Construction Sites include all commercial construction or alteration projects, any project involving the new construction of more than two dwelling units, any project involving the complete rehabilitation or reconstruction of a building containing more than two dwelling units.

All contractors and subcontractors are required to submit the following information on their own behalf: address of the construction site, Respective business name, address, email, and phone number, Documentation of current and valid licenses required by The Code, Name of the Property Owner, Other information as required by the Department.

Failure to report within designated time frame will result in a \$2000 fine for each day that the contractor or subcontractor remains out of compliance. If a contractor

STEEL ERECTORS ASSOCIATION OF METROPOLITAN PHILADELPHIA AND VICINITY

Cornell & Company
E & R Erectors
J.L. Erectors, Inc.
Northwest Erectors, Inc.

PBA Construction, Inc.
Pencoyd Iron Works, Inc.
Roma Steel Erection, Inc.
Steel Suppliers Erectors
XLE Metals

or subcontractor is found to be working without the required contractor license, they will receive a stop work order which shall remain in effect for 48 hours or until there is complete compliance, whichever is longer.

Also, any contractor or subcontractor who hires independent contractors that have not paid required fees or taxes to the City with respect to the work performed at the respective construction site shall be liable for the payment of such fees and taxes

The bill was set to go into effect 90 days after becoming law or if the Department does not have the necessary technology to

implement the provisions of the bill, than no later than 30 days from such date. So far no date has been given of when the law goes into effect.

U.S. CAPITOL

AGC Comments on PLAs on federal projects

It's been nearly three years since President Obama issued Executive Order 13502, which encourages federal government agencies to consider mandating project labor agreements (PLA) on government projects totaling \$25 million or more.

At the time, the move drew a mixed reaction from the industry, given the longstanding disagreements over the effects PLAs have on competition, costs, and schedule.

The Associated General Contractors of America (AGC) has been closely monitoring the situation for the use of PLAs on government jobs. For a review of the federal projects that have used the PLA, visit www.agc.org/.plas.

As the AGC represents both union and open-shop chapters, the AGC has taken the stance that it opposed to PLAs. The Association says:

It is committed to full and open competition for all public projects. Contractors should be free to decide whether to adopt a collective bargaining agreement.

They should not be forced to adopt one as a condition of competing for, or performing on, a publically funded project. Govern-ment mandates and preferences for PLAs can restrain competition, drive up costs, cause delays, and lead to jobsite disputes and disrupt local collective bargaining.

That being said, the General Building Contractors Association (GBCA) is one of the 95 chapters of the Associated General Contractors of America (AGC) however, it does not necessarily agree with the positions and opinions of the national organization. While the AGC is comprised of both union and non-union affiliated chapters, the GBCA is a union affiliated chapter.

For more information on the GBCA's position on Project Labor Agreements contact Lisa Godlewski at (215) 568-7015 or communication@gbca.com.

HARRISBURG

Potential Overhaul to PA Prevailing Wage Law

Republicans who control the Pennsylvania State House say they are gearing up for a renewed effort to try to overhaul a 50year-old state law that they say soaks the taxpayers on public construction projects.

Pennsylvania's 50-year prevailing wage law dictates wages – usually union-scale – that municipalities and school districts must pay for public construction projects. It has not been updated since it went on the books in 1961.

Proponents of reform say changing it will create jobs and allow cash-strapped



The construction industry is technical, complex and fast-paced, and you need counsel that can get up to speed fast and keep moving. For over 20 years, Cohen Seglias has provided clients representation for virtually every type of construction-related issue.



United Plaza, 19th Floor 30 South 17th Street Philadelphia, PA 19103 (215) 564-1700 cohenseglias.com

Blogs: www.constructionlawsignal.com www.fedconblog.com

PENNSYLVANIA • NEW JERSEY • DELAWARE • WEST VIRGINIA • MARYLAND

municipal governments to stretch their construction bucks. Opponents argue that prevailing wage reductions don't save money and point to research that it ends up reducing wages.

The House had been set to act on a three-bill package during the frenetic days before Christmas. But a combination of a packed schedule and a failure to wrangle enough votes derailed the bills until the new year.

The first of those bills would raise the threshold on projects covered by the prevailing wage from the current \$25,000 to \$185,000. Roughly half of all public building projects would be affected by the change. The second would standardize job descriptions for workers on construction sites. Backers say this would provide for uniform pay scales and responsibilities across the state. Right now, those can vary depending upon location. The third bill would give municipal governments a pass on paying the prevailing wage for maintenance projects on existing roads.

The Senate is weighing a similar package of bills sponsored by Sen. Lloyd Smucker, R-Lancaster. But a senior majority Republican says the chamber is waiting for the House to move first.

The General Contractors Association of Pennsylvania (GCAP)* is monitoring this legislation and will keep members and interested parties updated on movement in regards to Prevailing Wage. Visit www.generalcontractorsofpa.org for more information.

Proposed Legislative Changes to Pennsylvania's Mechanic's Lien Law

Under Pennsylvania State House Bill 1602, any subcontractor, contractor, or second tier subcontractor who fails to provide the newly proposed Notice of Furnishing within 20 days after first performing work or rendering services or material at the property could forfeit its lien rights. The Notice of Furnishing requires disclosure of information such as estimated prices of the labor, materials, and tools furnished. If approved, HB 1602 would also require owners, owner's agents, and/or general contractors to file and post at the property a Notice of

Commencement disclosing the true owner of the property.

The General Contractors Association of Pennsylvania (GCAP)* is working with legislators to amend this legislation to ensure that the resulting legislation is fair to the contractor and owner communities. Visit www.generalcontractorsofpa.org for more information.

*The General Building Contractors Association (GBCA) is one of three members of the General Contractors Association of Pennsylvania (GCAP). Membership in the Association ensures that GBCA and its members are kept up to date on legislation that impacts the union construction industry in Pennsylvania.



Areas of Practice

Business Law

CONSTRUCTION LAW

DISPUTE RESOLUTION

EMPLOYMENT LAW

ESTATE PLANNING & ADMINISTRATION

REAL ESTATE LAW

RETIREMENT PLANS & EMPLOYEE BENEFITS



BRING US YOUR ISSUES, YOUR QUESTIONS, YOUR CONCERNS.

FROM LITIGATION TO BUSINESS DEALS, THINK OF US AS YOUR LEGAL SHOP.



PENNSYLVANIA | 1700 Market Street | Suite 3100 | Philadelphia, PA 19103 | 215.563.2400

NEW JERSEY* | East Gate Center | 309 Fellowship Road | Suite 200 | Mt. Laurel, NJ 08054 | 609.278.2500

VIRGINIA | 355 Crawford Street | Suite 200 | Portsmouth, VA 23704 | 757.337.8768

*By Appointment Only

www.jacobydonner.com

TECHNOLOGY TRACKS OUR WORKFORCE

System Uses Tags to Identify Workers, Enabling Contractors to Track Workers' Whereabouts

By Claire Swedberg

Anew construction service is bringing automated labor monitoring to jobsites across the country, making daily labor reporting, schedule monitoring, shift staffing, safety monitoring, government compliance and resource management "simple."

General contractors and builders at more than 30 construction sites within the United States are employing ADR Software, a turnkey system that automates the process of monitoring labor and reporting on it in real-time. The software tracks the number of workers on those sites, as well as their identities. By utilizing the Workforce Monitor service, construction projects' managers and supervisors can capture the identity of each worker entering or leaving a site, by means of Workforce Management Stations—RFID portals that read EPC Gen 2 passive ultrahigh-frequency (UHF) RFID tags attached to hardhats.

ADR's Workforce Monitor software application processes the data from readers related to individuals passing through the portal, providing a user with such details as which contractors have employees on site, the number of workers at that location, whether those personnel have the necessary training or certification required to be there, workforce demographics and the workers' zip

codes—thereby enabling a user to know how many local jobs were created by that project. The solution also provides such information as which workers have gone belowground on sites in which trenches or tunnels, for example, are being dug. Thus, in the event that an emergency occurs, supervisors would know, in real time, who was below grade.

One tag works on all ADR connected jobsites so a contractor can track labor across multiple projects simultaneously

The system has been deployed at multiple sites, and has registered approximately 15,000 workers to date, from hundreds of contractor companies, says Bruce Labovitz, the cofounder and president of ADR Software, a startup company based in Reston, Va. At the construction site of the Washington Marriott Marquis Hotel, located in Washington, D.C., the system has been in operation for about two months, says Kenny Arnold, the general superintendent at the project's general contractor, Hensel Phelps Construction Co.'s mid-Atlantic district. The solution is designed to be

easy to install and use, the company reports, thereby enabling it to be temporarily set up for the duration of a construction project, and to then be removed. Users pay a monthly service fee for the entire solution, which provides them with use of the hardware, as well as access to data on a personalized Workforce Monitor Dashboard, located on ADR Software's hosted server.

With the system in place, each worker is provided with an adhesive-backed Alien Technology Squiggle RFID tag fastened to the front of a hardhat (on its exterior or interior surface). The tag's unique ID number is then linked to that individual's name and address, along with other details, such as the worker's employer and training history.

ADR installs reader portals at the job site's entrances and exits (which are often the same location). At each portal, one four-port Alien ALR-9900+ reader and four Laird Technologies polarized RFID antennas are deployed, one on each side of the portal, in order to capture the sequence by which a tag is read, thus indicating to the software whether that tag is entering or exiting the site. Additional portals can also be installed in specific areas of a construction site, for example, if there is construction occurring on different floors of a building. The software can track what worker was on what floor of the building and for how long.

Labovitz likens the technology to E-ZPass, the RFID-enabled toll system used by commuters in the Northeast. Without a solution like ADR's, he says, construction-site managers usually must post an individual with a clipboard to record who enters or exits, or utilize magnetic-stripe badges that must be manually scanned—or, in many cases, they must simply rely on subcontractors to tell them who was there at a particular time.

However, says Arnold, who is overseeing work at the Washington Marriott site, knowing exactly who is on-site not only provides safety benefits, but also helps the site's general contractor or owner to verify invoicing from subcontractors, and also foresee possible delays. For example, he says, if the project calls for 12 workers each day from a specific subcontractor, and if he sees that only eight are arriving daily, "I know that we may be looking at delays." At that point, he indicates, he can then respond by contacting the subcontractor, for example.

Arnold says his priority was to gain real-time data regarding which personnel are below grade as workers descend as much as 100 feet beneath the surface to perform their work. "I need to know who is down and who has come back up," he states. And because an individual worker's details are linked to the ID number on that person's hardhat's RFID

ACE NAME OF THE PROPERTY OF TH

ABOVE: An adhesive-backed Alien Squiggle RFID tag is fastened to the front of a hard hat, on its exterior or interior surface.

RIGHT: Portal contains an Alien Technology reader and four antennas to identify personnel.

REAL-TIME LABOR MONITORING & AUTOMATED DAILY REPORTING

- Instant breakdown of labor by company, trade, job title, ethnicity, home zip code, and safety history
- Access to real-time information about who came to the job site, what time they entered the job site and from which entrance they entered
- Knowing who is still working on the job site at any given time during the day
- Access to a "who is onsite dashboard" in the unlikely event of an evacuation
- Text alerts that let supervisor know when select people come on/off job site
- Report on shift staffing
- Security and accountability compliance
- Information to better evaluate change order and overtime requests
- Possibility of fewer labor disputes and increased productivity because of constant monitoring
- Historical information to apply to new jobs
- No pass cards or thumbprints



tag, Arnold not only knows who is belowground, but also his or her phone number and emergency contacts. However, he says, after the system was installed in October 2011, he discovered that it would provide other benefits as well. For example, by tracking who enters and leaves the site, he can also gain details as to the quantity of D.C. residents on the job site. The worksite contract, he says, requires that a percentage of the project's workers comprise local laborers. Or take the Youth Study Center here in Philadelphia -- a pilot site for the Mayor's new initiative to hire more minority workers -- has been tracking day-to-day hiring since breaking ground.

The site includes workers from a variety of subcontractors, with a total of about 125 tags in use. ADR installed a portal at each of the two pedestrian access points into the construction site, and workers can walk through either on their way into and out of the site. Each Alien ALR-9900 reader is connected to a PC that runs the Workforce Monitor application, communicating with the back-end hosted server via a cellular connection. As an individual arrives, his or her ID number is stored in the Workforce Monitor software, along with

that person's status as being on-site. If the worker leaves through either portal, the software determines that he or she is moving off-site rather than into it, and updates that individual's status accord-

Because underground work has yet to begin at the construction site, Arnold says he is not yet using the data to track who goes belowground. However, he says, once this commences over the next few months, he will use one of the existing portals, moving it to the digging area entrance, or add an additional portal to the two existing ones.

Knowing exactly who is on-site can provide safety benefits and help verify invoicing

One challenge for Arnold has been how to ensure that staff members use the portals, rather than entering or exiting the site through the vehicle egress. Because workers were not using the portals, he has simply posted an employee at the vehicle-access area for now, to redirect employees arriving on foot to utilize the portals.

ADR Software, Labovitz says, was founded in 2009 to develop a solution that uses "RF technology that would allow the movement of workers without them having to stop." The first prototype was completed during the second quarter of 2010, and the rest of that year was spent testing the system. The greatest challenge, he says, involved ensuring that every hardhat's tag would be read, regardless of a worker's height or walking speed.

Following the testing period, the system was commercially launched in January 2011, and it has since been used at between 30 and 40 construction sites by general contractors and building owners throughout the mid-Atlantic and Denver areas, as well as increasingly in other parts of the United States.

Copyright RFID Journal, LLC 2012. Reprinted with permission.



You're in the building business. But how can you build your own business to withstand a turbulent marketplace? Which projects should you take on? How can you plan effectively for the future? And what assistance do you need today to reach your financial goals?

To build wisely, you need an advisor who really knows the construction business...and knows you. Who can deliver tailored solutions that create opportunities, maximize efficiency and help your bottom line.

EisnerAmper is that advisor. We roll up our sleeves to get to the bottom of your toughest challenges, so you get the advice and strategies you need to create sustainable growth.

Let's get down to business.™



NEW YORK | NEW JERSEY | PENNSYLVANIA | CAYMAN ISLANDS

Gary S. Master

Partner, Construction & Real Estate Services Group 215.881.8108 gary.master@eisneramper.com

www.eisneramper.com

Eisner Amper LLP Accountants & Advisors

Independent Member of PKF International

THE 2012 CONSTRUCTION HIRING AND BUSINESS OUTLOOK

Construction employment is likely to see modest gains in 2012 as demand for some private sector construction projects improves. However, most firms remain cautious in the face of continued weakness in retail, office and warehousing construction and declining demand for all publicly funded construction work. In addition, construction firms remain caught between increasing health care and materials costs and stagnant amounts for what they can charge.

Public officials and policy makers can accelerate that recovery by enacting measures designed to further stimulate private sector demand and committing to much-needed investments in the nation's aging infrastructure. Acting on long-delayed infrastructure bills to address water, highway, transit and airport infrastructure will help employ more construction workers while simultaneously improving the systems that underpin the broader economy.

Legislators must look at current regulatory and tax policies with an eye towards eliminating measures that needlessly restrain construction. Environmental permitting for many types of construction projects is often measured in terms of years, instead of the weeks or months that most market cycles demand. Meanwhile, it is clear that additional steps need to be taken to address the threat of rising health care costs for construction employers.

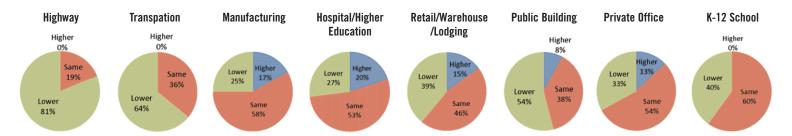
The following analysis is based on survey responses from more than 1,300 construction firms conducted by the Associated General Contractors of America. The information suggests the industry is not likely to experience a recovery until at least 2013.

Public Officials can speed recovery through infrastructure investment and policies stimulating private development

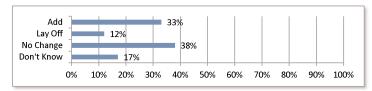
Private vs. Public Sector With the power, hospital and higher education sectors leading the way, demand for construction should continue to stabilize during 2012. A majority of firms expect the dollar volume of projects they compete for to either grow or remain stable in every market segment identified in the survey. However, the stability masks two divergent trends – growing demand for private sector construction activity offset by declining public sector demand.

As the final impacts of the stimulus wrap up and public budgets continue to shrink, firms are becoming increasingly pessimistic about the publicly funded market. For example, 40% of firms expect high-

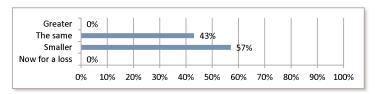
Pennsylvania Responses to Economic Survey



Do you plan to add or lay off workers in 2012?

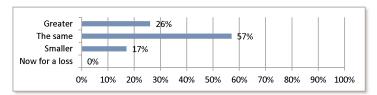


Have you adjusted your bids in 2011 so that profits are:

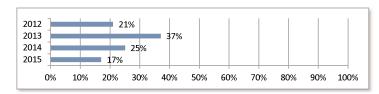


Source: Associated General Contractors of America

Do you plan to adjust your bids in 2012 so that profits are:



When do you expect the construction market to grow again?



way funding to decline in 2012 while 44% of firms expect the amount invested in public building projects to drop. In contrast, 34% of firms expect demand for hospital and higher education facilities to grow and 31% expect demand for power facilities to increase this year.

Thirty-five percent of contractors responding to the survey expect demand for new retail, warehouse and lodging facilities to decline in 2012, while only 22% expect demand to grow. The outlook is similar for the private office construction market, where 36% of firms expect demand to continue declining while only 21% expect demand to increase.

Construction Employment More firms (32%) plan to add staff this year than plan to lay-off staff (9%). This is a marked improvement from 2011 when 37% of firms reported cutting staff. Despite the fact more firms plan to hire this year, those additions are modest at best. Seventy-seven percent of firms nation-

wide report they plan to hire 15 or fewer new employees in 2012. For most firms (85%) these additions will expand their total workforce by 25 percent or less.

Credit is Delaying vs. Canceling Tight credit conditions do not appear to be affecting most firms' ability to attract new credit. Yet cautious lending practices are having a significant impact on the construction market, according to the survey results. While only a small number (14%) of firms report being directly impacted by tight bank credit conditions, nearly half (49%) report that tighter lending conditions have caused their customers to delay or completely cancel construction projects.

Construction firms working in the highway sector were least likely (46%) to have projects they were working on canceled or delayed because of a lack of financing. Conversely, firms working in private office development were most likely (54%) to have projects delayed because of tight credit.

Stimulus Fading Fast With nearly two years of stimulus-funded construction activity wrapping up, it is clear the measure's \$135 billion for construction had an outsized impact on the \$800 billion construction industry. Indeed, most firms (51%) report they were awarded at least one stimulus-funded project to date. However, most firms (63%) performing stimulus-funded work reported receiving stimulus work totaling \$5 million or less.

Three-quarters of firms reported they do not expect to perform on any stimulus-funded projects in 2012. Even among the firms expecting to perform stimulus work in 2012, 46% say they expect that work to total \$1 million or less and 83% of those firms say stimulus work will total a quarter or less of their total 2012 revenue.

Health Care Costs Health care costs continued to accelerate in 2011 for the 96% of firms that provided insurance for their workforce -- 81% of firms responded that the cost of providing health care for their

employees went up in 2011, while only 3% reported that their costs went down. And 82% of firms expect their health care costs will continue rising in 2012.

Material Costs Eighty-three percent of firms reported that the price they pay for key construction materials increased in 2011. The price increases were not overly extreme - 67% of firms reported materials price increases of 10% or less. However, those increases occurred even as 62% of firms reported cutting bid levels in 2011 and another 2% reported setting their bid levels so low they actually took losses on their work.

The materials price squeeze is likely to continue in 2012. Eighty-six percent of firms report they expect materials prices to increase in 2012, even as 80% of firms say they expect bid levels to either stagnate or decline this year. While lower bid levels mean owners are likely to get a good deal on construction, firms are generating less revenue for the work they perform even as they pay more for key materials.

BIM Firms reported using Building Information Modeling (BIM) technology in 35% of their projects in 2011, up considerably from the 8% of firms that reported using BIM on their projects in 2010. Construction firms clearly expect demand for BIM to continue growing, with 47% reporting they expect use of BIM to increase in 2012.

BIM use varies based on market segment. For instance, relatively few (39%) highway contractors expected to work on more BIM projects in 2012. Meanwhile, 53% of hospital and higher education contractors expect to work on more BIM projects in 2012. This likely reflects the increasing complexity of hospital and higher education projects.

A Cool Down for Green? After years of growing demand for "green" construction projects, most firms (60%) do not expect demand for these kinds of projects to grow in 2012. This could reflect that many firms feel that either market conditions are too weak, or that the market is already too saturated with green building projects. 81% of PA Contractors expect less highway funding in 2012, the most pessimistic view for any state

Overall, firms working in hospital and higher education construction are more likely (46%) to expect demand for green projects to grow this year while firms working in highway construction are least likely (36%) to expect growth in green demand.

Regional Market Trends The employment outlook varies based on geography, with 57% of firms in Wisconsin planning to hire, more than in any other state. Meanwhile, 18% of firms in Missouri plan layoffs for this year, the highest percentage from any state.

Contractors in Ohio (38%) are the most optimistic about growth for the highway market. In contrast, 81% of contractors in Pennsylvania expect there to be less highway funding in 2012 than there was in 2011, the most pessimistic result for any state.

Michigan contractors are the most optimistic about the manufacturing segment, with 50% saying they expect it to expand this year. Meanwhile, 43% of contractors in Massachusetts expect that market to shrink in 2012.

South Carolina-based contractors (61%) expect the hospital and higher education market to improve in 2012. In contrast, 56% of contractors in Hawaii expect the amount of money invested in those projects this year to decline, more than in any other state.

The retail, warehouse and lodging sector outlook for 2012 looks bright in Massachusetts, where 40% of contractors expect activity to increase. In contrast, 50% of contractors from Colorado expect construction activity to decline this year.

Massachusetts-based contractors are the most optimistic about the public building sector for 2012 (58%). Contractors in Florida, however, are the most pessimistic, with 68% reporting they expect that market to decline and none reporting an expected increase in activity.

Kansas-based contractors are the most optimistic about private office construction (36%). Contractors in Missouri are expecting the biggest decline in private office construction, with 55% reporting an anticipated decline in spending in that market segment this year.

Finally, South Carolina is more optimistic about the chances for growth in the K-12 school construction market than in any other state (42%). Conversely, more Florida contractors (67%) expect a decrease in K-12 school construction spending than in any other state.



"...it didn't make SE to me!"

By Hiliary H. Holloway, Jr.

Periodically a situation or a story comes along that forces you to change your focus and comment on a bigger, fundamental cause. Though this space is usually devoted to construction safety, I felt compelled to weigh in on a topic that probably will (if it hasn't already), impact our future workers and families. I guarantee some of our owners and/or those responsible for controlling insurance costs will deem this as a "root cause" of some of our bottom line expenses when they think about it.

Last night as I was watching TV there was breaking news, three young people were killed in a one car accident in the Franklin Mills Mall. As I write this, the latest account had an eyewitness seeing a Pontiac Grand Am racing through the parking lot estimated to be about 70 MPH, going into a curve, hitting a concrete barrier and flipping three times. The initial live broadcast reported two male occupants were ejected from the car and a female was pinned inside and later died at the scene. The car battery was on the grass more than 25 feet from the crash and the collision was so hard that two tires could not immediately be found.

This accident struck me on several fronts, namely as the father of a "young person"; a safety professional programmed to find and understand "acci-

dents and situations which negatively affect health and well being"; and finally as a former school board member charged with the welfare of the taxpayers as much as the school district. Overall I was thinking that quite often we probably blur the line between our rights and doing what's right, responsibly being a steward of "taxpayer value" as opposed to immediately saving taxpayers money and still keeping the rights and options of all parties in mind. I thought of some things which in my opinion didn't make sense to me. Now to be clear and before anybody starts spouting out the constitution and muttering they have the right to believe what they want to believe or calls me a communist, let me reiterate I only said "didn't make sense to me."

Eliminating school district related driver's training programs is "dollar wise and penny foolish."

An article in *USA Today* last year quoted the CEO of the American Driver and Traffic Safety Education Association, Allen Robinson, estimating that "about 15% of eligible students take high school driver's education compared with 95% in the 1970s." This conjures a scary

prospect: a generation of people who weren't taught to drive properly in the first place is now teaching the next generation.

My issue is, we know teen drivers need all the experience they can get. They have the most dangerous driving record of any age group. They also have the highest rate of driving-related fatalities and in fact, motor vehicle crashes are the leading cause of death for drivers between the ages of 16 and 20, according to the American Academy of Pediatrics. So why are so many school districts eliminating school-based driver's education training programs? Safety officials universally believe that driver's training programs help to make safer drivers and these courses give teen drivers a chance to gain some skill and confidence behind the wheel, before officially getting their license. That said, many school districts around the nation plan, if they have not already, eliminating school district related driver's training programs. The school districts have adopted this as "cutting some of the fat" and since it's not mandated, for several economic reasons it is one of the easier means of further reducing cash strapped budgets.

In all fairness, often this single move saves school districts hundreds of thousands of dollars in their budget. Unfortunately, for the community at large this tends to be "dollar wise and penny foolish."

However the following facts remain:

Many teenagers die as passengers in motor vehicle crashes. Sixty percent of teenage passenger deaths in 2009 occurred in vehicles driven by another teenager. Among deaths of passengers of all ages, 18 percent occurred when a teenager was driving.

Analyses of fatal crash data indicate that teenage drivers are more likely to be at fault in their crashes. Teenagers' crashes are more likely to involve speeding than those of older drivers, and teenagers are more likely than drivers of other ages to be in singlevehicle fatal crashes. According to the AAA, most crashes involving young drivers are caused by inexperience, poor driving skills, risk-taking, or bad decision-making. Plus teenagers do more of their driving in small and older cars and at night, compared with adults. In 2009, 17 percent of teenagers' fatalities occurred between 9 pm and midnight, and 26 percent occurred between midnight and 6 am. Fifty-five percent of teenagers' fatalities occurred on Friday, Saturday, or Sunday.

I, and indeed most of my contemporaries, were fortunate enough to take driver education as an elective in high school. We were afforded the benefit of professional Driver Education teachers, safe operating vehicles to learn on and a consistent curriculum. Our parents, teachers and our school district believed driving was a life skill and it was important we were trained properly.

Ouite often we blur the line between our rights and doing what's right, responsibly being a steward of "taxpayer value" as opposed to immediately saving taxpayers money

We might not have followed all of the rules or incorporated everything we learned, but we knew and respected what driving was about. Unfortunately today's parents and teens are left with the option of either doing the training themselves or paying for a commercial driver's training program. Put another way, they have a choice of being taught by a nonprofessional, typically frustrated, impatient, haphazard parent/sibling/teacher (very probably transmitting some of their bad driving habits), or an inconsistent commercial a la carte program which are often less intense, possibly less comprehensive and quite often the program quality and time is dependent on the cost. Too often some "bad driving" parents are teaching their kids simply because they may not have the money to pay for such a program or figure they can save money if they teach them. Regardless, there tends to be a greater risk of less-skilled drivers being on the road, some of which are driving our company vehicles.

I was just about to expand this into the next thing that "didn't make sense to me," (namely resistance to tougher teen driving legislation), but as I started researching the topic I immediately stopped. The first article read:

Recently Nebraska introduced LB831 which would allow some fourteen-yearolds to drive to school. I am adamantly against allowing children this young to drive because of the inherent dangers. The argument for the bill is that it will save parents time. The argument against the bill is that it will cost young drivers their lives."

Allowing fourteen year olds to drive? I can't believe there is an argument! Actually I believe I'm going to stop now before I get in trouble for commenting on "Repealing motorcycle helmet laws!" and/or the organized lobbying and resistance to "distracted driving" legislation. Again, it "didn't make sense to me."

Please note, because I consider myself a "car guy", we chose to spend the money, researched and had a reputable and highly recommended professional driving school teach my daughter how to drive (and thereby allowing me to keep my bad driving habits to myself). We have never regretted that decision.

¹Cammisa, M.X.; Williams, A.F.; and Leaf, W.A. 1999. Vehicles driven by teenagers in four states. Journal of Safety Research 30:25-30.

⁴Federal Highway Administration. 2001. National Household Travel Survey, 2001. Washington, DC: US Department of Transportation.



tractors Association.

STP STUDENTS GRADUATE AT GBCA ANNUAL MEETING

Seven students of the General Building Contractors Association (GBCA) sponsored Supervisory Training Program (STP) graduated and received their completion certificates at the January 2012 Annual Meeting. Congratulations to:

Keith Baer Paul Berenato Kevin Charnick Joseph Lunari John Miner Michael Read Robert Witalec

The STP is a training program for superintendents and supervisors developed by contractors specifically for those employed in the construction field. The program consists of 11 classes (including sections on leadership, effective communications, contract documents, scheduling, project management, safety and productivity improvement.

Approximately 60 journeymen participated in the STP in the Philadelphia area during 2011.

PENN MEDICINE WASHINGTON SQUARE BREAKS GROUND



In late October 2011, several Philadelphia luminaries, including Mayor Michael Nutter, joined Liberty Property Trust, Parkway Corporation and Penn Medicine to mark the start of construction on *Penn Medicine Washington* Square (800 Walnut Street, Philadelphia, PA). The new state-of-the-art, 12-story medical office building will climb 260' above the Southwest cor-

ner of 8th and Walnut Streets, and serve as a center for diagnostic testing as well as offices for physician practices.

General Building Contractors Association (GBCA) member O'Donnell & Naccarato designed the 153,000 SF steel-framed tower to be built atop an existing 7-story parking garage.

Utilizing BIM technology, the design team, led by Ballinger, created a dynamic 3D virtual model shared among all members of the project team. Each team member input their respective data as the project progressed, generating one fully- integrated BIM model. The new facility, being constructed by L.F. Driscoll, will pursue LEED certification.

CARPENTERS ANNOUNCE RIGGING AND SIGNALER ACCREDITATION

The Rigging and Signaler Certificate Program of the Carpenters International Training Fund (CITF) has been accredited by the Institute for Credentialing Excellence. This training is available locally through The Carpenters Joint Apprenticeship Committee of Philadelphia and Vicinity. Please direct any related questions directly to Charles Brock at (215) 824-2300.

CONGRATULATIONS, FRANK MCGOVERN

It takes a special person to motivate, share expertise, and show support year after year and that is exactly why the 2012 STP graduates felt the need to acknowledge their instructor, Frank McGovern. Frank is the



backbone of this program which has enjoyed great success at the Carpenter's JAC over the last five years. Congratulations to Frank for a job well done.

In this picture, L to R: Robert Witalec, Kevin Charnick, Keith Baer, Paul Berenato, John Miner, Joseph Lunari, Frank McGovern, and Michael Read.

B. CHRISTOPHER LEE SELECTED FOR BEST LAWYERS IN AMERICA 2012

General Building Contractors Association (GBCA) member and Jacoby Donner Shareholder, B. Christopher Lee, has again been selected by his peers for inclusion in *The Best Lawyers in America*® 2012. He was selected in the practice area of Construction Law Litigation. For the past six years Lee has been included on this list of less than ten construction lawyers in Philadelphia.



Selection of *Best Lawyers* is based on an exhaustive and vigorous peer review survey comprised of four million confidential evaluations by top attorneys in the country.

Lee is a 30 year veteran of construction law and commercial dispute resolution. He now devotes a portion of his practice to serving as a mediator of complex construction disputes throughout North America.

Congratulations!

THE DELAWARE VALLEY ENGINEERS WEEK COUNCIL OF THE ENGINEERS' CLUB OF PHILA. NAMED KEAST & HOOD CO. SENIOR CONSULTANT AND FORMER PRINCIPAL TO 2012 HALL OF FAME

The recognition affirms Carl A. Baumert Jr.'s ongoing, 50-plus-year career as a structural engineer in Philadelphia. His formal induction and recognition took place at events on February 17 and 23, 2012. Hall of Fame inductees include individuals, projects, and companies whose achievements have left a long-lasting impact on engineering or the public.



Now in his 80's, Baumert has worked as a structural engineer on new construction and historic restoration projects at Philadelphia's City Hall, the University of Pennsylvania, Harvard University, and the Union League, among others.

\$50 MILLION DILWORTH PLAZA RENOVATION PROJECT BEGINS

U.S. Transportation Secretary Ray LaHood came to Philadelphia in January to celebrate the start of renovations at Dilworth Plaza. The "groundbreaking" took place on the ninth-floor of an office building overlooking the plaza.

Construction of a new park and transportation improvements outside City Hall will cost \$50 million. The plaza plans include a cafe, a skating rink and elevators to below-ground public transit. The revamped Dilworth Plaza is slated to open in 2014.

The goal is to create a first-class park, public space and a signature gateway to public transit at Dilworth Plaza. The Center City District touts the plaza as bridging the city's main attractions -- from the art museum to the office buildings.

The word used most often to describe this project is "vision," in particular the vision of Paul Levy, head of the Center City District. He is credited with sticking with an expensive project that was not an obvious candidate for financing during a major recession.

The federal government is responsible for a third of the cost of the project; LaHood was on hand to make the case that investment in infrastructure projects such as this one will put Americans to work.

OFFICE OF ECONOMIC OPPORTUNITY REVIEWS QUARTERLY PROGRESS AND MAYOR SPEAKS TO CITY'S USE OF PLA

On January 31, 2012 the Office of Economic Opportunity (OEO) presented its quarterly progress to the Mayor's Advisory Commission on Construction Industry Diversity and the OEO Advisory Board. Angela Dowd Burton, Executive Director of OEO, announced that the OEO Registry is up to 2,000 firms, up 50% from the 2011 number of 1,334. Dowd Burton also said that while the OEO has been meeting its diversity goals, there is always room for improvement.

One of the areas the OEO is working on improving is the website. Currently OEO staff is in training to manage a new database system that will accomplish: a new "user-friendly" interface, the ability to track contracts and payments, and an ability to track certified payroll – up to the minute. Look for the website to be launched later this year.

OEO is also graduating fifty companies from its Minority Contractor Capacity Building Program in February. A list of those contractors who participated in the training will be distributed soon.

In addition to the quarterly report, Mayor Michael A. Nutter gave the group an overview of the City of Philadelphia's Project Labor Agreement (PLA). At that meeting the Mayor said that the PLA would be used "to establish diversity levels, with our goals outlined up front." The Mayor insists the PLA will be used as a tool to force unions to establish training and apprentice programs that ensure the unions better reflect the makeup of the City. While this issue of Construction Today outlines some of the General Building Contractors Association's concerns with the City PLA, the Association does applaud the Mayor for his efforts to bring increased diversity to the unions and to the industry.

CALL FOR ENTRIES: DESIGN ON THE DELAWARE

The American Institute of Architects (AIA) is now accepting program proposals for the 10th Annual Design on the Delaware conference, November 14-16, 2012 in Philadelphia.

Design on the Delaware provides an opportunity to contribute your expertise to the design, construction, and planning professions. The 2012 Conference Committee invites you to submit program and tour proposals of interest to architects, landscape architects, planners, engineers, contractors, developers and others in the building design and construction industry.

Program proposals are due April 16, 2012 and should be submitted online at http://proposals.designonthedelaware.com."

GBCA REPRESENTS OVER 600 UNION CONTRACTORS IN THE 2012 COLLECTIVE BARGAINING PROCESS

Negotiations are well underway for upcoming contract negotiations with area building trades unions whose agreements expire this spring and summer. The General Building Contractors Association (GBCA) will be negotiating with the basic trades, Carpenters, Laborers, Operating Engineers, and Rodsetters. The process concludes when the parties reach a tentative agreement that is ratified by the Union and the Association. In accordance with the GBCA Bylaws, the Board of Directors ratifies for the Association.

With the exception of the Rodsetters, the Carpenters, Cement Masons, Drywall Finishers, and Laborers' agreements expire April 30, 2012. The Rodsetters' agreement expires June 30, 2012.

It is important to note that each labor union and each association has its own collective bargaining process. GBCA has bargained on behalf of union general contractors and subcontractors for decades. While the collective bargaining structure for the Association has evolved to adapt to the changing times, the system has essentially remained the same as it was when collective bargaining began with the construction trades in Philadelphia many years ago.

Collective bargaining in any industry is a challenging process with sometimes disastrous affects. However, when it is approached with reasonable individuals from both labor and management, each dealing from non-adversarial positions and with realistic expectations, the entire process can be, and has been, successful for both parties. It involves trust, mutual respect, an understanding of the outside factors impacting negotiations and how both teams and their interests are impacted; most importantly, it involves a strong commitment by all interested parties to strive to achieve what is in the best interest of our industry.

For up-to-the-minute negotiations update, visit Labor Link, the GBCA's online negotiations headquarters at http:labor-link.gbca.com or contact Wayne Gregory, Director of Labor Relations at (215) 568-7015 or wgregory@gbca.com.



Visit www.gbca.com for labor, safety, education and event information.

What's happening in YOUR company?

Submit member and industry news to:

communication@gbca.com or 36 S. 18th Street, P.O. Box 15959, Philadelphia, PA 19103.

Promote Your Products & Services in

CT CLASSIFIEDS

For rates & to place your ad call:

Harry Eaby - 215-641-4844 x212 or email your request to: harry@paradigmgrafix.com

PRINTING SERVICES

MAKING GREAT IMPRESSIONS...

Paradigm Grafix offers a full range of printing services including high quality offset printing, binding, digital printing, personalization and mailing.



123 Keystone Drive Montgomeryville, PA 18936 Email: harry@paradigmgrafix.com p: 215-641-4844 f: 215-643-2402

REGION ON THE RISE



REUSE AND REFIT FOR A GREEN ECONOMY

Tuesday, March 13, 2012 8:00 AM - 9:00 AM Registration, Breakfast, Networking & Exhibits 9:00 AM - 10:30 AM Program

Loews Philadelphia Hotel Philadelphia, PA 19107

Join us at our annual event, presented in partnership with the Greater Philadelphia Chamber of Commerce (GPCC), to discuss how the construction industry and developers are using innovative techniques to restore the region's industrial assets and improve energy efficiency.

In addition to a keynote presentation, informative panel discussion, Q&A session and exhibiting opportunities, you will have plenty of time to network and build your business.

Keynote Presentation: Roya Stanley, Office of Weatherization and Intergovernmental Programs, U.S. Department of Energy

Panel Discussion: Development Forecast Industry experts will discuss the ever growing need to retrofit existing properties in our region for energy efficiency purposes; additional topics include the reuse and renewal of our region's industrial assets.

To register or for sponsorship opportunities visit www.gbca.com.

ASSOCIATIONS & UNIONS

DVMI - Delaware Valley Masonry Institute, Inc.

SEE OUR AD ON PAGE 29.

LECET, The Laborer's - Employer's Cooperation and Education Trust and The Laborer's District Council of Metropolitan Philadelphia & Vicinity. P215-922-6139, Web Site: www.LDC-PHILA-VIC.org.

SEE OUR AD ON PAGE 47.

Steel Erectors Association of Metropolitan Philadelphia and Vicinity.

SEE OUR AD ON PAGE 31.

Union Iron Workers of Local 401. "Building America Since 1896" 11600 Norcom Road, Philadelphia, PA 19154. P215-676-3000.

SEE OUR AD ON PAGE 8.

ATTORNEYS

Jacoby Donner, P.C., Attorneys at Law, 1700 Market Street, Suite 3100, Philadelphia, PA 19103. P215-563-2400, Web Site: www.jacobydonner.com.

SEE OUR AD ON PAGE 33.

George F. Kempf Supply Co., Philadelphia, PA. West Chester, PA. Trenton, NJ. Wilmington, DE. P1-800-326-5367, Web Site: www.kempfsupply.com.

SEE OUR AD ON BACK COVER.

CONCRETE PRODUCTS

Fizzano Bros., P610-833-1100, Web Site: www.fizzano.com.

SEE OUR AD ON PAGE 11.

Cohen Seglias Pallas Greenhall & Furman PC, 30 South 17th Street, 19th Fl., Philadelphia, PA, 19103. P215-564-1700, Web Site: www.cohenseglias.com.

SEE OUR AD ON PAGE 32.

EisnerAmper, LLP, Construction Real Estate Services Division, 101 West Avenue, Jenkintown, PA 19046. P215-881-8800, 856-354-6054, Web Site: www.grgrp.com.

SEE OUR AD ON PAGE 36.

Massey Powell Strategic Communications 2622 Butler Pike, Plymouth Meeting, PA 19462. P610-825-8185, Web Site: www.masseypowell.com.

SEE OUR AD ON PAGE 28.

Bros Demolition Geppert Inc., Contractors, Main Office 3101 Trewigtown Rd., Colmar, PA 18915. P215-822-7900, F215-822-0635.

SEE OUR AD ON PAGE 39.

Laborer's District Council, Education and Training / Apprenticeship School, 500 Lancaster Pike, Exton, PA 19341. P610-524-0404, Email: jharper.e&t@ldc-philavic.org.

SEE OUR AD ON PAGE 46.

Haverstick-Borthwick Company, Builders and Construction Managers, 400 Stenton Avenue, PO Box 766, Plymouth Meeting, PA 19462. P215-248-3000, 610-825-9300. Web Site: www.haverstick.com.

SEE OUR AD ON PAGE 23.

RANCE & BONDING

Conner Strong & Buckelew, James M. Hanrahan or Steven Raffuel, P1-877-861-3220, Web Site: www.connerstrong.com.

SEE OUR AD ON PAGE 6.

Engle-Hambright & Davies, P1-800-544-7292, Web Site: www.ehd-ins.com.

SEE OUR AD ON PAGE 5.

Graham Company, Insurance Brokers and Consultants, P215-567-6300, Web Site: www.grahamco.com

SEE OUR AD ON PAGE 3.

Paradigm Grafix, 123 Keystone Drive, Montgomeryville, PA 18936. P215-641-4844 x212, F215-643-2402.

SEE OUR AD IN CLASSIFIEDS.

SPECIALTY CONTRACTORS

B. Pietrini & Sons, 111 East Church Road, King of Prussia, PA 19406, P610-265-2110, F610-265-6068, Web Site: www.bpietrini.com.

SEE OUR AD ON PAGE 2.



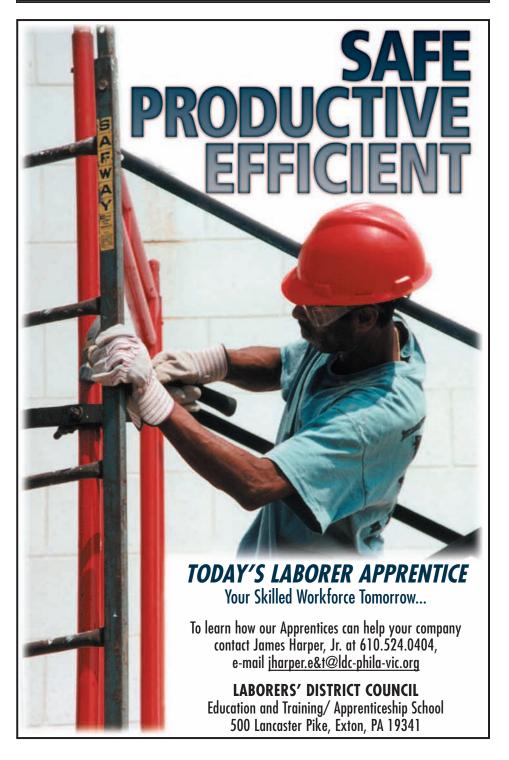
ADVERTISER'S INDEX

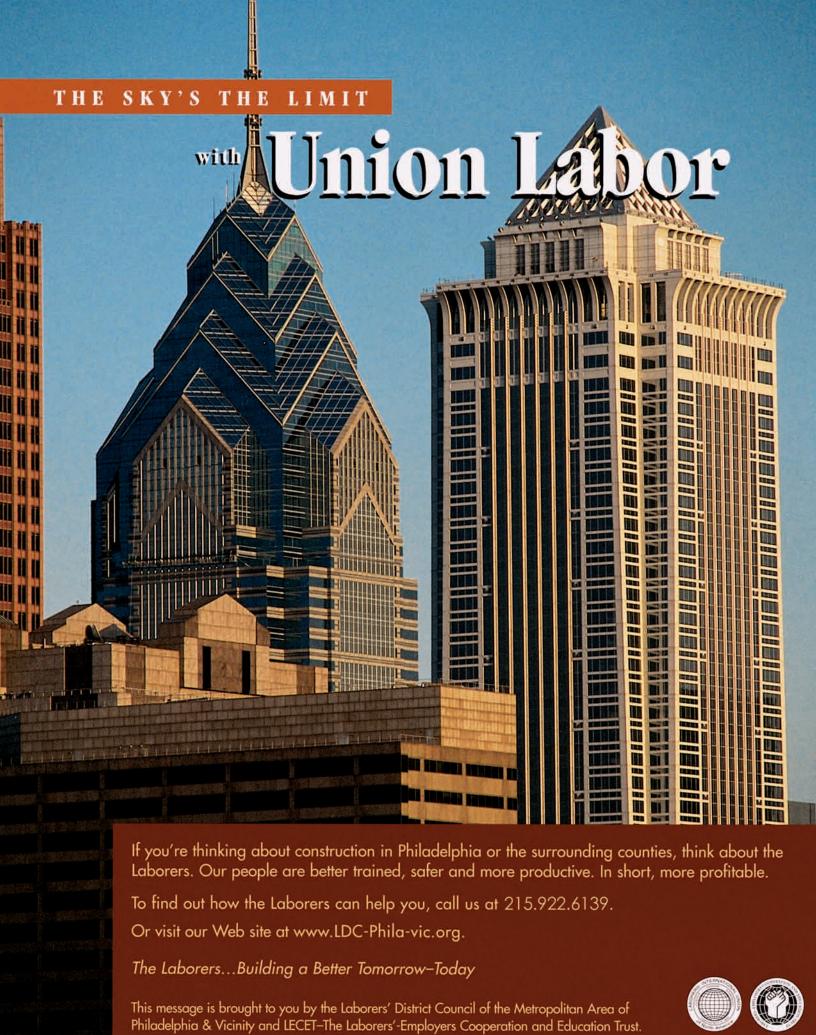
Coming in the next issue of

Construction Today Women in Construction

- The State of WBEs
- Rising Stars
- WBE Projects of Note

Cohen, Seglias, Pallas,
Greenhall & Furman, P.C
Conner Strong
DVMI29
EHD5
EisnerAmper
Fizzano Bros
GBCA24-25
George F. Kempf Supply Co Back Cover
Geppert Brothers39
Graham Co
Haverstick-Borthwick, Co 23
Jacoby Donner P.C
Laborers
L.E.C.E.T
Massey Powell
B. Pietrini & Sons 2
Paradigm Grafix 44
Steel Erectors Assoc
Union Iron Workers Local 401 8







Only one supply company operates the largest, most diverse trucking fleet for consistent on-time delivery, pin-point loading and helping projects stay on budget and on schedule. That's why the area's largest distributor of building materials for commercial and multi-family construction is George F. Kempf Supply.

CONVENIENT LOCATIONS

Philadelphia 5200 Grays Avenue Philadelphia, PA **Wilmington** 1101 East 7th Street Wilmington, DE



1-800-326-5367 www.kempfsupply.com