Texas Senator John Carona Discusses His View of the State as the 2011 Legislative Session Approaches

In This Issue:
- ABC Legislative Priorities and Issues Important to the Construction Industry
- The Significance of Republican Gains
- OSHA’s Final Rule for Cranes and Derricks
- ABC of Texas Chapter Initiative Updates

www.abctexas.org
TURNAROUNDS are our BUSINESS.

QUALITY SERVICE is our PRODUCT.

SAFETY is our WAY OF LIFE.

LOCATIONS

Corpus Christi, Texas
P.O. Box 9316
Corpus Christi, Texas 78469
(361) 289-6342

Beaumont, Texas
P.O. Box 20120
Beaumont, Texas 77720
(409) 861-2323

Houston, Texas
1733 Center Street
Deer Park, Texas 77536
(281) 542-9590

Baton Rouge, LA
P.O. Box 2000
Prairieville, LA 70769
(225) 673-8713

Serving Industry since 1983

Turnarounds • Construction • Maintenance
Refining • Petrochemical • Chemical • Oil & Gas
4 Letter From the ABC of Texas Chairman

5 Letter From the ABC of Texas President

6 ABC’s Legislative Priorities and Issues Important to the Construction Industry
How the mid-term election outcome will affect ABC of Texas Legislative Priorities and which related associations are helping move the initiatives forward.

8 The Significance of Republican Gains
Learn how the November elections had profound implications beyond Washington D.C. and what Texans can expect from Government as we move into the New Year.

10 OSHA’s Final Rule for Cranes and Derricks
In November, Crane and Derrick rules changed forever. Learn how the recent changes will impact your jobsite, some new requirements to be aware of, as well as how the type of work performed determines how the rules will ultimately effect you.

12 One-on-One with Texas Senator John Carona
Texas Merit Shop Journal sits down with Senator Carona to discuss the upcoming legislative session, his accomplishments and the legislative priorities for 2011.

14 ABC Chapter Initiatives Around the State
Learn about ABC Chapter Initiatives in your area.

INDEX OF ADVERTISERS
ABC Greater Houston ...........................................9
ABC Merit Choice .............................................11
ABC South Texas ..............................................17
Alpha Building Corporation ..............................7
ISC Constructors ...............................................7
Marek Brothers Systems, Inc.........................13
Reponc, Inc.....................................................2
SpawGlass Construction .................................13
Wolfenson Electric, Inc.................................13
Letter From the Chairman

Dear Reader,

I hope everyone had a wonderful Thanksgiving, a Merry Christmas and a Happy New Year. I suspect most of you have had a tough 2010 and are not expecting 2011 to be much better. The good news is that all of the efforts spent by ABC members in Texas and those across the country have made a difference in the results of the recent November elections.

The Republicans (conservatives) won back the U.S. House of Representatives and taken away the forced agenda of the Democrats. Hopefully we can make the change in direction back toward the things that have made the United States of America the greatest country on earth - free enterprise, capitalism and entrepreneurship. We all have a lot of work to do to keep things going and it will be a long road ahead, but I know that with the determination and conviction of the members of ABC and other like minded organizations and individuals, we can overcome.

Even though the majority of the session will be consumed with budget, redistricting and sunset of 28 various agencies, we still are working on several bills with other associations. Our next opportunity to make a difference will soon be here.

The ABC Legislative Day in Austin is set for Wednesday, February 9th. We will start the session the evening of Tuesday, February 8 from 4:30 to 7:30 p.m. with a reception at Mike Toomey’s Office. A program and breakfast the next morning are scheduled from 7:00 to 9:00 a.m. with visits to your representatives offices at the Capitol scheduled for the rest of the day. Your local chapter staff will have the details. Please reserve your hotel rooms early since we typically end up having people stay at other locations.

We look forward to seeing you there!

Andrea Koebel
Kunz Construction Co., Inc.
2009-2011 ABC of Texas Chairman

For more information about ABC of Texas visit www.abctexas.org.
Dear Reader,

In this letter, I would like to discuss overall expectations for the next legislative session. Later in this issue I will discuss ABC of Texas and other construction industry issues in a little more depth.

Although we should have a more pro-business House of Representatives than we had last session, there are more priority issues that have to be dealt with.

Our state budget shortfall has been nothing but a continual series of ever-changing estimates of an ever-increasing difference between the current budget and estimated revenue for the next biennium. This should not be taken lightly. In order to balance the budget, the 82nd Texas Legislature will be facing some very tough decisions. Thank God we have 101 Republicans in the Texas House! That means the decisions will heavily favor budget cuts over increases in revenue.

What gets cut will still be subject to much discussion and controversy. The fact is that while there are always opportunities to cut, the low-hanging fruit has already been plucked. The accounting tricks have been used. What remains to be cut are programs that were thought to be essential in lean times.

State government must tighten its belt because taking more money out of the economy in the form of taxes or fees is a bad idea during times as challenging as these. Everyone has ideas, but most of those involve small savings. The state needs to make up what appears to be a shortfall of over $20 billion.

Although we will not be involved directly, we will all be affected in the future by redistricting. Again, the contentiousness of this issue should not be taken lightly. I have worked in and around the Texas Legislature in at least six sessions where redistricting was a subject. It is never easy to avoid getting hit by stray bullets!

On top of the worst budget crunch I’ve seen in my 40 years around Austin, and redistricting, 28 agencies are subject to Sunset Review this session. Among those agencies are the Texas Department of Transportation, Texas Commission on Environmental Quality, Texas Department of Insurance and its Division of Workers’ Compensation, Public Utility Commission, Texas Railroad Commission and Texas Youth Commission. All of those agencies, and many of the others, will take time in committee and on the floors of both houses. There will be little time for anything else.

Certainly, our Legislative Day, scheduled for February 9th with a reception the evening of February 8th, will be a good time to come to Austin to participate in the legislative process. I encourage all members to participate.

Room reservations must be made by January 17, 2011 for the discounted ABC room rate for the night of February 8. Contact your chapter staff for additional reservation and event details.

Jon Fisher
ABC of Texas
President

Proud to be a 2007 Dow Eagle Award Recipient!

Celebrate 50 Years of Service

Wolfenson Electric, Inc. & Civil Mechanical, Inc.
T

here is good news and bad news... The good news is that the construction industry associations are working well together trying to pass legislation that will benefit the industry. ABC of Texas works closest with both Associated General Contractors-Texas Building Branch and the Texas Construction Association on matters of mutual concern. We try to pass legislation that benefits the whole industry, working out our differences ahead of time if any exist. On many items, we all agree.

Now for the bad news... even though the House is likely friendlier to business interests than it has ever been due to the Republican equivalent of a 100-year flood, there are critical issues that must take priority ahead of us. Among those are the budget shortfall (and this cannot be over-stated), redistricting (How do you draw 99 “safe” Republican House districts when some of the areas electing Republicans have lost relative population?) and the plethora of controversial agencies up for Sunset review (a process where everything that an agency does can be the subject of amendments in both Houses).

No one’s issues will be ahead of those three in priority - but we’re obviously trying to get some considered. TCA is trying to pass six bills. AGC-TBB is trying to pass four or five bills depending on how you count. ABC of Texas has seven priorities of which six could be considered initiatives.

In this article, I’ll briefly review the ABC issues, mentioning which of these two groups are also involved, and then briefly mention other construction industry issues, many of which we will also be supporting. It is a daunting list.

Lien Law/Retainage—This is an issue that originated with TCA, but ABC of Texas has adopted it as its #1 issue. All three groups have been involved in working on the bill.

Alternative Delivery Systems—Both AGC-TBB and ABC of Texas have been working on getting this bill passed...again. You may recall it should have passed last session, but was behind Voter ID which didn’t come up for a vote due to stalling by liberal Democrats.

Workers’ Compensation (Third Party Liability and Consolidated Insurance Programs or CIPs)—All 3 groups have been working with the Texans for Lawsuit Reform to hold the line on Third Party Liability, and TCA will have a CIP bill. While both ABC of Texas and AGC-TBB have not yet taken positions on TCA’s CIP bill, it is likely we will end up being supportive.

Indemnification—Both TCA and AGC-TBB have worked out a compromise that ABC of Texas supported last session. We are re-visiting our position in light of some concerns raised by ABC members. Hopefully, we can resolve their concerns.

“Even though the House is likely friendlier to business interests than it has ever been due to the Republican equivalent of a 100-year flood, there are critical issues that must take priority”

Frivolous Lawsuits—ABC of Texas is strongly supporting Governor Rick Perry’s four part plan.

State Breach of Contract—ABC of Texas will be working with AGC-TBB to address this issue. You are probably aware that all other units of government in Texas (local governments and public education) are subject to judgments for breach of contract. The State should also be held accountable.

Simplifying the Exemption of Industrial Contractors from Electrical Licensing—This issue requires the support of our members’ customers who are represented by other groups in Austin. Two of the larger industrial groups have agreed not to pursue the exemption this session which completely erodes our ability to argue need. This issue will be with us until we get it addressed satisfactorily.

In addition to the list above, our Greater Houston Chapter is pursuing legislation to clarify that when the law says “interest allowed by law” can be recovered for breach of contract by a local government that includes all interest due for disputed payments. Ironically, Texas Legislative Council says this is unnecessary.
because the law is clear. But, apparently being clear does not prevent a judge from failing to award the interest because there are cases where that interest has not been awarded. State Rep. Tim Kleinschmidt has introduced HB 345 to resolve this problem.

Another bill supported by the Greater Houston Chapter (HB 346 by Rep. Kleinschmidt) deals with changing a permissive award of attorney’s fees to a mandatory one when foreclosing liens or enforcing bond claims. The bill would still give the court discretion to determine if the attorney’s fees were “equitable and just.”

In addition to those mentioned above, TCA also has bills on Lien Waiver, Escrow of Retainage and Lender Notice to Contractor. It is likely we will be supportive of those as well. Without the benefit of a defined list yet, it is likely that in addition to those bills mentioned above, AGC-TBB will pursue some improvements in the law dealing with school background checks for construction workers—especially for construction of new schools where students are not present.

And, remember those Sunset bills I mentioned earlier in this article? Both the Texas Department of Insurance and its Division of Workers’ Compensation (separate reviews) could both prove troubling as the personal injury trial attorneys try to attach amendments damaging to the business community. Hopefully, we have less to worry about in votes on the House floor than last session, but we still have to find the amendments, analyze them and communicate what each one would do. It will be an intense effort over a short period of time.

Last, but not least, it is apparent that some legislation dealing with illegal immigration will pass this session. Our challenge as an industry will be to try to ensure that any legislation will not allow those obeying the law to be victims of someone else’s fraud or a mistake in a system and to try to avoid passing laws that will allow harassment by labor unions or competitors.

Legislative sessions are never easy because our system is designed to avoid passing laws, not to pass them. That has served our state well over the years. But, it does mean that when the agenda is full with priority issues—even though the Legislature may be friendly to business—it is increasingly difficult to get other issues addressed.

ABOUT THE AUTHOR:
Jon Fisher has been President of ABC of Texas since mid-2008. Prior to that he was senior vice president at Texas Chemical Council. He has led ABC of Texas in preparing plans for legislative sessions and participation in the Texas elections. Most recently, he helped ABC of Texas prepare a Strategic Plan for the next 4 years with emphasis on the next 2 years. To contact Jon, email jon@abctexas.org.

FISHER
The Significance of Republican Gains

by Mike Toomey, ABC of Texas Lobbyist

The wave of anti-liberal, anti-federal government, and anti-Obama sentiment that swept the country in the November elections will have profound implications beyond Washington, DC. While the US House and Senate gains were noteworthy and widely covered by the mainstream media, it was at the state level that Republicans made the most significant and impactful inroads for the long term. The GOP picked up at least 680 state legislative seats around the country—the largest pick up in the modern era. Republicans flipped at least 19 chambers around the country for a total of 55 state houses under GOP control. Republicans now control both houses in 26 states—up from 15—and gained control of an additional 11 governorships previously held by Democrats.

“As The Republican control will all but guarantee that taxes will not be increased in the near term and that government spending will be focused on a more pro-business, pro-jobs agenda.”

At the same time, the new majorities may cause heartburn for some. A version of the voter identification bill from last session will almost assuredly pass this time around. This means that other immigration-related legislation will be nipping at its heels, such as the Arizona-style immigration bills.

Finally, and perhaps the most long-lasting political change, will be redistricting. Texas has experienced significant demographic changes in the last 10 years. The state has grown by close to 20 percent. Expect Republicans to draw maps that will protect their 99 seat majority in the House and gain seats in the Senate and Congressional delegation.

Although the final census numbers will not come out until April, most experts are predicting that Texas will gain an additional three or even four congressional seats. This will be the largest gain of any state by far. The map for these new congressional seats must be drawn and passed by the state legislature or the courts will step in to draw the map as they did in 2000.

The state legislative bodies are also charged with drawing their own maps. If, however, the House and Senate cannot agree on a plan, the maps go to the Legislative Redistricting Board composed of the Lieutenant Governor, Speaker of the House, Attorney General, Comptroller, and Land Commissioner—all Republicans. It will be the first time in history that Republicans will control the House, Senate, Legislative Redistricting Board, and Governorship during redistricting. So for at least the next ten years, expect more Republican control at the statehouse and a broad mandate for conservative policies.

ABOUT THE AUTHOR

Mike Toomey is the longtime ABC of Texas lobbyist and has the distinction of being the only individual in Texas history to have served as chief of Staff for two Texas Governors. He is a former State Representative from Houston and was voted in Texas Monthly magazines “Top Ten Legislators”. Mr. Toomey is a strong supporter of Tort Reform in Texas and is widely acknowledged as one of the most respected and effective lobbyists in the State of Texas.

As for our neck of the woods, the next Speaker of the Texas House will preside over 101 Republicans who are ready to go to the mattresses for conservative legislation after the democrat’s procedural shenanigans last session. The Senate, however, only has 19 Republicans with 21 required to pass most legislation. All statewide offices remained firmly in Republican hands. Most notably, Governor Rick Perry won with a decisive 13 point margin over his opponent, giving Perry an unshakable mandate to thumb his nose at Washington policies that may be seen as encroaching on traditional areas of state control.

The new strength of the Republican caucus in the House will have a discernable impact on legislation for the next session and, in particular, for merit shop proponents. There is no question that the new House will continue to build upon the tort reform gains of past legislatures. The Republican control will all but guarantee that taxes will not be increased in the near term and that government spending will be focused on a more pro-business, pro-jobs agenda. These incoming members will also be less pro-labor than their predecessors. Less noticeably, but perhaps most importantly, those agencies up for sunset review—insurance, Transportation, and TCEQ—will not see the kind of dangerous amendments that were ready to be tacked on during past sessions.
ABC Greater Houston Congratulates Our 2011 Leadership

ABC GREATER HOUSTON OFFICERS

Neil Adams, Chairman
Gilbane Building Company

Tim Rickets, Secretary
Cajun Constructors, Inc.

Dwayne Boudreaux, Chair Elect
The Shaw Group, Inc.

Tasos Banos, Treasurer
TDIndustries

Lohn Zylicz, Vice Chair
D.E. Harvey Builders, Inc.

Wayne Navarro, Past Chairman
S&B Engineers and Constructors

ABC GREATER HOUSTON BOARD

Art Canales
Chamberlin Roofing & Waterproofing

Mike Abshire
Fugro Consultants, Inc.

Tom Kramer
Manhattan Construction Company

Wendell Rychlik
W.T. Byler Company

Brian Anderson
G.R. Birdwell Construction

Bruce Marek
Marek Brothers Systems, Inc.

Billy Spies
KBR

Barry Babyak
Austin Industrial, Inc.

John Marshall
Satterfield & Pontikes Construction Inc.

Christina Stone
Gaughan, Stone & Thiagarajan

Roger Berry
SpawGlass Construction Corp.

Joe Mendyk
Turner Construction

Jody Vowell
Accurate Comfort Systems USA

Kevin Bordelon
Zachry Industrial, Inc.

James Morris
Jacobs

Mark Williams
Foster Wheeler USA Corp.

Jeff Burnett
Insurance Alliance

Bob Nussmeier
Baker Concrete Construction, Industrial

Ronnie Wills
Aggregate Technologies Inc.

Matt Daniel
Skanska USA Building Inc.

Jim Owroy
E. E. Reed Construction, L. P.

Darlene East
Holts Inc.

Rodney Page
Ref-Chem L.P.

John Goloshesky
Turner Industries Group, LLC

Tim Ricketts
Cajun Constructors, Inc.
On November 8, 2010 the rules for Cranes and Derricks used in construction changed forever. Some have said that the new rules came as a total surprise! Others are saying the rules are too cumbersome and intrusive. While most believe these rules, although slow to reach the construction industry, is just what this industry needed.

While there may be some validity to those who are concerned with OSHA’s cumbersome approach to some areas of the new rules, most believe that the changes and additions to the construction rules were overdue, and badly needed. Those who claim total surprise can only make such a claim if they have been asleep since July of 2004 when the C-DAC committee reached consensus on the draft document, which has changed very little from its original version. In 2006, the Advisory Committee on Construction Safety and Health recommended that the C-DAC document be used as the basis for OSHA’s proposed rule which was then published in 2008, with public hearings and comment in 2009. A surprise? Not likely.

OSHA has estimated that an expected 22 fatalities and 175 non-fatal injuries will be avoided annually; most experts believe that to be a low estimation.

Employers, who are operating, maintaining and inspecting their cranes and derricks as directed by the crane manufacturer, as well as, complying with the most current American Society of Mechanical Engineers (ASME) volumes, are on track to be in compliance with the new rules. There will be some additional requirements, however, these should be minimal.

Areas of concern:
- Additional inspection requirements for Tower Cranes. Tower Cranes in addition to the inspection and testing requirements after erection; will now be required to have a Pre-Erection Inspection.
- Additional crane assembly/disassembly requirements.
- More stringent crane inspection requirements.
- Stronger procedures for working around power lines.
- Qualifying of riggers prior to the November 8, 2010 effective date: Riggers used during assembly and disassembly shall be qualified, this is not, however, a certification requirement.
- Qualifying of signal persons prior to the November 8, 2010 effective date: As well as understanding General Signal Requirements (1926.1419), Hand Signal Charts (1926.1422) and Signal Person Qualifications (1926.1428). Signal persons shall meet the following qualification requirements:
  o Know and understand the type of signals used.
  o Competent in the type of signals used.
  o Have a basic understanding of equipment operation and limitations, including crane dynamics.
  o Demonstrate meeting the requirements through a written or oral test and through a practical test.
- Crane Operator Qualification/Certification Requirements: The equipment (cranes) covered under this rule is extensive, in that there are few exceptions to the definition of a crane if a hoist/hook is involved. As an example a forklift used as a forklift is exempt in its native state, however, attaching a boom (with a hook) to the
forks would change its classification to a crane as it can now be attached to a load and the load can be hoisted and lowered (1926.1400 (c)(8) (ref. Federal Register 47926). Clarification that the employer must pay for all training required by the final rule for the certification of equipment operators as of the effective date of the rule. This portion of the rule becomes effective four years after August 9, 2010.

- 1926.1427 allows four Options for the Certification of Operators:
  - Option 1) Certification by an accredited crane operator testing organization:
    - Accredited by a Nationally Recognized Accrediting Agency, such as American National Standards Institute (ANSI). One such organization is the National Center for Construction Education and Research (NCCER) whose program is accredited by ANSI.
    - The certification must be portable and valid for five years.
  - Option 2) Qualification by an audited employer program:
    - Audited by an approved auditor (not an employee) and audited in accordance with nationally recognized standards.
    - This certification must be valid for five years and will not be portable.
  - Option 3) Qualification By US Military.
  - Option 4) Licensing by Government Entity.

Although this is not a complete list of the requirements which became effective November 2010, it should at the very least stir interest in reading and reviewing the latest rules for cranes and derricks used in construction.

A final word of caution - Always remember that it is the type of work being performed at the site which determines if it is construction, not the type of site on which the work is being performed.

“While there may be some validity to those who are concerned with OSHA’s cumbersome approach to some areas of the new rules, most believe that the changes and additions to the construction rules were overdue, and badly needed.”

TED BLANTON

ABOUT THE AUTHOR:
Ted Blanton, Sr. has over 35 years of experience with heavy equipment and crane management (Operator, Maintenance, and General Manager). Ted sits on several American Society of Mechanical Engineers (ASME) B30 Subcommittees, as well as being an alternate on the main B30 Committee. Areas of Expertise: Crane Operator Qualifications/Certifications, Rigger and Rigging Qualifications/Certifications, Rigging Standards, Inspection Procedures, Incident/Accident Investigation, Crane and Hoist Inspection, Crane and Lifting Safety and Skills Training. Ted is one of the original founders of, and is currently President and CEO of North American Crane Bureau, Inc.
Q: Please describe your business background.

A: As President and CEO of Associa, I currently focus on business development and growth of the company that I founded in 1979. Back then it was a small property management firm in Dallas. I’ve used my experience in real estate from development and construction, to leasing, management and maintenance, along with my public education (Dallas ISD and UT-Austin) and some really great employees to grow this company to be the nation’s largest company devoted exclusively to the management of community associations. After more than three decades, we are looked to as a national leader in our industry.

Q: Where do you see our state heading as we approach the 2011 Legislative Session?

A: We are facing an historical budget shortfall and the very partisan task of redistricting. The recent elections have surely pointed us directly down the road of spending cuts. Not unlike the choices we’ve all had to make in our business and personal lives because of the overall economy, we cannot spend what we do not have. It is a challenge, but also an opportunity to prune back in places government has overgrown its need.

Q: Do you view government as a friend or foe?

A: Government is just the combined will of you and your neighbors, so the answer depends on whether you view your neighbor as a friend or foe. As a public servant, I am honored that my neighbors elected me to represent them in Austin, where, “That government is best which governs least.” This sentiment is attributed to the patriot Thomas Paine, who also observed, “Those who expect to reap the blessings of freedom must, like men, undergo the fatigues of supporting it.”

Q: What is your view of the free enterprise system?

A: The free enterprise system provided the opportunity for me to grow a one-man-do-it-all business into a business that employs in excess of 8,000 people. With my own sweat-equity and at my own risk, I was able to identify a need, enter the marketplace, out-compete other businesses and build a good life for me and
my family. Many others have done the same and the opportunity exists for more still. As Chair of the Senate Committee on Business & Commerce, I fight for preservation of the free enterprise system every day.

**Q: What are the priorities for the 2011 Legislative Session?**

**A:** Any issue this session is going to fall in line behind the budget with the number one priority being to cut spending. This effort should include looking for inappropriate and duplicative services to eliminate and reconsideration of monies paid out as grants. Everything must be considered. Cyclical review of whether certain agencies are necessary and are performing the right functions, commonly known as “Sunset” reviews, will also have priority. Among the agencies up for consideration this session are the Public Utility Commission, Electric Reliability Council of Texas, the Texas Department of Insurance and its Workers Compensation Division and the Texas Commission on Environmental Quality. It is my privilege to work with the construction industry on identifying possible statutory improvements; I expect to carry some priority legislation in that area.

**Q: As a Texas State Senator what accomplishments are you most proud of?**

**A:** As author or primary sponsor of more than 400 bills that have become law in the State of Texas, I am proudest of legislation I have passed to improve commerce in the state, bring ethics and transparency to government, and make Texans more secure and safe.

**Q: What are the top 3 issues the Texas Senate will have to table in the 2011 Legislative Session?**

**A:** Anyone who tries to bring Washington-style politics or approaches to issues such as health care will be very disappointed this session. Of course, I will oppose with my last breath any attempt to institute an income tax in Texas.
SOUTHERN TEXAS CHAPTER

November and December were the months for community service at the South Texas Chapter. Before Thanksgiving the chapter collected over $9,000 in gift cards, prepared 300 gift bags and had a Suburban load of additional items for the Chapter’s Wounded Warrior Project, supporting the Warrior & Family Support Center (WFSC) at Fort Sam Houston. The WFSC provides assistance to the wounded warriors and their families as they recuperate from wounds received in Iraq and Afghanistan. This was the fourth year for this project.

In early December, the chapter joined with other construction trades groups for the annual Construct A Kid’s Christmas program. This included an industry Christmas gala where over $15,000 was raised and over 1,000 toys were donated. 650 industry members enjoyed an evening of live and silent auctions, dancing, food, and a variety of casino games. At one point in the evening the power went out for about an hour but that didn’t stop the fun and games as everyone picked up the table candles to shine a little light on the games! Then in mid December the chapter’s Future Leaders Task Force participated in a gift wrapping project for the local Elf Louise Christmas program.

On the education front the chapter’s apprenticeship program saw a dramatic increase in the number of registered apprentices, from just over 200 for the 2009/2010 school year to over 380 for the 2010/2011 school year. Part of the reason for the increase is the large amount of public work underway in the San Antonio region (as most contractors across the country are well aware).

The Chapter’s PAC held a successful Judicial Candidates reception just prior to the November elections. Nine judicial candidates attended including three Texas Supreme Court judges, two appeals court judges and four district court judges. All nine candidates were elected in a Republican sweep. Also, the chapter’s PAC was one of the few business groups to support John Garza who defeated incumbent David Leibowitz, who was no friend of ABC or the business community. All in all it was a successful general election for ABC at the local, state and national levels!

The Chapter’s strategic planning process was completed in October, the 2011 Goals & Action Plans were adopted at the November Board meeting, and the budget was adopted at the December Board meeting. So it is full steam ahead for 2011. Happy New Year!

GREATER HOUSTON CHAPTER

The Greater Houston Chapter closed out 2010 with a bang and topped off the year by achieving ABC National-recognized Chapter Growth for the twelfth consecutive year! As 2011 approaches, the Greater Houston Chapter looks to revitalize the best parts of ABC membership and embark on exciting new initiatives to foster increased networking and business development opportunities. In October, the first annual Business Excellence Awards featured the Greater Houston area’s premier members competing amongst their peers to showcase their unique business culture. SpawGlass Construction Corporation took home the overall “Best in Houston” award for their steadfast dedication to quality and demonstrated exemplary performance. The Business Excellence Awards will take place every other year and in 2011 the Greater Houston Chapter will once again host the Excellence in Construction awards.

Greater Houston’s fourth quarter also saw dramatic shifts in the political spectrum. Following a very successful event partnership with the Women Contractor’s Association, the Political Action Committee enjoyed a 98 percent success rate on endorsed candidates on the November 2nd ballot. The PAC showed no sign of slowing down and hosted their annual Holiday Party at the oldest craft brewery in the Lone Star State, Houston’s own Saint...
Arnold’s Brewing Company. The PAC welcomed an unprecedented 200 plus attendees to the event and successfully exceeded their goal to jump start fundraising for 2011. ABC Members were afforded the opportunity to interact with Elected Officials and staff in a relaxed setting. The event went well and welcomed new ABC members to the PAC. Beyond fundraising efforts, the event continues to propel the mission of increasing visibility of our Merit Shop philosophy and Free Enterprise principles.

At the beginning of 2010, the City of Houston embarked on a Disparity Study followed by an unfavorable audit by the City Controller and now Mayor of Houston, the Honorable Annise Parker. Just shy of December ABC members participated in Shareholder Focus Groups to voice their concerns with the current operations of the City of Houston’s Affirmative Action Contract Compliance Office. ABC members remain dedicated to an efficient program that can factor in the S/MWDBE subcontractors’ capacity and ability to bond to complete city work. In December, ABC member companies were sent surveys by NERA Economic Consulting. The Greater Houston Chapter will continually urge members to be active partners in the study for the greater good of Houston taxpayers and contractors alike. The study’s final results should be presented in mid-February 2011.

TEXAS GULF COAST CHAPTER
The Texas Gulf Coast Chapter celebrated its 35th Anniversary during the annual Christmas Social on December 7, 2010. In addition to marking this occasion, members and guests followed a long-time tradition of helping the community through ABC Cares Toy and Food drive. October brought a flurry of activity from many contractor and industry members when ABC hosted the 2010 Construction Exhibition and Craft Championships for eight high schools from seven local districts with our college partner, Brazosport College. Close to 350 juniors and seniors were introduced to the construction industry in an all day event that allowed them to rotate through 15 hands-on sessions. Approximately 125 volunteers from industry and contractor companies helped students with activities including rebar tying, scaffold building, welding, pipefitting, heavy equipment, hand and power tools, electrical, and others. In conjunction with the Exhibition, Texas Gulf Coast held its local Craft Competition. Members plan to attend the ABC Education Conference in April in support of this chapter’s local winner and competitor for the ABC national Craft Championships, Denton Smith of McGill Maintenance Partnership, Ltd. Since 1995, the chapter has promoted craft training through this competition and brought home many medals, including six gold.

Recently, Lisa Bundick Woods, Chairperson, Buck Blevins, Chair-Elect, and President, Terry McAlister attended the National Board Meeting and Leadership Conference in California. Shortly thereafter, the Chapter held its annual Goal Planning and Presentation meeting.

Texas Gulf Coast’s PAC made contributions to State Representatives Dennis Bonnen and Randy Weber, and State Senator Glenn Hegar. Clearly, all ABC Chapter contributions as well as the State and National contributions resulted in many successes at the polls.

Leaders from the Chapter will be attending ABC’s BizCon in February, participating in the State Legislative Day in Austin, and in March, taking the opportunity to talk to the legislators about issues specific to the county by attending Brazoria County Days at the State Capitol.

CENTRAL TEXAS CHAPTER
On October 12th ABC Central Texas held its Excellence in Construction banquet. It was the largest banquet in recent years. The chapter had 40 EIC entries and 19 Safety applications. The Excellence in Construction Awards has two levels, the top honor being the EIC Award of Excellence and the next level being the EIC Award of Merit. The coveted trophy is an impressive statue of an American Eagle. The Excellence in Construction Safety Awards also has two levels, the top honor being the EIC Award of Safety Excellence followed by the EIC Award of Safety Distinction. In addition to the Eagle and Safety Awards, Medallions were given out to the Project Managers and Superintendents of the winning projects. There were over 325 people who attended the evening event at the Hyatt Regency Hotel on Lady Bird Lake.

On December 2nd, the chapter held the Free Networking Holiday Mixer at Sherlock’s Pub. Members and guests were invited to mix, mingle and network with other construction professionals. Rogers-O’Brien and Lasco Acoustics & Drywall were the two food sponsors and over 60 were in attendance.

On December 8th the chapter hosted the second annual Meet the General Contractor Roundtable Event. Meet the Generals is an opportunity for construction firms and suppliers to meet with the industry’s top General Contractors to discuss upcoming projects in the Central Texas area. GC’s discussed what it takes to do business with them and the requirements. Subs were able to exchange information on their company to help establish a relationship with that GC. Each of the six General Contractors and Sponsors were stationed at a designated table. There was a shotgun start with groups of subs rotating from one table to the next every 15 minutes. There were beverages and snacks during the day.

(Continued on page 16)
TEXO CHAPTER

TEXO has had a very busy last quarter and closed-out their second year. They just completed the Board Planning Retreat so the following data is very fresh and was compiled as measurements of their successes against the 2010 Plan.

To date, TEXO has 340 members and 1,595 subscribers. Members generated 94% of the Chapter’s dues revenue or $2,880,000. Current member equity is $5 million, of which $2.2 million is cash.

In 2010, over 11,000 member employees participated in 325 events including Special Events, Forums, Safety Training and Professional Development. Additionally, 1,467 people participated in the craft training programs representing 99 member firms.

The TEXO facilities, primarily the TEXO Conference Center, was utilized 302 times by 169 different member firms.

Safety remains TEXO’s most valued service. Over 2,300 members took part in Safety Training programs while over 1,500 participated in the monthly Safety/Superintendent Forums. TEXO also held two Construction Industry Stand-Downs which affected over $4 billion in construction projects across North Texas. 2010 also marked a renewal of TEXO’s OSHA partnership. Good for the next three years, TEXO’s partnership was one of the first approved under the Obama administration. TEXO also has a Cooperative Storm Water Pollution Prevention Plan with EPA and TCEQ. Seven member firms are part of this groundbreaking agreement to enhance and strengthen storm water programs. TEXO is also underway with the development of a Construction Trades Charter High School. After a year of negotiations, the school is expected to start classes in the Fall of 2011.

2010 was an active and successful political year. Meetings were held with 62 State Representatives, 16 Senators, and 12 Statewide office holders including the Governor, Lt. Governor, and Attorney General. Meetings were also held with both U.S. Senators and 6 U.S. Congressmen. TEXO’s PAC current balance is $42,000 after having contributed $67,000 to both ABC of Texas and AGC Texas Building Branch’s PACs. TEXO’s Advocacy Fund’s balance is $72,000 after having contributed $100,000 to ABC’s Free Enterprise Alliance.

Two additional programs of the Chapter are the Young Constructors Council (YCC) and the TEXO Foundation. YCC capped its participation to 60 young constructors. There is now a waiting list to enroll. The YCC held thirteen events this year including the Annual Softball Tournament which attracted over 300 individuals.

The Chapter’s 501c3 Foundation is currently endowed at $900,000. This year the Foundation gave $20,000 in scholarships and $50,000 in Research Grants to Texas A&M University, Texas Tech University, Texas State University, Oklahoma State University and the University of Oklahoma.

The Foundation raises the majority of its funding through three events and additionally hosts the Region V Educator’s Conference and the ASC Region V Student Competition. This year 22 student teams competed including one international team from Ireland.

The Foundation also partnered with Texas A&M University to host a two-day BIM Conference which attracted 220 contractors and owners.

TEXO also had fun at seven social events in 2010. The Awards Night, Crawfish Boil, Poker Run, Summer Bash, Fall Golf Classic, Chili Cook-Off, and the Holiday Gala were all part of the 2010 lineup. The Poker Run raised $48,000 which was donated equally to Scottish Rite Hospital and Happy Hill Farm. The Chili Cook-Off attendees brought over two tons of canned foods and some

(Continued on page 18)
Your Path to the Future!

Associated Builders & Contractors, Inc.—South Texas Chapter Leadership

Chairman: Mike Leonard, Leonard Contracting, Inc.
First Vice Chair: Darrell White, Bartlett Cocke General Contractors
Second Vice Chair: Kathleen Acoc, Alpha Building Corporation
Secretary/Treasurer: Rick Mudd, South Texas Drywall
Past Chairman: Chuck Calvin, SpawGlass Contractors, Inc.

Maryanna Christensen, Harding-Conley-Drawert-Tinch Insurance Agency
Dallas Cloud, Moore Erection, LP
David Dahse, L & M Steel Co., Inc.
Michelle Seward Davis, Joeris General Contractors, Ltd.
Bill Dawley, SureTec Insurance Company
R. Wes Johnson, The Gardner Law Firm
Jason Miller, Lyda Swinerton Builders, Inc.
Bryan Moore, IBTX Risk Services
Desi Vaidez, Red Hawk Contracting, Inc.
Jerry Turman, Koonz McCombs Construction, Ltd.
Steve White, AmeriCRANE Rentals, LP
Greg Wright, Hart Acoustical & Drywall
Dennis Yanowski, Marek Bros. Systems, Inc.

proudly supported by
ABC-South Texas Chapter Members

10408 Guidale, San Antonio, Texas 78216 • Ph: 210/342.1994 • Fx: 210/342.5385 • www.abcsouthtexas.org
ABC INITIATIVES AROUND THE STATE

$1,000 in cash. The food and money were donated to the North Texas Area Food Bank.

The Board of Directors, Officers, and Staff of TEXO are very proud of their accomplishments in 2010. As a Chapter of both Associated Builders and Contractors and the Associated General Contractors, we are constantly striving to serve our membership through our vision of “Working Together to Build the Best Contractor Community...through Unity and Leadership.”

TEXAS COASTAL BEND CHAPTER

As 2010 closes out, the Texas Coastal Bend Chapter is excited about this year’s past accomplishments and is anxious about 2011. In October’s - “Meet the Candidate” general, membership luncheon; over 135 members witnessed 21 candidates discussing the incorporation of their political platforms with pro-business ideals and merit-shop principles. Some of the candidates in attendance included ABC member and state representative Todd Hunter, ex-representative Gene Seaman speaking on behalf of ABC member Raul Torres, ABC member Judge Guy Williams, Representative Connie Scott, Congressman Blake Farenthold, District Judge Angelica Hernandez, Judge Greg Perkes to name a few. As a final result, the local and state election proved to be a huge success displaying the unseating of Solomon Ortiz, a 28 year veteran Congressman and Co-sponsor of the Employee Free Choice Act; a bill and an issue that is still on National ABC’s radar.

As representative Todd Hunter says, “it’s time for us to lead and make the necessary difficult decisions that must be made in order for Texas to excel”. He went on to say that when called upon, please extend your expertise. Todd couldn’t have said it better, but know that the ABC/TCB Chapter congratulates all the newly elected officials that are continually committed to promoting the free-enterprise system. A big thanks also goes to Mark Roach, 2011’s ABC/TCB Board and PAC chairman for achieving so many political successes.

One of the Community Outreach goals that the 2010 Directors wanted to accomplish was to assist the local Harbor Playhouse with a financial contribution to assist them with badly needed Capital improvements. The Harbor Playhouse is a non-profit, theatrical facility promoting theater and drama amongst youth and the community that is privately maintained and operated. Under the direction and commitment from Co-Chairs Randy Larson, with Larson Plumbing, and Pete Cordova, of Industrial Piping and Steel Co., the ABC/TCB Chapter along with an army of volunteers once again assisted with this year’s “outreach” contribution noting that the 2nd Annual “Grillin’ on the Playa” BBQ Cook-Off was a huge success!

The Craft Training Center (CTC), under the direction of Dr. Anne Matula, continues to see another stellar year eclipsing enrollment for 2010 while receiving a record number of scholarships and grants through ABC, the Port Industries, ACIT, AWS, Texas Workforce Solutions, the Ed Rachal Foundation, and others. CTC has continues to branch out to regional facilities in Ingleside, Mathis, Kingsville, Falfurrias, and Alice. Plans are still on schedule to host SKILLS USA on March 31-April 2, 2011 and the regional Welding Contest on May 13, 2011. “Busting at the seams already with its recent expansion, there is talk amongst the directors about another expansion sometime in the future,” says Dr. Matula noting that students are definitely taking advantage of the downturn in the economy by improving their skills and bettering themselves. Besides welding, pipe fitting, instrumentation, scaffold building, industrial painting, electrical apprenticeships, and the newly formed Construction Technology class, CTC hopes that they will be endorsed by NCCER for their offering a Crane Rigging Certification with an emphasis on OSHA requirements and regulations.

Coming into the year with a bang, the chapter plans to host Mike Uremovich, National ABC Chairman, as he lays out his ABC Road Map for 2011. Uremovich has been known to reiterate several times the overwhelming potential of the ABC leadership, its membership, and its political force to face construction issues head on! Mike is truly an inspiration and we await his arrival on Tuesday, January 25, 2011.

The Management Education Committee, chaired by Kay Wakeham, owner of The Growth Coach, displayed great programs last year such as “Understanding TCCE Environmental issues, Quality Control Management Certifications, and Understanding City of Corpus Building Codes and Enforcement” and saw huge participation as plans are underway for next year’s programs such as “Communicating by Understanding Work Style Types”. Kay and the Committee have done a wonderful job providing “quality” lunch break events and her efforts are appreciated.

The Programs committee, Co-chaired by Missy Socha with Hagemeyer NA, and Scott Cross, Nueces County Parks, have begun planning next year’s events such as Legislative Day- Austin on February 8th and 9th, Casino’ s “Hollywood Nites” on March 4th, the ABC Golf Tournament on May 9th, the 10th Annual Skeet and Trap shoot on September 9th and 10th, and the 3rd Annual “Grillin’ on the Playa” on October 21st and 22nd, 2011.

On a final item, the chapter sends out a “huge thanks with sincerest appreciation” to all the ABC members and volunteers that made this Chapter the unbelievable Chapter that it is, while celebrating next year’s 28th year anniversary . Again, congratulations to all those newly elected officials.
2011 Legislative Day*

February 9, 2011
7:00am Breakfast
7:30am Program
9:00am Visits with Legislators
Doubltree Guest Suites
303 W. 15th St.; Austin, Texas

Welcome Reception*
February 8, 2011
4:30-8:00 p.m.
Office of The Texas Lobby Group
919 Congress Ave., Suite 1500

*Program and Reception are free for members

Join fellow members of Associated Builders and Contractors from around the State as we meet with our elected officials to discuss issues important to the construction industry and Free Enterprise on Wednesday, February 9th. Also, make plans to attend the February 8th Welcome Reception, where you will have the opportunity to visit with state lawmakers in an open and casual environment!

To RSVP for the 2011 ABC Legislative Day or learn more about the event, please contact your local chapter at the corresponding number below.

CENTRAL TEXAS
ph (512)719-5263
www.abccentraltexas.org

TEXO
ph (972)647-0697
www.texoassociation.org

TEXAS COASTAL BEND
ph (361)289-5311
www.abctcb.org

TEXAS GULF COAST
ph (979)233-1616
www.abctxgulfcoast.org

GREATER HOUSTON
ph (713)523-6222
www.abchouston.org

TEXAS MID COAST
ph (361)572-0299

SOUTH TEXAS
ph (210)342-1994
www.abcsouthtexas.org
Associated Builders and Contractors is a voice for members with state and federal agencies, on Capitol Hill and in state houses across America. Membership provides access to great insurance programs and to other business partnerships that save your firm money while increasing value for your employees.

Joining ABC provides access to top training and safety programs including access to ABC’s national safety partnership with the Occupational Safety and Health Administration (OSHA). Through ABC you can build and improve your business by networking with America’s top contractors while connecting with top owners.

Isn’t it time you joined the most exciting organization in the construction industry?

Visit www.abc.org
To Join an ABC Chapter Near You!