

Report from the Affilitated Construction Trades of Ohio

SUMMER 2016

Volume 1 Issue 1

Director's Report

By Matthew A. Szollosi



Szollosi

Construction is a tough, competitive business. It requires grit, perseverance, and dedication. I am proud to be the Executive Director of ACT Ohio because our members and our leadership share these

attributes. When it comes down to it, we do excellent work. Our 92,000+ members and our 14,000+ contractors are the best in the state.

Our business model fosters competition. Building trades members compete on the job every day; our contractors compete for work. We've constructed nuclear power facilities, oil refineries and 50-story skyscrapers. Our apprenticeship training is second to none. We self-imposed mandatory, random drug

testing more than 20 years ago. We also set the standard for safety.

Collectively, however, we have failed miserably though at telling our story. Far too many decision-makers, in both the public and private sectors, know nothing about us.

ACT Ohio was effectively put in place in 2013 to change the narrative. It was created to facilitate industrial and economic development opportunities and promote industry best practices. ACT Ohio is intensely focused on creating job opportunities for our members.

Through our research department, ACT Ohio has helped our affiliates' agents and organizers turn around numerous projects. I have worked on PLAs on numerous project, valued in excess of \$5 billion.

With the tremendous support of our Executive Board, Regional Council, and dozens of affiliates, we have built relationships on both sides of the political aisle in Columbus. Despite harmful political attacks such as the repeal of prevailing wage and implementation of So-Called "Right to Work" in Michigan, Wisconsin, Indiana and West Virginia, our law has remained virtually unchanged.

The vision of State Building Trades Secretary-Treasurer Dennis Duffey and the ACT Ohio Executive Board is working.

The purpose of this Newsletter is to keep our members informed about issues in Columbus and across the State that impact the construction industry. In the coming issues, the ACT Ohio Newsletter will be touching upon industry/project-related news organizing activities; special events, success stories and public policy.

Once again, thank you for your hard work and dedication to the industry. If our staff can ever be of assistance to you, please do not hesitate to contact our office. Please work safe!

ACT Ohio Executive Board

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Shaun Enright NW OHIO BUILDING TRADES

Dorsey Hager COLUMBUS BUILDING TRADES

PLA finalized on \$5.5 billion project

Cracker plant will need 5,000 craftworkers at peak

The U.S. subsidiary of PTT Global Chemical (PTTGC America) has selected a site in Belmont County's Mead Township for the construction of a world-scale petrochemical complex. PTT Global Chemical is Thailand's largest integrated petrochemical and refining company.

ACT Ohio has been intimately involved with the development of the petrochemical complex since the initial discussions of the project. JobsOhio, the state's private development agency, asked ACT Ohio to make a presentation to the board of



Kongkrapan Intarajang, Phd., Executive V.P., International Business Operations (far left) and Supattanapong Punmeechaow, CEO of PTT Global Chemical, stand with ACT Ohio Executive Director Matt Szollosi after a recent meeting related to the proposed ethane cracker plant in Belmont County.

See PLA page 4.

ACT OHIO QUARTERLY: **JULY 2016** 1

ACT Ohio works to preserve public sector PLAs

On May 3, the Ohio Senate rejected a proposed ban on project labor agreements. The rejected legislation would have banned state and local governments from requiring use of Project Labor Agreements (PLAs) on statefunded construction projects. This language was added to Senate Bill 152 in the Ohio House State Government Committee, which prohibits cities from imposing local hiring quotas on public projects.

The Ohio House voted 51-42 to pass the restrictions. Less than an hour later, the Ohio Senate voted 25-8 to reject the amendments to Senate Bill 152.

ACT Ohio and its affiliates aggressively lobbied state legislators to ensure local governments could still utilize PLAs.

PLAs are effective tools to ensure

projects are completed in a timely fashion, while emphasizing livable wages, safety, and above all, quality workmanship. PLAs typically require contractors to secure its manpower for projects from building trades' hiring halls.

Banning PLAs would have had serious consequences for building trades members ability to secure work with some local governments around the state of Ohio.

"For decades, Project Labor Agreements have proven to increase efficiency, decrease delays, and promote timely project delivery for the customer," said ACT Ohio Executive Director Matt Szollosi.

"Oftentimes, what gets lost in the political discussion are the tremendous benefits for project owners. More than



Union construction workers, back in the summer of 2013, putting the final touches on the new Cleveland Convention Center and Medical Mart. The project was completed months ahead of schedule and under budget thanks to the use of a public sector PLA.

anything, owners expect quality, value, and efficiency. Project labor agreements have been shown for decades to deliver on these expectations. "Our affiliates greatly appreciate the efforts of legislators on both sides of the aisle to reject what would have been poor public policy." said Szollosi.

What is ACT Ohio?

In 2010, OSBCTC Secretary-Treasurer Dennis Duffey and then-President John Kilbane recognized that the market share for the Ohio State Building Trades Council was in a gradual, but consistent 20-year decline. ACT Ohio was created and received approval for funding at the 2012 State Convention to reverse the decline.

There are essentially three divisions of the organization: 1.) Legal/Research, 2.) Governmental Affairs and 3.) Marketing/Communications.

ACT Ohio's legal team works closely with the regional councils, business agents and organizers across the state. ACT's production of high level research reports has helped turn numerous projects around, resulting in work opportunities for our members.

Additionally, ACT Ohio has negotiated, drafted and secured approval for PLAs, drafted responsible contracting policies, and pushed initiatives to curb 1099 independent contractor abuse. It is estimated that over the past three years, our legal team has saved our affiliates over \$350,000 in attorneys' fees.

The ACT Ohio Governmental

Affairs Division has had one primary purpose: To build a strong, bipartisan building trades majority in the Ohio Statehouse. While Michigan, Wisconsin, Indiana, and West Virginia have suffered waves of political attacks, Ohio has maintained prevailing wage and snuffed out So-Called "Right to Work" initiatives. Tea Party and ABC efforts to ban Project Labor Agreements also have been beaten back soundly.

From a marketing/communications standpoint, one thing is clear: The building trades need to do a better job marketing its business model to decision-makers. Top elected officials and CEO's have very little understanding of how the building trades' model operates, and that has to change.

Similarly, the trades' more than 92,000 members deserve to know how their money is being spent, and what results are being achieved. This newsletter is a good start.

With time, effort and an aggressive approach, ACT Ohio will continue to be successful in securing job opportunities for the members of the building trades.

Please visit the ACT Ohio website www.actohio.org for additional information.

Major public projects in Toledo require Project Labor Agreements

On May 24, the City of Toledo approved implementation of PLAs on certain city public improvement projects with the Northwest Ohio Building



Enright

and Construction Trades Council.

In doing so, Toledo raised the bar on the quality of public works construction within city limits.

Toledo Mayor Paula Hicks-Hudson advocated for the ordinance. According to the Toledo Blade, the Mayor said the legislation was needed to ensure the city uses a highly-trained and skilled local workforce on local construction projects.

Shaun Enright, Executive Secretary of the Northwest Ohio Building and Construction Trades Council said, "utilization of Project Labor Agreements has proven invaluable for private sector developers and customers for decades – they are an

"Utilization of Project Labor Agreements has proven invaluable for private sector developers and customers for decades – they are an industry custom and an integral tool for the owner. Having a qualified, skilled and experienced workforce helps ensure quality, value and efficient project delivery."

- Shaun Enright, Executive Secretary, NWOBCTC

industry custom and an integral tool for the owner. Having a qualified, skilled and experienced workforce helps ensure quality, value and efficient project delivery."

David Fleetwood, Business Manager of Laborers Local 500 who was key in getting this legislation passed, stated: "This will be a win for the taxpayers, and a win for the industry."

A Message from the Legal and Research Department

By Rob Dorans

to create a resource for business



Dorans

The ACT Ohio Legal and Research Department was formed soon after the initial inception of the organization. The ACT Ohio Executive Board sought managers, agents and organizers to help with a wide range of needs. These include business development opportunities, safeguarding the prevailing wage law, ensuring public authorities comply with competitive bid laws, and providing in-house legal services.

To date, the ACT Ohio Legal and Research Department has responded to more than 1,300 research requests from local unions and councils. Based on the information uncovered in these research reports, we have been able to help local unions secure countless additional work opportunities for building trades members across the state.

In addition to helping local unions secure additional work opportunities for their members, the ACT Ohio Legal and Research Department has been at the vanguard of protecting Ohio's prevailing wage law by holding wage violators accountable. Prevailing wage investigations led by ACT Ohio have resulted in contractors being forced to repay their

workers tens of thousands of dollars. Strong prevailing wage enforcement is a critical step to ensure that building trades contractors are competitive on public works projects.

The goal of the ACT Ohio Legal and Research Department is simple: To help local unions and councils put our members to work. In future newsletters we'll update you on our efforts to put new tools into the hands of local unions and councils and to ensure that you are well informed about our efforts.

Leading the charge

Cincinnati announces PW expansion, other labor reforms

The City of Cincinnati recently passed several key labor reforms that will significantly affect the ability of building trades contractors to be competitive on tax-abated construction projects. Cincinnati will require the payment of prevailing wage on all projects that receive

\$3 million in tax abatements, or other City support if the total project is in excess of \$5 million.

Due to a loophole in Ohio's Prevailing Wage Law, private projects that receive tax abatements, credits or other support from a local government will likely not trigger Prevailing Wage. However, under the legislation passed by the City of Cincinnati, prevailing wage will now be required on large-scale private developments that receive significant City support. This will mean that building trades' contractors could be far more competitive in bidding these projects.

The City of Cincinnati also recently passed a wage theft ordinance, the first of its kind in Ohio. This legislation will help crack down on the practice

of employers wrongfully classifying their employees as independent contractors. By classifying employees as independent contractors, businesses are able to lower their costs of doing business and therefore can undercut reputable contractors.

Executive Secretary Larry Oberding, of the Greater Cincinnati
Building and Construction
Trades Council, praised the new ordinances.

"Requiring the payment of prevailing wage on projects that receive significant taxpayer support is a no-brainer, and I believe this will result in more of our members going to work on these large, private developments in the City of Cincinnati." Oberding said.

ACT Ohio thanks Cincinnati Mayor John Cranley, Vice Mayor David Mann and City Council Members Yvette Simpson, Chris Seelbach, Wendell Young and P.G. Sittenfeld, for their support of this legislation. ACT Ohio is working with local councils around the state to bring these labor reforms to other cities.

Roofing Licensure legislation proposed in Ohio Senate

On May 18, the Ohio Senate heard testimony in support of Senate Bill 249 (S.B. 249). This legislation, if approved, would require each nonresidential roofing contractor to hold or be assigned a roofing contractor license issued by the Ohio Construction Industry Licensing Board (OCILB).

The legislation would require roofing contractors to pass an examination to ensure a basic level of competence. Since many nonunion roofing companies illegally classify their workers as independent contractors to avoid paying unemployment taxes, workers compensation premiums, employer payroll tax and other requirements, an OCLIB license could have a significant impact in reducing independent contractor/1099 abuse.

An OCLIB license requirement for other trades has reduced the usage of independent contractors sharply.

John Hayes, the Business Manager of Roofers Local 75 and an Executive Board Member of ACT Ohio, testified in support of the legislation.

"A licensing requirement by the OCILB for the roofing industry



John Hayes the Business Manager of Roofers Local 75 and an Executive Board Member of ACT Ohio testifies before the Ohio State Senate.

will address many of the issues created by the race to the bottom contractors that have ravaged our industry." Hayes said.

ACT Ohio's Legal and Research Department worked with Hayes to develop his testimony for the Ohio Senate. Licensure in the roofing industry will have a direct impact on the ability to expand market share for roofing Locals across Ohio.

ACT Ohio continues to monitor the progress of this important legislation.

Tip of the Hard Hat

Boilermakers outing supports hospice care

Boilermakers Local 105 recently held their annual charity golf outing to support South Ohio Medical Center Hospice.

"This outing was a great success, and a great time was had by all who attended," said Local 105 Business Manager and ACT Board Member Scott Hammond

Insulators fight mesothelioma

In August, the Insulators will be hosting a motorcycle rally in Dayton to help raise funding for research to fight mesothelioma.

"This disease has had a devastating impact on our membership and their families – with research, and sacrifice, we can beat it," stated Barry Rohrmeier, Business Manager Insulators Local 8 and ACT Board Member.

Conference provides help for Ironworkers

Managers, agents and organizers who attended the 2016 Ironworkers IMPACT Conference gained valuable knowledge to help build market share.

Bill Woodward, Southern Ohio District Council President commended those who attended and thanked ACT Ohio for making a presentation during the event.

Longtime Bricklayers Field Reps Retire

Because of a change in the retirement rules with the International Union of Bricklayers and Allied Craftworkers pension fund, many valued members and field representatives have retired in recent months.

The Ohio-Kentucky Administrative District Council has recently seen the retirement of Field Representatives Ted Linscott, Vince Isaac, Dan Zavagno, Mac Mellert and Steve Shively. Apprenticeship instructor Flory Fernandez and District Council Secretary-Treasurer Fred Hubbard also retired.

"I want to thank our retiring leaders for their tremendous efforts over the years putting our members to work. While it's impossible to replace the years of experience our retiring field reps possessed, I am excited by the fresh perspective that our new staff will bring to the job." said Ken Kudela, Director of the Ohio-Kentucky Administrative District Council

ACT Ohio congratulates these longtime leaders for their dedicated service to the Bricklayers and the building trades as a whole.

SMW fight high infant mortality rate

On Aug. 9, Sheet Metal Workers Local 24 will host its third annual "Moms to be Program," designed to raise funds for a critically important charity in Central Ohio to help ensure pregnant women have access to care.

"The Sheet Metal Workers are committed to working closely with City of Columbus Mayor Andy Ginther to reduce infant mortality in Central Ohio," stated ACT Board Member and Local 24 Business Manager Scott Hammond.

Cement Masons return to State Fair

The Operative Plasterers and Cement Masons will once again conduct their Great Lakes Apprentice Competition at the Ohio State Fair the week of July 27-29.

"We have a rich tradition of displaying our apprentices' talents at the State Fair – apprentices from all over the United States and Canada are expected to compete," said ACT Board Member and OPC-MIA State Conference President Joe Ciacchi.

Elevator Constructors seek licensure law

The Elevator Constructors are preparing legislation that would require licensure for key segments of its work jurisdiction.

"Nothing takes precedence over our members' safety, it's that simple," said Business Rep. and ACT Board Member Tim Moennich.

Laborers Care!

According to Ralph Cole, Business Manager for the Ohio Laborers District Council and ACT Board Member, the Laborer's 15th Annual motorcycle rally through the Allegheny Mountains includes members from multiple states and Canada who come together to raise funds for the families of members accidentally killed on the jobsite.

"When we started this, we only had 13 riders, and we're anticipating over 125 this year and hope to raise over \$150,000," said LIUNA Rep. Kenny Holland.

IBEW Local 673 volunteers at festival

Danny Lastoria, Business Manager of IBEW Local 673 recently had a dozen members assist with the Geneva-on-the-Lake Grape Jamboree festival set-up.

According to International Representative and ACT Board Member Dave

Moran, "this is one example of dozens of charitable activities our members have engaged in this year – we believe in giving back to our communities."

IUPAT DC 6 gives back

Late this past spring, members of the International Union of Painters and Allied Trades conducted a National Day of Community Action.

Across the nation, IUPAT members and staff gave back to their communities through charitable projects.

Here in Ohio, IUPAT District Council 6 members tackled three projects: Members painted the YMCA basketball and racquetball courts in Cuyahoga Falls; repainted portions of the Peasley Center, a neighborhood education center in intercity Cincinnati; and assisted with the installation of a new scoreboard at Branch Rickey Field at Shawnee State University in Portsmouth.

ACT Ohio congratulates IUPAT DC 6 for giving back to their local communities.

If your local union has given back to your local community please let us know, we'd love to highlight your efforts in future ACT Ohio newsletters. Please contract Ashley Gammella at agammella@actohio.org.

Butch Taylor retires after 37 years with UA

Butch Taylor, Business Manager of UA Local 396, and an ACT Ohio Board member, recently retired after 37 years with the UA.

"Butch approached the job with honor and integrity – he will be missed, but we wish him many years of health and happiness in retirement," said ACT Board President Mike Knisley.

PLA

Continued from page 1.

directors of PTTGC in early 2015.

Thanks to Governor John Kasich, ACT Ohio Executive Director Matt Szollosi provided the company with a detailed manpower analysis showing that the building trades could adequately staff a project of this magnitude.

"For a project of this size and complexity, manpower is always a paramount concern for the customer. My presentation to the board of directors of PTTGC made it clear that the building trades are prepared to be a key partner in making this

project a reality" Szollosi said.

Working in close conjunction with Brent Booker (National Building Trades), Dennis Duffey (Ohio State Building Trades) and Kyle Brown (Upper Ohio Valley Building Trades), Szollosi handdelivered the finalized PLA to PTTGC's CEO and Board Chairman at

their Board of Directors meeting in May.

PTTGC already has invested an estimated \$100 million in engineering and site work for the project. A final decision by the company will be made in late 2016 or early 2017. ■