



BUILD UP!

NORTH AND SOUTH CAROLINA BUILDING DIVISIONS NEWSLETTER

CAROLINAS AGC – SUMMER 2010 (JUNE 14)

JULY 22-25 BUSS MEETING AT WILD DUNES

We've got a strong lineup for our 2010 Building-Utility-Subcontractor/Specialty Contractor Meeting, The year's meeting -- "We are All in this Together" -- will be **July 22-25** at the Wild Dunes Resort on the Isle of Palms outside Charleston. The meeting will deliver timely information that will help you adapt to -- and survive -- current economic conditions and other challenges. Topics will include:

- **The State of the Economy — A Comprehensive Review** by Ken Simonson, AGC of America (AGC) Chief Economist;
- **Federal Contracting, Stimulus and Construction** by Tom Kelleher, Smith, Currie & Hancock;
- **Washington Report — Healthcare Reform, Immigration and other Legislative Initiatives Affecting the Construction Industry** by Jeff Shoaf, AGC Executive Director Government and Public Relations;
- **Organized Labor — Legislation and Activity** by Mark Stubley, Ogletree Deakins.
- For our Building Division Meeting, CAGC's Building Division Chair John Muter of New Atlantic and Vice Chair John Farley of Contract Construction will host what promises to be an excellent Building Division Meeting.

John Muter will moderate a panel discussion, "What Makes a Great General Contractor from a Contractor's/Subcontractor's Point of View," with these panelists: Carroll Heyward, W. B. Guimarin & Co. - Chair, Sub/Specialty Contractor Division; Brian Allen - Precision Walls; Curtis Wynn - United Minority Contractors of NC; Bruce Kohn, Faulconer Construction - Site work; Chris Williford, Southern Piping Co. - Mechanical

The Building Division Meeting also will feature hot legal topics with attorneys Bright Ariail with Rosen, Rosen & Hagood and Bob Burchette with Johnston, Allison & Hord, as well as discussions by staff and members on infrastructure funding, prequalification, in-state bidding issues, division goals and legislative reports.

- There will also be plenty of time for networking and relaxation at the meeting during our dinner/dance, golf tournament, receptions, spouse brunch and free time; all planned to provide the perfect mix of business and pleasure.

Register online (www.cagc.org, 2010 BUSS Meeting) and see you at Wild Dunes in July!

FROM CAGC PRESIDENT CYNTHIA MILLS



Cynthia is enjoying getting to know CAGC's members and is looking forward to more engagement opportunities throughout the coming year. [See Cynthia Mills' event calendar for the upcoming year!](#) Here's where she'll be for the remainder of this month:

- 6/16 [Supplier Service Company Advisory Board Meeting](#)—Charlotte
- 6/24-26 [Highway Heavy Division Meeting](#)—Myrtle Beach

NORTH & SOUTH CAROLINA LEGISLATURES

NC Legislature: Since the NC General Assembly convened on May 12, CAGC staff in Raleigh have been busy on a number of fronts with issues vital to the construction industry, including helping lead efforts by:

- Defeating a special provision tucked away in the House budget bill, in a 102-2 vote on the House floor on June 3, that would have significantly undermined, and in some cases gutted, the open, competitive bid system on public school construction in North Carolina. If the legislation were successful, private developers would have been allowed to skirt public bidding laws that have been in place since the 1920s.
- Ensuring that Senate-passed legislation also was passed by the state House that would save the construction industry more than \$1.5 million by allowing contractors to get rebates for unfairly having to pay franchise taxes on overbillings in taxable years 2007, 2008 or 2009. CAGC last year was successful in getting legislation enacted that prevents the NC Department of Revenue from applying the franchise tax on overbillings, effective beginning on January 1, 2010 and after. The legislation has not yet been ratified and CAGC has this as a top priority this year.
- Defeating proposed lien legislation, along with a coalition we put together with the entire construction industry, including the NC Homebuilders Association, that would have forced contractors, subs and suppliers to go to local courthouses to file liens to ensure payment on private construction work.
- Restored in the Senate budget bill about \$55 million for construction training and other vocational education in the state's 115 public school systems; continue working with the NC Department of Labor to ensure that costs for apprenticeship programs remain reasonable.
- CAGC staff, working through the *NC Go!* Advocacy Coalition, helped promote the NC Mobility Fund at a news conference in which the Governor and a NCGO Co-Chair talked to the media about the need for this new fund.
- CAGC cosponsored a NC Legislative Day, led by AIA North Carolina, on June 2 in which dozens of architects, engineers, contractors and others in the design/construction community met with lawmakers to push for infrastructure funding as a way to improve the state's quality of life, get bargain-basement construction deals, bolster the economy and consider setting up a new Building Trust Fund that would be devoted to building and utility work.
- Through the NC Recovery Coalition, met with State Treasurer Janet Cowell and State Budget Director Charlie Perusse to encourage support of raising the state's debt ceiling from 4 to 4.25 percent, freeing up another \$225 million per year from the General Fund for state construction work. The action helped paved the way for a \$451 million bill, favored by the Senate, for two new engineering facilities at NC State and NC A&T universities as well as renovation and repair funds for state buildings.
- Continue working against proposed in-state preference legislation that would call for North Carolina-based companies to get preferential treatment, a move that would water down open, competitive bidding and result in border bidding wars with other states on public construction work.
- Continuing to try to defeat local legislation that would harm the public bidding laws, including a bill that would allow the Town of Matthews to do unlimited public-private partnerships without new revenue sources or compliance with state public bidding laws.
- Worked with a NC-led State Chamber coalition to try to defeat a House-passed bill that would move North Carolina away from comparative fault to contributory negligence, a measure which, if successful, would increase liability and insurance costs.

SC Legislature: The 2010 Legislative Session wrapped up the end of the current two-year session on June 3. Bills that were filed but not enacted by June 3 are now dead and will have to be re-filed again next session. Carolinas AGC actively lobbied members of the legislature on the pros and cons of industry related legislation on behalf of our members. Below are the highlights of the year's legislative session.

- **Tort Reform Legislation Dies:** Despite a last minute compromise between Carolinas AGC and the SC Civil Justice Coalition and the Trial Lawyers, the Senate refused to give the needed consideration to the tort reform legislation prior to adjourning. Carolinas AGC along with the 30 plus business members of the South Carolina Civil Justice Coalition will work over the legislative interim to strengthen our tort reform efforts and will push for an even stronger bill during the 2011 legislative session. A bill that will, among other things, include the statute of repose clarification language, class action reform, limits on attorneys' fees, caps on punitive and non-economic damages, and a loser pays system.
- **Special Inspection Regulations:** The legislature approved regulations that comply with the Special Inspections legislation enacted last year. The bill, which was filed by Carolinas AGC, created a statewide registry for special inspectors through the Building Codes Council, under the Department of Labor, Licensing and Regulation (LLR). After the passage of the bill, LLR submitted regulations, which went into effect May 26. Those regulations provide procedures for the registration of inspectors performing special inspections of components and systems on the new construction of large or complex buildings and structures. The regulations also establish the registration categories, conditions, and requirements for special inspectors.
- **Card Check Legislation:** The legislature gave final approval to H. 3305 this session, which is a constitutional amendment that would protect the rights of workers in South Carolina to vote by secret ballot. The passage of H. 3305 will allow a constitutional amendment to be placed on the election ballot, in November, to allow voters in SC the option to amend the state constitution to protect an individual's right to vote by secret ballot in a union election. Carolinas AGC along with the State Chamber of Commerce, the National Federation of Independent Business (NFIB) and the Manufacturer's Association worked tirelessly for the past two years to pass this legislation.
- **LLR Audit:** Just weeks prior to adjourning, an audit amendment was added to a Labor, Licensing Regulation (LLR) bill that calls for a very detailed and in-depth audit of LLR by the Legislative Audit Council (LAC) which will take place over the legislative interim. Carolinas AGC will monitor the actions of the (LAC) and the impact the report may have on the Contractors' Licensing Board which is housed under the auspice of LLR.
- **Utility Legislation:** Carolinas AGC introduced legislation in the SC Senate this past January that would amend the state's outdated underground utility safety and damage prevention law. The legislation (S.1068) brings clarity to the law by specifying each stakeholder's responsibilities in the call before you dig process. A subcommittee hearing was held on the bill in March but not action was taken. Senators directed all interested parties to work together to produce a bill that all could support or the Senate threatened to write and file their own bill next session. Senate led meetings between all stakeholders began after the legislature adjourned and Carolinas AGC will pre-file a bill later this year that will be considered during the 2011 Legislative Session.

DIVISION DEVELOPMENTS

- CAGC staff in Raleigh continue work with the State Building Commission in fine-tuning a new and optional prequalification process on hard-bid state and local work that would call for a more level playing field for all qualified and responsible, responsive bidders.
- CAGC was successful, with help from the Elmore & Wall law firm in Raleigh, in protracted negotiations that ensure that general contractors continue to oversee construction work and have a direct line of communication with the owner on public and private work concerning regulations of the NC Licensing Board for General Contractors.

NEW WEBSITE IN THE WORKS FOR YOU

Coming your way very soon: an all-new web site, based on what we've heard from our own members.

We're working to help our members better understand the value your CAGC investment can bring to your company. And, we're making the site more visually appealing with photos, graphics and videos, while reinforcing the sense of CAGC as a community.

Your "member home page"

With two versions of the home page-- one for members only and one for all other site visitors-- members can stay logged in for future visits. The "public" home page is targeted to prospective members, promoting reasons to join, etc.

A summary of new home page features in the works:

- **Separate content for Specialty Contractors and Supplier/Service Companies-** instead of one combined section.
- **Clearer promotion of networking and educational opportunities.**
- **Multiple news features:** news feeds from both Carolinas AGC and AGC of America, plus construction industry headlines from around the Carolinas, plus our latest Twitter posts.
- **New section "For Architects & Engineers."**
- **New Employee Relations section-** for HR and Pro-employee/Union-free content.
- **A much improved Site Search.**
- **New section "For Legislators."** Your lobbyists can present appropriate background information and position explanations.
- **New section "For Students, Parents & Teachers"** – career ladders, how to get started in construction, CAGC Student Chapter info, etc.
- **Spotlight on new members**— showcasing new members.
- **New section "For the Media."**
- **New presence for topics such as Environment, MBE/DBE, Project Delivery and Economics & Stats**
- **Home page presence for helping members get more industry exposure**—Advertising & Sponsorships, Networking, & Awards Programs.

As always, we want to hear your ideas—[please let us hear from you.](#)

For more information: Sharon Walters 704/372-1450 ext. 5212.

QUOTES OF THE QUARTER

"All you need in this life is ignorance and confidence, and then Success is sure."

"The lack of money is the root of all evil."

"What is the difference between a taxidermist and a tax collector? The taxidermist only takes your skin."

- Mark Twain

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