



AGCVA eBulletin

Volume XXXIII No. 3 February 10, 2017

New Crystalline Silica Standards expected to start June 23, 2017

One of the continuing parting gifts of the Obama Administration are new mandates around occupational exposure to Silica. AGC America and AGC Virginia continue to oppose implementation and enforcement as the Department of Labor still does not know how to properly implement the regulations. However that is not stopping the new rules from coming into effect on June 23, 2017. DOLI has issued the attached [Power Point presentation here](#), one we highly suggest you read.

While the health and safety of all employees is paramount, we are working with AGC America to urge the new leadership at the Environmental Protection Agency to reverse course and at the least either, delay enactment (until agencies figure out how to properly test for Silica exposure as they have mandate) or repeal these additional regulations until a common sense business solution to solve the issue is identified. Some of the requirements are so onerous, they can potential put companies out of business in an honest effort to comply.

[Click here](#) to see AGC Americas comments on Silica.

If you have additional questions, please contact Gordon Dixon at gordon@agcva.org

The Dangers of Environmental, Safety Noncompliance for Your Business

Both the U.S. Environmental Protection Agency (EPA) and the U.S. Occupational Safety and Health Administration (OSHA) have increased civil penalties for new enforcement cases... AGAIN! This is the second time in six months that these federal agencies have raised their penalties for environmental or safety/health violations.

[As previously reported by AGC](#), in late 2015, Congress amended the [Federal Civil Penalty Inflation Adjustment Act](#), codified at 28 USC 2461, requiring federal agencies:

1. To raise their penalty structures to account for inflation (these one-time time “catch-up adjustments” happened in summer 2016); and
2. Beginning Jan. 15, 2017, to annually review their statutory civil penalties and make adjustments to account for inflation.

EPA’s new increased civil fines took effect for penalties assessed by EPA after Jan. 15, 2017, in connection with violations that occurred after Nov. 2, 2015. [82 Fed. Reg. 3633 \(January 12, 2017\)](#). As a result of the inflationary updates, the maximum penalties across the various environmental statutes now range between \$52,414 and \$54,789. For example:

- Fines for CWA Section 402 NPDES stormwater permit or Section 404 (dredge and fill permit) violations can reach \$52,414 per day, per violation (up from \$51,570).
- Fines for EPCRA paperwork violations can reach \$54,789 per day, per violation (up from \$53,907).
- Fines for TSCA chemical (e.g., lead-based paint dust) management, reporting, and recordkeeping violations can reach \$38,114 per day, per violation (up from \$37,500).
- Fines for violations of RCRA hazardous waste storage, management, and disposal requirements can reach \$71,264 per day, per violation (up from \$70,117).

The OSHA penalty increases took effect Jan. 13, 2017. [82 Fed. Reg. 5373 \(January 18, 2017\)](#). OSHA penalties are now:

- [\\$12,675 per violation](#) (for conduct that is Serious, Other-Than-Serious, Posting Requirements, and Failure to Abate for each day); and
- \$126,749 per violation (for conduct that is Willful or Repeated).

Stay tuned for Part 2 ... Will the Stakes Keep Getting Higher?

AGCVA Career Center

A new feature has been added to the AGCVA website. A Career Center that will allow members to post vacant employee positions and post/search through resumes.



Take a moment to look over the [AGCVA Career Center](#) at your convenience.

House Votes to Rollback Blacklisting Regulations

Urge Your Senators to Repeal Blacklisting

Published by: AGC Construction Legislative Week in Review – February 2, 2017

Following a concerted [AGC advocacy](#) effort coordinated in conjunction with business organization [partners](#), the House today voted [236-187](#) to repeal the regulations implementing former-President Obama’s “Fair Pay and Safe Workplaces”—commonly called Blacklisting—Executive Order. Now, action moves to the Senate. Please [contact](#) your U.S. Senators and urge them to repeal the blacklisting regulations.

Under the blacklisting regulations, both prime and subcontractors must report violations and alleged violations of 14 federal labor laws and “equivalent” state labor laws during the previous three years, and again every six months, on federal contracts over \$500,000. Prime contractors would also be responsible for evaluating the labor law violations of their subcontractors at all tiers during both contract solicitation and contract performance. A single alleged violation could lead a contracting officer to either (1) deny a prime contractor the right to compete for a federal contract; or (2) remove a prime contractor or subcontractor from an ongoing project. A federal court halted implementation of the Blacklisting regulations on Oct. 24, 2016. That litigation continues.

A Senate vote on repealing the Blacklisting regulations may come as soon as early next week. This is one of a handful of regulations issued in the final months of the previous administration—typically referred to as midnight regulations—that Republicans plan to repeal under what is called the Congressional Review Act, which only requires a simple majority (51 votes) in the Senate for a regulation repeal bill to pass. There are 52 Republican Senators in Senate.

Again, please [contact](#) your U.S. Senators and urge them to repeal the Blacklisting regulations. For more information on the Blacklisting regulations and AGC’s advocacy efforts against them since 2014, [click here](#).

President Trump Issues Regulatory Reform Executive Order

Calls for Removal of Two Old Rules for Every New Rule

Published by: AGC Construction Legislative Week in Review – February 2, 2017

President Trump this week issued an [executive order](#) requiring two regulations to come off the books for each new one issued, allowing agencies to offset the cost of new regulations by eliminating existing ones. However, it is unclear how this executive order will be implemented. The Administrative Procedures Act (APA)—the law governing the regulatory process—requires a number of steps that agencies must undertake to remove—or even tweak—an existing regulation. Agencies may be subject to court challenges during the course of repealing regulations under the APA if they fail to meet various legal criteria.

AGC will continue to review this executive order and others issued to date. For more AGC analysis on President Trump’s executive actions, [click here](#).

Getting back on track

Major projects are going up while industry struggles to find enough workers

Published by: Virginia Business - February 2, 2017

[Read More . . .](#)

Pictured: *Glenn Sutch, president of the Waterside District in downtown Norfolk.*
Photo by Mark Rhodes

From the construction cranes at Tysons to a billion-dollar power station in Southern Virginia, major construction projects are in the works across Virginia. In addition, contractors are optimistic that more work could materialize under the administration of President Donald Trump. Before taking office in January, Trump was a billionaire commercial real estate developer with



properties around the world.

Gordon Dixon, CEO of the Associated General Contractors of Virginia (AGCVA), says members “are cautiously optimistic ... the growth is potentially there” from Trump-driven federal spending and the generally improving economy. Since coming out of the recession, Will Karbach, CEO of The Branch Group in Roanoke, says the average project size that his firm competes for has “increased significantly. What we’re seeing ... are pretty healthy pipelines of work. It’s strong, we think, particularly for the next year.”



While the industry waits to see if Trump’s promises of as much as a trillion dollars in new investment in public infrastructure pan out, the Waterside District in Norfolk is crawling with construction workers. They have been brought in by The Cordish Cos., the Baltimore-based company in charge of the overhaul of one of downtown Norfolk’s best-known attractions. “We’re in full construction mode right now,” says Glenn Sutch, president of the Waterside District.

The \$40 million, 125,000-square-foot redo of the old Waterside Festival Marketplace into a dining and entertainment venue broke ground in mid-2015. The mixed-use development with restaurants, live entertainment and views of the Elizabeth River is expected to open in April. It will eventually employ about 1,000 people and is keeping a lot of subcontractors busy. “We have local plumbers, local electricians,” Sutch says.

The project is good news for the region’s construction sector, an area that took big hits in recent years. Dixon says the 2007-09 recession and ongoing cuts in federal spending in Virginia slowed construction activity. “So much of Virginia’s economy has been in the past reliant on the federal government, and that’s drying up,” he says. Another major head wind is finding workers. “The discussions I hear amongst our members and their subcontractors is, they are having a hard time filling the job requirements. A lot of guys don’t have the workers to bid on certain projects,” he says.

AGCVA is making a concerted effort to try to rebuild a pipeline of trained workers. That effort includes pushing for state funding for workforce development training and marketing “to convince people that construction is a viable career,” says Dixon. The demand for skilled workers is likely to drive up wages and make projects more expensive, but contractors really don’t have a choice. “There’s a lot of competition out there for workers,” he says.

Dixon’s concerns were echoed in a 2017 national hiring and business industry forecast released last month. “Contractors remain quite concerned about labor shortages, tight margins and growing costs,” said Ken Simonson, chief economist of the Associated General Contractors of America.

As Karbach of The Branch Group observes, “The industry lost a lot of people in the downturn, and they didn’t come back. There’s generally a shortage of not just qualified people, but people.”

Virginia now has about 188,500 people employed in construction, down from a prerecession peak of 252,500. That’s a 25 percent difference while nationally the current average difference from peak employment is 13 percent, according to Simonson. “So Virginia’s really slow to recover,” he says.

Despite the labor squeeze, big projects are moving forward. While Sutch's group works to fill spaces in Waterside District, it already has leased space to more than a half-dozen tenants, including Rappahannock Oyster Co., Guy Fieri's Smokehouse and The Fudgery. They'll be located in a part of the project called The Market, which will have 30,000 square feet of space for restaurants and other dining options.

Besides the Waterside renovation, downtown Norfolk also looks forward to this spring's opening of The Main. The mixed-use development a few blocks away will include a conference center, a 300-room Hilton hotel, and entertainment and dining. "There's a lot going on right now; it's pretty great," Sutch says.



One of the largest projects under construction in Virginia is the \$1.3 billion Greenville County Power Station. Dominion Virginia Power broke ground in June on its new natural gas-combined cycle power station, which should be operational in 2018. It's located on a 1,143-acre site that straddles Greenville and Brunswick counties. When complete, the station is expected to produce enough power for 400,000 homes.

Paul Koonce, CEO of Dominion's Generation Group, said during the station's groundbreaking ceremony that it would be the largest and the cleanest-burning gas-fired plant in the country. For contractors in the region, the project means jobs. At the end of 2016, there were about 700 workers on-site, and at the peak of construction there will be about 1,200, according to Dominion. When the station becomes operational, it will have about 45 employees. The counties expect to see some benefits, with Greenville getting about \$8 million in property tax revenue from the station's first year of operation.

Construction projects frequently serve as economic development drivers, and that's why localities are glad to get them. Downtown Richmond is in the midst of a project that should bring more people to the city. A \$90 million facelift for Main Street Station will renovate the train shed. Started in 2014, the first phase of the project is scheduled to be finished this summer. Most of the funding comes from federal sources.

The next step will be site work, and that project is being bid. It will involve developing various transit access points for buses, vehicles and pedestrians, and accessories such as charging stations for electric-powered vehicles, along with bike storage. The goal is "to make this a working multimodal transportation center," says Jeannie Welliver, project development manager for the city. The project employs about 150 workers. It's also designed to be a hub for retailers with about 20,500 square feet eventually available for lease.

[Click here](#) for a list of other major construction projects underway in Virginia.

Trump team eyes VA toll projects amid push for private investor-driven infrastructure plan

Published by: ConstructionDive Brief – January 24, 2017

[Read more . . .](#)

- Virginia Transportation Secretary Aubrey Layne said President Donald Trump transition staffers asked the state for a list of prospective transportation projects that could utilize tolls, according to WTOP.
- Layne said the toll caveat reduces the submitted list of projects from a total list of \$8.5 billion potential local and state initiatives. He told WTOP that the state has about \$1 billion to tackle all of the projects in Virginia that have requested state funding.
- The request from the Trump team is in line with the underlying principle of the president's \$1 trillion infrastructure plan, which is to pursue private investment for revenue-generating projects with the lure of an 82% tax credit for investors.



Dive Insight:

The Virginia Department of Transportation has ranked potential projects based on its SMART SCALE system, a prioritization method introduced last year. Projects receive scores based on their potential for economic development, as well as congestion, safety, land-use qualities, environmental impact and accessibility. The VDOT said the most weight is given to the economic and safety aspects, and the state included the first scored projects in June's [multiyear, \\$14.4 billion transportation plan](#).

Maryland also has a similar project scoring system, but Gov. Larry Hogan has [railed against the policy](#), although he and his administration are not bound to fund or deny any initiative based on its score.

Although upgrading critical assets is largely a bipartisan issue, [Democrats are resistant](#) to a plan that relies heavily on private money, with Senate Minority Leader Charles Schumer, D-NY, calling a proposed 82% tax credit in exchange for private equity investment a gimmick. Schumer said the plan should include significant, direct federal spending, a move that Senate Major Leader Mitch McConnell, R-KY, warned [would be met with Republican resistance](#).

However, despite concerns regarding private investment, House Speaker Paul Ryan [recently said he aimed](#) for the infrastructure plan to include \$40 of private money for every \$1 of public money, and he added that public-private partnerships would play a major role.

LEGISLATIVE UPDATE

AGCVA Legislative Report as of February 10, 2017

Virginia Legislature is at half way point

The midway point for the Legislature has arrived. All bills must be considered by the House and Senate by a certain time and those that have passed, move on to the other respective Chamber for further vetting.

Our budget amendments striking cooperative procurement language from the budget were approved in both versions.

There were a decent number of public procurement bills considered this year. Most have been defeated or excluded construction from their impact. A few versions remain regarding Construction Management At Risk and will be determined later this month.

The Historic Rehab Tax Credit Cap has been amended to include the cap for just 1 year. We will participate in a study to determine the economic impact of these Tax Credits.

Legislation prohibiting local governments from mandating prevailing wages on contracts have been defeated

Small Business & Supplier Diversity implementation of certification programs is progressing forward. This will mandate SWAM certification without any additional paperwork of any small, women-owned, and minority-owned business that has obtained certification under any federal small, women-owned, and minority-owned business certification program.

HB1552 – (Workforce) Requires each local school board to implement a plan to notify students and their parents of the availability of career and technical education programs and to include annual notice on its website to enrolled high school students and their parents of the opportunity for such students to obtain a nationally recognized career readiness certificate at a local public high school, comprehensive community college, or workforce center. This bill is moving forward on the uncontested calendar.

For a more comprehensive list of bills we are tracking, click [HERE](#)

If you have any questions contact [Gordon Dixon](#) at 804.516.1057.

MEMBER NEWS ...

Quesenberry's Inc.

Congratulations to Abran Quesenberry on being named President of Quesenberry's Inc. Quesenberry previously served as vice president of the firm. He succeeds Spencer D. Quesenberry, PE, who will continue in the day-to-day operations of the company as vice president.

WANTED: Executive Director Needed

The Builders and Contractors Exchange of Hampton Roads seeks an Executive Director. The Exchange furnishes a wide variety of services and benefits to the construction industry. It is a member-owned, not-for-profit clearinghouse for competitive bids for construction projects planned for the Hampton Roads area plus selected other areas in Virginia and North Carolina.



The ED is responsible for expanding the products provided by the Exchange and growing its membership. The ED reports to the Board of Directors and will also manage an office staff, develop and execute annual budgets, be responsible for operation and maintenance of all property and equipment, ensure design and functionality of IT systems, organize and administer Board of Director meetings as well as membership functions.

Qualified candidates should have construction or related industry experience, a bachelor's degree (advanced degree a plus), and an entrepreneurial attitude, as well as excellent leadership, interpersonal and communication skills. Previous management and marketing experience is desired. Candidates must have excellent organizational skills and have an understanding of IT systems as well as the latest social media developments.

Qualified candidates should email resumes to: exchange@bceva.com

WANTED: WORKFORCE SERVICES MANAGER Needed

Position Summary: The Manager of Workforce Services is responsible for managing all training, marketing & engagement activities conducted by the association to meet the needs of the membership. Position is full time.

Primary Responsibilities:

- ☑ Education Content Administration
- ☑ Speaker and Trainer Management
- ☑ Marketing and event support
- ☑ Collaborate with Board and Virginia Construction Industry Education Foundation (VCIEF)
- ☑ Internal Training
- ☑ Collaborate with other organizations

For detailed description click [here](#). For more information contact [Gordon Dixon](#) at 804.516.1057

SPONSOR YOUR DISTRICT EVENTS THIS YEAR

(just click on the appropriate district for details)

[Central 2017 Annual Sponsorship](#)

[Piedmont 2017 Annual Sponsorship](#)

[Roanoke 2017 Annual Sponsor](#)

[Richmond 2017 Annual Sponsorship](#)

[Tidewater 2017 Sponsorship](#)

CQC – Construction Quality Contractor Training

Both the Corps of Engineers and the U.S. Navy require that CQC personnel pass this training program as part of the certification process. AGC has worked with these groups over the past eighteen years to provide this training on a convenient, reasonably-priced basis.

A registration fee of \$200/member rate and \$250/non-member rate will be charged per attendee to cover the cost of the meeting facility, lunch, handout materials and refreshments. Upcoming Dates:

March 9, 2017

[Construction Quality Management
for Contractors \(CQC\) 3/9/17](#)

Hilton Garden Inn
1624 Richmond Road
Williamsburg, VA 23185

July 13, 2017

[Construction Quality Management
for Contractors \(CQC\) 7/13/17](#)

Hilton Garden Inn
1624 Richmond Road
Williamsburg, VA 23185

May 11, 2017

[Construction Quality Management
for Contractors \(CQC\) 5/11/17](#)

Quality Suites Lake Wright
6280 Northampton Blvd.
Norfolk, VA 23502

September 19, 2017

[Construction Quality Management
for Contractors \(CQC\) 9/19/17](#)

Quality Suites Lake Wright
6280 Northampton Blvd.
Norfolk, VA 23502

November 16, 2017

[Construction Quality Management
for Contractors \(CQC\) 11/16/17](#)

Hilton Garden Inn
1624 Richmond Road
Williamsburg, VA 23185

Young Leaders Seminars for 2017

AGCVA has developed a comprehensive training program for the young construction leaders in the Commonwealth. The concept is to provide our young leaders with information on other areas of a firm's operations early in their career so that they will have a better understanding of the "big picture", as well as an expanded skill set to help them grow in effectiveness in their current positions.

The program will focus on six major topic areas: finance and banking, risk management, staffing and employment, business development, organizational structure and strategic planning, and operating systems and information technology integration. Each module will be taught by subject matter experts, and will be approximately four hours long.

We are conducting a centralized "pilot program". Classes for the pilot program will be offered in the AGC office in Glen Allen. A registration fee of \$750 per person is required. It covers the cost of all six classes, lunches, refreshments and materials.

For more information contact: Gordon Dixon at Gordon@agcva.org

Young Leaders Schedule

CLASS TIMES: 10:00 am to 2:00 pm each day

February 22	Business Development
March 16	Finance and Banking
April 20	Risk Management
May 18	Staffing and Employment
June 22	Organizational Structure and Strategic Planning
July 20	Operating Systems and IT Integration

Calendar of Events

02/16/2017

[Piedmont Business & Dinner Meeting 2/16/17](#)

02/22/2017

[Valley Safety Class 2/22/17](#)

02/22/2017

[YCL Program - Business Development 2/22/17](#)

02/22/2017

[Tidewater Overview of The Waterside Project 2/22/17](#)

02/23/2017

[Richmond Young Leaders Social 2/23/17](#)

02/23/2017

[Peninsula Cocktails & Movies 2/23/17](#)

03/02/2017

[Valley First Aid/CPR/AED 3/2/17](#)

WELCOME NEW MEMBERS

New Subcontractor Member
Central District

Falcon Incorporated

2010 Corporate Ridge 7th Fl
McLean, VA 22102
(703) 448-9888
Contact: Bruce White

Specialty: Construction & Renovation: Industrial, Construction & Renovation: Commercial,
Construction & Renovation: Government, Construction & Renovation: Multi-Family,
Construction & Renovation: Restaurants, Construction & Renovation: Retail Shopping Centers

New Subcontractor Member
Richmond District

Electrical Controls & Maintenance Inc

PO Box 128
Mechanicsville, VA 23111
(804) 741-2280
Fax: (804) 789-1426
Contact: Michael Wynne

Specialty: Electrical Contractors, Alarm & Security Systems, Design/Build: Electrical Systems
<http://www.ec-m.com>

New Subcontractor Member
Richmond District

J S Archer Co Inc

10466 Dow Gil Road
Ashland, VA 23005-7639
(804) 798-0400

Fax: (804) 798-2338

Contact: Matt Martin

Specialty: Dock Equipment, Doors & Frames, Doors: Overhead (Install & Service),
Doors: Rolling & Sectional, Hardware, Toilet Partitions & Accessories

<http://www.jsarcher.com>

New Service/Supplier Member
Richmond District

ABC Builders Supply Company Inc.

13201 Ramblewood Dr
Chester, VA 23836-5501
(804) 748-5828

Fax: (804) 748-6320

Contact: John Farrar

Specialty: Drywall Supplies, Insulation Materials, Metal Studs

<http://www.abcbuilderssupply.com/>

New Service/Supplier Member
Richmond District

Shade and Wise Brick Inc

2010 Dabney Rd
Richmond, VA 23230-3311
(804) 355-2886

Fax: (804) 359-3424

Contact: James Tavenner

Specialty: Masonry Supplies, Brick

<http://www.shadeandwise.com>

New Service/Supplier Member
Tidewater District

Reading Equipment & Distribution

332 Moore Ave, Bldg 4

Suffolk, VA 23434

(757) 925-1444

Fax: (757) 925-1044

Contact: Claude E Reid Jr

Specialty: Automotive: Commercial Vehicles

<http://www.readingequipment.com>

2018 AGCVA Convention

The OMNI Homestead

January 18-21, 2018