



ALABAMA UTILITY CONTRACTORS ASSOCIATION

TIM AYERS, EXECUTIVE DIRECTOR
JULY 2015

Director's Comments:



While the 2015 Special Legislative Session is still ongoing, plans are already underway for issues to be considered during the next Regular Session that will begin in February 2016 . One such issue could have a significant impact on our industry.

Prior to the conclusion of the 2015 Regular Session, SJR76 calling for the creation of the Alabama One-Call Notification System Study Commission was introduced and enacted by Governor Bentley. I am pleased to announce that I have been appointed to serve on this commission by Del Marsh, President Pro-Tem of the Senate. In doing so, I will represent the interest of our AUCA member companies.

The One-Call Commission's charge is to "study and make recommendations to the Legislature and Governor" no later than December 31, 2015 regarding:

- The expedience and validity of only having a single One-Call notification system to serve the entire State of Alabama, including the appropriate governance, legislative oversight, and membership outreach practices of the organization
- The adequacy of the enforcement provisions of current law
- Other items related to the One-Call law that may increase the level of safety of its citizens

The commission recently held our first meeting, and are scheduled to meet again in late August. I will be working closely with the AUCA Board, as well as reaching out to our members at large to get your thoughts and feedback on this issue, so as to best represent the unified voice of AUCA on this commission.

Should you have any questions or concerns in reference to this issue, please do not hesitate to contact me.

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Tim

Upcoming Events:

August 11, 2015 at 11:30 am – Tuscaloosa Area Meeting

OSHA Confined Spaces Rule Change

Guest Speaker: Jim Cooley - OSHA Compliance Assistance Specialist

August 12, 2015 at 11:30 am – Birmingham Area Meeting

OSHA Confined Spaces Rule Change

Guest Speaker: Jim Cooley - OSHA Compliance Assistance Specialist

August 13, 2015 at 11:30 am – Huntsville Area Meeting

OSHA Confined Spaces Rule Change

Guest Speaker: Jim Cooley - OSHA Compliance Assistance Specialist

August 19, 2015 at 11:30 am – Mobile Area Meeting

OSHA Confined Spaces Rule Change

Guest Speaker: Joseph Roesler - OSHA Area Director

Please Contact AUCA if Your Company Would Be Interested In
Sponsoring Any of the Upcoming Meetings



October 15, 2015

***AUCA Fall Statewide General Meeting
& Sporting Clay Shoot***

**Lower Wetumpka Shotgun Sports Club
Montgomery, AL**

Scheduled Speaker:

Del Marsh - Senate President Pro Tem

Mark Your Calendars Today!



Legislative News:

Alabama Update:

When the 2015 Legislative Session concluded in June, Alabama Governor Robert Bentley vetoed the General Fund Budget that had been passed by the House and the Senate which he described as "unworkable" and "irresponsible." As it currently stands, the state has no General Fund Budget for the 2016 fiscal year that begins on October 1st.

Governor Bentley called for the start of the Special Legislative Session to begin on Monday, July 13th. This was a surprise move, since all previous reports had indicated that the special session would begin sometime in mid-August. The Legislature immediately adjourned until August 3rd, at which time they will reconvene. The primary purpose of the special session is to pass a General Fund Budget, although some new legislation may be introduced that does not pertain to the budget.

The Governor has called for \$302 million in tax increases to support the General Fund Budget, and has also proposed budget reforms, including removing earmarks from \$400 million from revenues that go to General Fund agencies to allow flexibility in how that money is spent.

The Governor's proposals include:

- Tobacco and e-cigarette tax increase.
- Eliminating the state income tax deduction allowed for Social Security taxes paid.
- Moving revenue from the use tax from the Education Trust Fund to the General Fund.
- Raising the maximum business privilege tax from \$15,000 to \$25,000 while eliminating a \$100 minimum tax on businesses with net worth of less than \$10,000.
- Using money that BP is expected to pay the state under the oil spill settlement to pay back \$583 million the General Fund owes the Alabama Trust Fund and money the state owes the federal government for Medicaid overpayments and adjustments.
- Amending the Rolling Reserve Act to change restrictions on the use of revenue that exceeds the education spending cap, putting less money into a budget stabilization account.
- Authorizing a \$50 million bond issue to build a lodge and make other improvements at Gulf State Park.
- Repealing a law that allows people to be exempt from having any state income tax withheld if they claim they will have no taxable income and had none during the previous year.

AUCA will continue to keep our members updated throughout the Special Session



Legislative News:

Continued from page 3



Federal Update:

While there seems to be no shortage of Federal Funds to support many government programs for select special interest groups, frustratingly funding for some of the most needed infrastructure projects that would benefit ALL Americans find themselves on the chopping block.

The following report is courtesy of The Clean Water Council (CWC). The CWC is a group of national organizations representing underground construction contractors design professionals, manufacturers and suppliers, labor unions and other committed to ensuring a high quality of life through sound environmental infrastructure. CWC's 39 national organizations, advocate federal legislation and policies that will promote clean water and improve the nation's failing infrastructure.

The House is set to pass H.R. 2822, the Interior and Environment Appropriations Act for Fiscal Year 2016, containing \$579 million in cuts to Clean Water State Revolving Fund levels. The fact that Congress is going to take one more step towards enacting these drastically lower SRF levels is terrible news for anyone who cares about safe, accessible, and clean water for all Americans. These cuts not only threaten Americans' access to clean water, but kill jobs and stifle the economic growth that results when desperately needed water infrastructure projects are undertaken.

The SRF program provides critically needed financing for projects designed to improve the appalling condition of our nation's water infrastructure. As we have reported before, leaking pipes and water main breaks resulting from infrastructure that is often nearly a century old wreak havoc on Americans' lives on a daily basis. The costs – to the livelihoods of businesses forced to close, to the health and safety of families facing water shutoffs and "boil water" notices – are staggering. But water infrastructure projects are needed not only for our collective safety and health, but for the health of our economy. Expenditure of SRF funds creates construction and myriad related jobs, promoting economic growth in communities all over the country. Cutting these funds will do serious damage to local economies at a time when they care sorely afford it.

We at CWC are dismayed by this but rest assured that we will not be deterred. Our legislative staff will continue its fight against the cuts and in favor of alternatives to compensate for the lower SRF levels should they be enacted, including innovative financing techniques and public-private partnerships. We know that the health, safety and security of all Americans depend on access to clean water, and we will not let up on Congress until it understands that too.





AUCA MEMBER SPOTLIGHT:
John Plott Company, Inc.



2804 Rice Mine Rd NE
Tuscaloosa, AL 35406-3548
Phone: (205) 345-5678
Fax: (205) 752-3245
www.jplott.com

John Plott Company, Inc. is based in Tuscaloosa, Alabama. Since 1975 the company has earned a reputation for delivering difficult projects on schedule with exceptional quality and building strong relationships,. Plott is licensed in numerous states and have successfully completed projects from North Dakota to Texas to Pennsylvania to Florida.



We are committed to continuing to provide a safe work environment for our employees, maintain our reputation as a company of high integrity, with a record for performing quality work, and building long lasting relationships.



The key to any successful business is the quality of its people. The majority of our employees have been with the company in excess of twenty years and several since the company was founded. The longevity of service not only includes management but also extends to our skilled Team Members. We will continue to invest in our professional development in order to serve our clients at the highest level of skill and safety.

The clients we serve include both Municipal and State as well as our valued private clients. Our company is fortunate to have been selected to perform a substantial amount of the work at Automotive Plants in Alabama and Georgia and we continue a strong partnership with these companies today on their current and future expansion projects. We also have long standing relationships with large companies in the Oil and Gas Industry. We continue to provide services ranging from single remodels to complete site development and new construction as well as design/build, real estate acquisition and site leasing services all over the country.

John Plott Company, Inc. is proud to have been part of a team that provided disaster recovery services in Alabama after the devastating tornadoes in 2011. With our Environmental licensing, continuous training, extensive equipment list, and mobile Team Members we continue to be prepared to serve communities in times of need.



News & Notes:

OSHA Issues Temporary Enforcement Policy for Confined Spaces in Construction

On July 9th, OSHA announced a 60-day temporary enforcement policy of its [Confined Spaces in Construction](#) standard, which becomes effective Aug. 3, 2015. The agency is postponing full enforcement of the new standard to Oct. 2, 2015, in response to requests for additional time to train and acquire the equipment necessary to comply with the new standard.

During this 60-day temporary enforcement period, OSHA will not issue citations to employers who make good faith efforts to comply with the new standard. Employers must be in compliance with either the training requirements of the [new standard](#)* or the [previous standard](#). Employers who fail to train their employees consistent with either of these two standards will be cited.

Factors that indicate employers are making good faith efforts to comply include: scheduling training for employees as required by the new standard; ordering the equipment necessary to comply with the new standard; and taking alternative measures to educate and protect employees from confined space hazards.

OSHA issued the Confined Spaces in Construction final rule on May 4, 2015. The rule provides construction workers with protections similar to those manufacturing and general industry workers have, with some differences tailored to the construction industry. These include requirements to ensure that multiple employers share vital safety information and to continuously monitor hazards – a safety option made possible by technological advances after the manufacturing and general industry standards were created.

OSHA estimates the confined spaces rule could protect nearly 800 construction workers a year from serious injuries and reduce life-threatening hazards.



News & Notes:

Labor Department Proposes Changes to Overtime Rules

The [U.S. Department of Labor has proposed changes](#) to the Fair Labor Standards Act (FLSA) that would extend overtime protection to millions of workers by increasing the salary threshold at which workers are eligible for overtime. NLC plans to file comments to the proposed changes. The FLSA establishes minimum wage and overtime pay standards affecting workers in the private sector and in federal, state and local governments. As a general rule under the FLSA, unless they are exempt, workers must be paid at least one and one-half times their regular rate of pay for any hours they work beyond 40 in a work week. Under the "white collar" exemption, certain executive, administrative, and professional employees are excluded from the FLSA's minimum wage and overtime protections.

To qualify for the exemption, a white collar employee "generally" must:

- be salaried;
- be paid at least a specific salary threshold (currently \$455/week or \$23,660/ year) (salary threshold test); and
- primarily perform executive, administrative, or professional duties as provided in the Department's regulations (duties tests).

The proposed rule would nearly double the salary threshold at which workers would earn overtime pay whenever they worked more than 40 hours in a week. Last updated in 2004, the salary threshold would go from \$23,660 a year to \$47,892 a year. In the first year of its implementation, the Administration projects that 5 million more workers would become eligible for overtime pay.

AUCA Newest Member Companies:

BenSource Employee Benefits - Atlanta, GA

Company Representatives: Linda Smith and Jodi McMahon

Cypress Contracting, LLC - Florence, AL

Company Representative: Brian Benson



News & Notes:

City of Birmingham Business License Fees:

Efforts continue to work with the City of Birmingham to develop a more reasonable Business License fee schedule for Contractors. The City's new Ordinance, which takes effect in January 2016, includes a new fee schedule that will drastically increase the cost of doing business in the City of Birmingham for all Construction companies, and even more so for those that are based within the city limits of Birmingham.

At the insistence of City Council President Jonathan Austin and Councilman Marcus Lundy, a working group comprised of City officials and select construction industry representatives have come together to compose an alternative schedule. After review of license fees for other Alabama municipalities and other regional cities including Nashville, Charlotte, Atlanta, Jacksonville, and Orlando, the Contractors serving on the working group drafted a schedule that is more fair and reasonable.

The alternative that has been proposed is a flat fee schedule with a graduated scale based off project volume generated by all Contractors on projects located in the City of Birmingham. We are awaiting a response from the City as to whether or not they will accept the alternative proposal.

Davis-Bacon Wage Rate Survey Begins in August:

The United States Department of Labor is planning a Davis-Bacon Prevailing Wage Rate Survey in Alabama from August, 2015 through February, 2016. The survey will include all counties in Alabama, and cover Highway, and Building and Heavy Construction projects that were active during the time frame of January 1, 2013 - December 31, 2014.

A prevailing rate is not an average, but the rate that appears the most in the sample collected. Therefore, it is imperative that open shop contractors also participate in the survey to provide a realistic picture of wages in Alabama. AUCA will be contacting all member companies regarding opportunities to participate in the survey process.



News & Notes:

AUCA 2016 Board of Directors:

The AUCA Nominating Committee is seeking interested AUCA members for consideration to serve on the 2016 AUCA Board of Directors. The Nominating Committee is led by Doug Blankenship - Blankenship Contracting, Randy Bishop - CLS, Bill McGough - W.R. Mitchell, Steve Walker - Johnson & Associates, and Tim Ayers - AUCA.

Nomination Forms will be sent out electronically to all member companies. Please complete and send the form to the AUCA office no later than August 31, 2015 to indicate your willingness to serve on the AUCA Board, or to nominate an individual member you know who wants to serve.

The Nominating Committee will review the nomination forms of those wanting to serve on the 2016 Board at the September 9th AUCA Board Meeting. The proposed slate of nominees will be announced to the membership 30 days prior to the October 15th General Meeting.

AUCA PAC Fundraising Raffle

Be on the lookout for details regarding the annual AUCA Raffle. Tickets will be mailed out to AUCA member companies beginning in early September. This year we will be raffling two great prizes. Tickets will be \$10 each, and will allow you two (2) chances to win. The drawing will be held at our October 15th General Meeting / Sporting Clay Shoot in Montgomery. You do not have to be present at the event to win.



All money raised from the raffle will go towards the AUCA PAC Fund to help support our Legislative efforts in Montgomery and Washington.



Health & Safety:

As we find ourselves in the middle of the dog days of Summer, here is a reminder from OSHA for tips on working safely in the heat:

OSHA QUICK CARD™

Protect Yourself Heat Stress



When the body is unable to cool itself by sweating, several heat-induced illnesses such as heat stress or heat exhaustion and the more severe heat stroke can occur, and can result in death.

Factors Leading to Heat Stress

High temperature and humidity; direct sun or heat; limited air movement; physical exertion; poor physical condition; some medicines; and inadequate tolerance for hot workplaces.

Symptoms of Heat Exhaustion

- Headaches, dizziness, lightheadedness or fainting.
- Weakness and moist skin.
- Mood changes such as irritability or confusion.
- Upset stomach or vomiting.

Symptoms of Heat Stroke

- Dry, hot skin with no sweating.
- Mental confusion or losing consciousness.
- Seizures or convulsions.

Preventing Heat Stress

- Know signs/symptoms of heat-related illnesses; monitor yourself and coworkers.
- Block out direct sun or other heat sources.
- Use cooling fans/air-conditioning; rest regularly.
- Drink lots of water; about 1 cup every 15 minutes.
- Wear lightweight, light colored, loose-fitting clothes.
- Avoid alcohol, caffeinated drinks, or heavy meals.

What to Do for Heat-Related Illness

- Call 911 (or local emergency number) at once.

While waiting for help to arrive:

- Move the worker to a cool, shaded area.
- Loosen or remove heavy clothing.
- Provide cool drinking water.
- Fan and mist the person with water.

For more complete information:

OSHA Occupational Safety and Health Administration
U.S. Department of Labor
www.osha.gov (800) 321-OSHA

OSHA 3154-07R-06

Reminders:

Workers' Compensation Insurance:

Before you renew your workers' compensation policy, ask your agent to get a quote from CompTrust. Make sure the agent mentions that you are an AUCA member. If you have questions, you or your agent may contact Terry Young from MRM at (256) 504-3288. MRM is the Third Party Administrator (TPA) for the CompTrust fund, and a valuable member of AUCA.



AUCA Member Database:

We are currently in the process of updating our member database. If your company has changed names, or had any other changes such as a new address, phone #, personnel, etc., please make sure to provide us with this updated information.

Contractor's Retirement Plan:

AUCA is excited to announce our newest member benefit that can further enrich the value of your membership. Starting this month, AUCA member companies will have the opportunity to join the ***Contractor's Retirement Plan***.

Utility Contractors throughout the southeast have banded together to provide an unbeatable 401k plan for their employees. Here are just few of the unique benefits of this plan:

- Eliminates all TPA costs, all audit costs, 5500 costs and document costs
- Greatly reduces employee investment costs - the *power* of group buying
- Eliminates nearly all of the HR tasks typically associated with 401k
- Diverts the significant fiduciary liability away from the business owner
- ***And more!***

BenSource Employee Benefits, an AUCA member company, is staffed to take your call with any questions you have, or to compare your current plan with the ***Contractor's Retirement Plan***. They can be reached at (205) 536-9204.



A Solution For Employers

Contractors Retirement Plan Features:

Employer

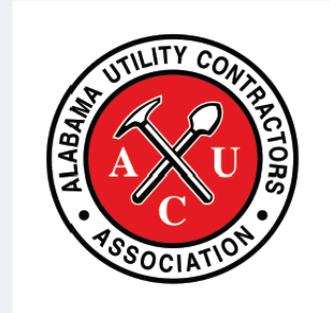
- No cost to employer, no TPA or audit fees
- Fiduciary relief from most 401k liabilities
- Powerful recruiting and retention tool
- Association leadership oversees the plan operation

Employee

- Reduced "group" costs on investments
- High focus on *Retirement Readiness*
- Easy enrolling, daily investment changes
- Call center is both live and 24/7 voice response
- Brand name, diverse investment options

Plan administrator

- We track eligibility and mail enrollment kits to home address
- Participants call vendor for all issues
- New compliance process eliminates costly errors
- Arduous paper notices mailed by vendor
- Loans, hardship, etc., all handled by vendor!



For more information please contact
**Linda Smith and Jodi McMahon at
205-536-9204**

Linda Smith and Jodi McMahon are registered Investment Advisors Representative, with Cambridge Investment Research Advisors, Inc., A broker dealer, member FINRA/SPIC. Cambridge, BenSource Employee Benefits, and AUCA are not affiliates.

Alabama Utility Contractors Association
159 Highland Park Drive
Birmingham, AL 35242
Phone: 205-582-9436
Fax: 205-582-9155
E-mail: tim@aluca.org

***AUCA IS A MEMBER-DRIVEN, NEEDS
FOCUSED TRADE ASSOCIATION CREATED
SOLELY TO PROMOTE AND ADVANCE THE
UTILITY INDUSTRY IN THE STATE OF
ALABAMA.***

**We're on the Web !
www.aluca.org**

Please print out this newsletter to share with others in your company. And, if you are receiving this for the company owner, please print out a copy for him/her.

***Let AUCA Be Your Source For All Your
Training Needs***

Contact the Association Office for more information

LinkedIn



@AlabamaUCA

