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GOVERNMENT AFFAIRS UPDATE

Associated General Contractors (AGC) of Ohio's *Government Affairs Update* provides information about government related matters of interest to the commercial building industry and AGC's advocacy efforts. It is e-mailed to AGC of Ohio members and available online at www.agcoho.com/advocacy.html. Direct questions and comments to Andrea Ashley, VP of Government Relations: andrea@agcoho.com or (614) 486-6446.

NOTE: With state legislators on break and very limited legislative action expected prior to the November election, the *Government Affairs Update* will be e-mailed with less frequency until after the election.

September 9, 2016

OFCC PROVIDES UPDATE ON OAKS CI

The Ohio Facilities Construction Commission (OFCC) has forwarded to AGC of Ohio the following status on the agency's efforts to improve OAKS CI. If there are other issues with the system or processes not addressed below, please contact Andrea Ashley at andrea@agcoho.com or (614) 486-6446 and AGC will make certain it is brought to the attention to OFCC. The agency has requested additional feedback and possible suggestions for improvements.

FROM OFCC: Our goal at OFCC is to continue to keep you up to date on our progress and any upcoming changes within OAKS CI. We are dedicated to providing our customers prompt and steady service, while also continuing to address any issues or concerns that the industry is experiencing. Below you will find updates to the outstanding issues that were previously identified. We are very excited about the new tools and enhancements that we will provide to our customers in the near future. As we continue to move forward we will update you monthly on our progress.

Accessibility

Issue (1) : The legacy OAKS CI system requires an old version of MS Explorer.

Solution: New cloud-based version of OAKS CI allows access from multiple web browsers as well as mobile platforms including smart phones and tablets.

Status: In Progress – We are continuing to migrate projects from our Legacy system to the cloud. We anticipate that all projects that will continue beyond January 2017 will be transitioned to the cloud by December 2016.

Cumbersome Processes

Issue (2): The Contract Schedule of Values utilizes an import template however, the application for payment does not allow for the import option.

- **Solution:** Give the user the ability to utilize an excel spreadsheet to import application for payment request's, this spreadsheet will be utilized in the same way that the SOV template is currently used. This new functionality will cut down significantly on time and effort.

- Status: In Progress- OFCC is currently testing the import functionality for Applications for Payment, we are currently conducting user acceptance testing. Anticipated implementation, October 2016.

Issue (3): The signing of Contract Documents using OAKS CI workflows requires cumbersome and repeated downloading of documents, signing them by hand, scanning and uploading them into OAKS CI and forwarding it to the next party for their signature.

- Solution: The DocuSign electronic signature application has been implemented for Contracts, Agreements, Contract Modifications including Change Directives and Amendments, however, the LFI DocuSign process has not yet been implemented. The DocuSign process allows all recipients to quickly and easily receive documents through standard email and sign them electronically.
- Status: OFCC has made good progress in the implementation of DocuSign with positive feedback from the user community. Current OFCC has completed 18 of 19 business process and are fully functional; target completion of the remaining business process is Fall 2016.

Functionality Obstacles

Issue (4): If a negative value or deduct change order is entered into OAKS CI, all financial business processes are halted and terminated until the deduct value has been completely processed through the system. This prevents pay applications and other change orders from being processed.

- Solution: This obstacle is inherent to Oracle's Primavera Unifier product. We are currently working with Oracle in order to change this functionality.
- Best Practice: OFCC is currently piloting a new process which will allow the Change Order to be initiated in OAKS CI and processed via DocuSign without impacting the SOV in OAKS CI. This will allow our customers to create applications for payments and change orders without being hindered by a locked SOV. This work around is anticipated to be rolled out by October 2016.
- Long Term Plan: Currently working with Oracle to update the system functionality, the new requested functionality would lock only the lines impacted by the deduct and would not lock the entire SOV. Oracle understands the importance of this enhancement and will be elevating this enhancement request to senior management with the Oracle Primavera Unifier product line. Oracle provides updates to their software twice a year, once in the Spring and another in the Fall.

Budget/Cost Tracking

Issue (5): There is no link between OFCC's master planning tools, where budgets are created, to OAKS CI where the projects are managed. There is also no permanent solution to address the differences between delivery methods when developing a detailed project budget.

- Solution: OFCC is currently developing a budget allocation tool that links with our master planning data and pushes it into OAKS CI for accurate and consistent budget tracking.
- Status: Completed - The Budget Allocation tool has been released to production for all OFCC projects.

Issue (6): There is no consistent and centralized method for developing, updating and reporting financial progress through the use of cumulative budget/cost curves (S-curves) for managing cash flow.

- Solution: OFCC will be developing an automated method that uses historical information in conjunction with our master plan budgets and actual costs tracked in OAKS CI to create and maintain "draw-down schedules".
- Status: In Progress- The S-Curve Calculator is now under development. Scheduled release date November 2016.



ON THE NATIONAL FRONT... *Information courtesy of AGC of America*

CONGRESS RELEASES DRAFT BILL ON COMPOSITE PLANS, A PIECE OF MULTIEMPLOYER PENSION REFORM

This morning the U.S. House of Representatives Committee on Education and the Workforce released a “[discussion draft](#)” on a new type of multiemployer pension plan design, a composite plan. The composite plan was initially discussed and proposed in the 2011 NCCMP Retirement Review Security Commission’s report, Solutions Not Bailouts. While much of the Solutions Not Bailouts report became law in the 2014 Multiemployer Pension Reform Act, the composite plan concept did not.

- To read the discussion draft, click [here](#).
- To read a summary of the discussion draft, click [here](#).
- For a section-by-section outline of the discussion draft, click [here](#).
- To read answers to basic questions, click [here](#).

AGC has provided extensive feedback on composite plans and will continue to do so throughout the legislative process. As of now the draft does not include any reforms designed to address the PBGC’s future insolvency.

Today’s release of a draft bill shows a commitment from Congress to support further changes to pension laws that will benefit employers, workers and retirees. AGC supports this approach and looks forward to working with other stakeholders in encouraging Congress to act. While any legislative action between now and the November election is remote, AGC remains hopeful that Congress will act this year.

AGC of America has a [webpage](#) dedicated to multiemployer pension reform that includes various resources and highlights some of AGC’s efforts. Also included is a [link](#) to contact U.S. Representatives and Senators to urge action.

AGC CHALLENGES CONTROVERSIAL DRUG AND ALCOHOL TESTING POLICY DURING MEETING WITH OSHA

OSHA's Intends to Prohibit Mandatory Post-Incident Alcohol and Drug Testing

On August 30, AGC of America met with the head of the Occupational Safety and Health Administration (OSHA) and several of his key deputies on the agency’s new recordkeeping regulation. That regulation has become the subject of much discussion and great concern as OSHA has expressed its intention to promulgate enforcement policies that go well beyond the plain language of the rule itself, and specifically to interpret the rule to prohibit mandatory post-incident alcohol and drug testing. AGC recommended that the agency take the time to collect more information on these programs and how they actually work before jumping to any conclusions. Notably absent from the agency’s rulemaking was any request for such information. AGC will submit a follow-up letter to OSHA, restating AGC’s position.

During the meeting, AGC also underscored that its members have many legitimate interests in such alcohol and drug testing and that the proposed guidance could have a distinctly negative impact on safety and health in the construction industry. Indeed, it could disrupt many of the drug-free workplace programs that have served the industry well, including programs negotiated with organized labor and incorporated into collective bargaining agreements. AGC explained that these programs are neither intended nor likely to have the effect of deterring construction workers from reporting injuries and illnesses. Rather, their legitimate intent and effect are to deter drugs and alcohol abuse, and thereby protect construction workers and the general public.

AGC OPPOSES USACE-MANDATED PLAS; OPPOSITION LETTER SENT TO WRIGHT-PATTERSON

This month, AGC of America sent letters opposing the possible use of a project labor agreement (PLA) mandate posted by the U.S. Army Corps of Engineers for construction projects at the [Wright-Patterson Air Force Base](#) near Dayton, and the [Seymour Johnson Air Force Base](#) in North Carolina.

AGC neither supports nor opposes contractors' voluntary use of PLAs on government projects, but strongly opposes any government mandate for contractors' use of PLAs. AGC is committed to free and open competition for publicly funded work, and as such, believes the lawful labor relations policies and practices of private construction contractors should not be a factor in a government agency's selection process.

To view AGC efforts opposing government mandated PLAs, [click here](#).

HOUSE EXPECTED TO VOTE ON CAREER AND TECHNICAL EDUCATION REFORMS

TAKE ACTION: [Contact Elected Officials in Support of Perkins Reauthorization](#)

Next week the U.S. House is expected to vote on legislation that would make critical reforms and improvements to the Perkins Act, the primary federal funding and policy source for career and technical education (CTE) programs. The legislation expected to be considered, the [Strengthening Career and Technical Education for the 21st Century Act](#), better aligns programs, improves reporting, increases work-based learning, promotes industry-recognized credentials and increases federal investment.

AGC supports the legislation and views it as a vital component to addressing the construction industry workforce shortage. A September 2016 [AGC Workforce Shortage Survey](#) showed that 75 percent of AGC contractors polled viewed the current quality of programs like CTE as "fair" or "poor," while only 14 percent rated them as either "good" or "excellent."

The Senate continues to work on their own legislation, and any differences between the House and Senate versions must be resolved before the legislation becomes law. AGC remains hopeful that an overwhelmingly bipartisan vote in the House will spur the Senate to act before the end of the year.

AGC PROVIDES MORE INFORMATION ON FINAL FAIR PAY AND SAFE WORKPLACES REGULATION

TAKE ACTION: [Urge Congress to Block Application of this EO](#)

With parts of the Fair Pay and Safe Workplaces ("Blacklisting") Executive Order (EO) coming into effect on Oct. 25, AGC held an in-depth webinar on the more than [850 pages](#) of regulatory text that will expose direct federal contractors to additional sanctions and liability for their labor law violations, among other things. A recording of that webinar and the presentation can be accessed [here](#) and [here](#). A detailed AGC analysis of the regulations can be accessed [here](#). AGC members are encouraged to [contact their U.S. Representative and Senators](#) to support AGC legislative efforts to block the implementing regulations for this EO.

As it stands, [AGC-backed provisions](#) in the House and Senate versions of the National Defense Authorization Act—a bill passed 54 consecutive years that helps fund the Department of Defense (DOD)—would generally prohibit application of the EO and its implementing regulations on DOD contracts and most DOD contractors. AGC and its industry coalition allies are working to extend that restriction to all federal contracts and contractors government-wide. AGC is also part of an employer-wide coalition that is currently reviewing possible legal options to blocking implementation of this rule.

While AGC will continue its efforts to combat this EO on the legislative and legal fronts, AGC members must plan accordingly in the event these regulations come into effect. AGC will post updates and analysis of this rule on our website: www.agc.org/blacklisting.