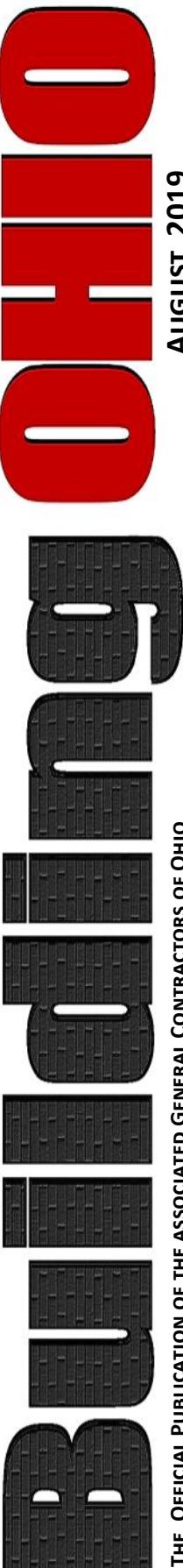




Quality People. Quality Projects.

Victories and Dog Days!



I'm writing this in late July – soon to enter the "Dog Days" of summer. Dog Days have been defined as normally a slow news cycle as Congress and State Legislatures take some time off and return to their "hot" districts during the month of August. If the elected officials have not been doing a particularly good job legislating, then the word "hot" brings on an entirely different meaning.

The Ohio Supreme Court recently decided on an important construction issue. This time, the construction industry was on the receiving end of a favorable decision. AGC member McDonald-Hopkins (Pete Welin, Jason Harley et al) filed an amicus brief with the court which was challenging Ohio's statute of repose. A public owner was attempting to expand the statute of repose from a 10-year limit into an unlimited period by adding breach of contract claims to the existing statute – thereby effectively expanding the time period for claims well past the 10-year time period. The Ohio Supreme Court was having none of it and determined that the ten-year period was comprehensive and included contract issues as well as issues of torts.

The Ohio Supreme Court is also expected to render this summer a decision regarding residency requirements on public construction projects.

Public Officials traditionally try to stay out of the media limelight during the "dog days" as little else will be newsworthy and the story will continue to feed itself until a new subject presents itself. Ohio should be relatively quiet. Not so on the national level. If you're a news junky and follow politics, the slate summer of 2019 promises to be interesting indeed!

The Ohio Facilities Construction Commission (interim Executive Director, Jon Walden) continues with the summer training period. Interviews are also ongoing for the selection of a new Executive Director.

Reminder that the summer won't last forever – AGC of Ohio's annual convention will be held on Captive Island, Florida, Sunday, February 23, 2020 for six nights. Look for more details on the AGC Ohio website.

RJH

Ohio: General Assembly mulling tax proposals amid budget season

With the Ohio budget season upon us, the Ohio General Assembly is considering tax proposals that could have big implications for consumers, business owners, and investors. Let's take a look at three major proposals that are currently on the table:

Wayfair Legislation

Lawmakers are considering an “economic nexus” standard for Ohio sales and use tax purposes that the U.S. Supreme Court blessed last June in the landmark case *South Dakota v. Wayfair*. The economic nexus standard would trigger use tax collection duties for remote sellers (including online retailers) that are not already subject to such duties and exceed a threshold volume of sales by dollar amount or number of transactions. Details have yet to be released. How much tax revenue the new standard would raise is up for debate, with some lawmakers suggesting that figure could be as high as \$200 million per year. Ohio Tax Commissioner Jeff McClain has cautioned that the tax revenue raised from the proposed measure could be lower than estimates.

Business Income Deduction

The Speaker of the Ohio House of Representatives, Larry Householder, recently [announced](#) that his chamber is reconsidering a controversial Ohio income tax benefit for business owners. For tax years 2016 and onward, business owners [could deduct](#) the first \$250,000 of “business income” earned in the ordinary course of business and pay a flat 3 percent tax rate on income earned above that amount.

Now, Speaker Householder is re-evaluating that benefit together with the House’s budget proposal. “Currently, it’s \$250,000. We’d like to take that down to \$100,000,” the Speaker said. “If we do that, it makes a significant difference, and we think that probably does provide incentives for small business people to go out and reinvest in Ohio. We think that when you get above that number, it starts to stray a little bit and we’re probably taking care of some folks that are putting it in the bank or putting it in their pocket.” The GOP House leadership is also re-evaluating the flat 3% tax rate on business income.

Opportunity Zone Tax Credit

Separate from the biennial budget bill, a standalone bill currently being considered in the Ohio House would provide a tax credit for investments in designated low-income areas called “Opportunity Zones.” The Ohio credit would piggyback on a new [federal program](#) enacted as part of federal tax reform in 2017. The Ohio Senate approved the bill, [Senate Bill 8](#), in April to advance a proposed credit against the Ohio income tax equal to 10 percent of the qualifying investment. [As proposed](#), the credit would be nonrefundable but may be carried forward for up to five years.

OHIO LEGISLATURE FINALLY PASSES STATE OPERATING & BWC BUDGETS; INDUSTRY ISSUES ADDRESSED

On July 17th, both the Ohio House and Senate passed the biennial operating budget that funds state government operations ([H.B. 166](#)) and the Ohio BWC budget ([H.B. 80](#)). Both budgets were supposed to be signed into law and their appropriations effective July 1, but the legislature extended the deadlines and provided temporary funding to keep state government operating while the House and Senate worked through their differences on the measures.

The \$69 billion, two-year operating budget included a significant amount of policy, some impacting construction employers.

- The bill's welding standards provisions were modified at AGC's request to do away with an unnecessary bureaucracy that was being created within the Dept of Industrial Compliance, address inappropriately assigned responsibility for structural steel welds to contractors not performing the welding, and some other minor changes.
- AGC was part of a coalition of nine industry groups that had construction removed from a mentorship program designed for manufacturers that did not account for the risk and unique concerns of minors on multiemployer, active jobsites.

AGC also supported language that authorizes the Superintendent of the Division of Industrial Compliance to administer and enforce the building code on behalf of political subdivisions or health districts, which will local building departments an optional tool to help address any staffing issues and ensure efficient plan review and timely building code inspections.

Also of concern to some contractors were the tax proposals impacting business income. The bill retains the deduction at \$250,000 and the three percent cap on income above that, but excludes attorneys and lobbyists from the deduction.

Governor DeWine signed H.B. 166 this morning, exercising his line-item veto authority on 25 items, most dealing with education and Medicaid. The funding portion of the bill took effect today, and the policy will go into effect in 90 days, unless identified otherwise.

For the Ohio BWC budget, the major policy changes – including one designed to prevent misclassified workers – were removed from the final version of the bill.

THANK YOU TO ALL AGC OF OHIO MEMBERS WHO PROVIDED FEEDBACK ON THE POLICY MATTERS CONTAINED IN THE LEGISLATION!

BUILD OHIO 2019

ENTRY DEADLINE AUGUST 31, 2019

THE AWARDS PROGRAM IS OPEN TO AGC OF OHIO CONTRACTOR MEMBERS IN GOOD STANDING. ELIGIBLE PROJECTS MUST HAVE BEEN COMPLETED BETWEEN SEPTEMBER 1, 2018 AND AUGUST 31, 2019 AND LOCATED IN OHIO. A COMPANY MAY ONLY ENTER THE SAME PROJECT ONCE. A COMPANY MAY ENTER DIFFERENT PHASES OR ELEMENTS OF THE SAME PROJECT INDEPENDENTLY, BUT THEY CANNOT BE COMBINED AS ANOTHER TOTAL PROJECT ENTRY.

A COMPANY MAY SUBMIT UP TO TWO PROJECTS PER CATEGORY. FOR COMPANIES WITH MORE THAN ONE OFFICE IN OHIO, EACH OFFICE MAY SUBMIT TWO PROJECTS PER CATEGORY. IN A JOINT VENTURE SUBMISSION, THE CONTROLLING PARTNER MUST BE AN AGC OF OHIO MEMBER IN GOOD STANDING. NON-MEMBERS WILL NOT BE RECOGNIZED.

A MINIMUM OF THREE PROJECTS FROM THREE DIFFERENT COMPANIES, INCLUDING SUBSIDIARIES, MUST BE ENTERED IN A CATEGORY BEFORE ANY AWARDS WILL BE GIVEN IN THAT CATEGORY. COMPANIES SUBMITTING PROJECTS IN A CATEGORY WITH LESS THAN THREE ENTRIES MAY RESUBMIT THEIR PROJECT THE FOLLOWING YEAR.



The 2019 Build Ohio Celebration will be held the evening of November 15th at the Hilton Columbus at Easton.

[Click Here For Build Ohio Award Entry Guidelines](#)

Build Ohio 2019 Entry Form

AGC Project Manager Development Program

An AGC Construction Learning Tool for the Emerging Project Manager

If you are an early-career Project Manager or looking to move into this role, this is a can't-miss opportunity! Brought to you by the Associated General Contractors of America, the PMDP is a set of highly interactive courses that provide participants the essential skills to advance their careers as Project Managers. This five-module program that covers the essentials of project management and provides a solid foundation for long-term career development.

PMDP participants are likely to have various titles depending on the kind of work they perform, the geographical location of their projects, and the size of their company. They may have titles such as assistant project manager, project manager, field engineer, project engineer, project administrator, etc. They may have experience as estimators, field personnel, project assistants, or office managers, and they may work in the heavy and highway sector, the commercial building sector, or in residential construction. They will most likely be early in their careers, have some post-high-school education, and less than two years of project-related experience.

Program Breakdown — Each module is 16 hours, making the entire course 80 hours.

Module 1: Estimating and Job Costing (JULY 16 & 17, 2019)

Develop professional estimating skills, including: an understanding of the different types of estimates; the importance of documentation and formatting; and the link between design, estimating and project costs. Gain awareness of how accurate cost-information is critical to the success of the company and how equipment costs are developed and integrated into the estimate.

- Introduction to Estimating Basics
- Project Planning and Setup
- Estimating Costs for Specific Tasks
- Estimating Costs Not Associated with a Specific Task
- Estimating Costs of Work by Others
- Putting Estimates into Action
- Estimating Redesign and Revisions
- Project Contributions to Corporate Profits

Module 2: Contract Administration (AUGUST 20 & 21, 2019)

Understand how basic contracts structured, how different types of contracts are used, and how project documentation relates to effective contracting. Learn how different project delivery methods use different contracting strategies, and gain insight into contract law and language in relation to project risk.

- Introduction to Construction Law and Project Contracting
- Contract Basics
- Negotiating Fair Contracts
- Contract Documents
- Payment Terms
- Legal Issues
- Contracting with Others for Required Work

[**TO VIEW THE REST OF THE ARTICLE CLICK HERE**](#)



MEET THE MACHINES

PRESENTED BY: OHIO CAT

AUGUST 9 & 10
10 A.M. TO 5 P.M.

- Meet construction equipment from Ohio CAT
- Live science shows
- Get behind the virtual wheel on a construction equipment simulator
- Hands-on activities




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OHIO CONSTRUCTION EMPLOYMENT INCREASES IN 12 OUT OF 13 METRO AREAS FROM APRIL 2018 TO 2019

AGC of America's new analysis of federal employment data shows Ohio construction employment increased between April 2018 and 2019 in 12 of the 13 major metro areas.

Cleveland-Elyria metro added the most jobs over the past year (3,700), followed by the Columbus metro (3,400). Statewide construction employment in April totaled 228,000, up from 224,600 in 2018.

State List of Construction Employment by Metropolitan Area or Division, April 2018–April 2019 (not seasonally adjusted)

<u>Ohio</u>	<u>Industry</u>	<u>Apr. '18</u>	<u>Apr. '19</u>	<u>12-month % change</u>	<u>12-month gain/loss</u>
Statewide	Construction	212,600	216,400	2%	3,800
Statewide	Mining, Logging, and Construction	224,600	228,800	2%	4,200
Akron, OH	Mining, Logging, and Construction	13,600	13,700	1%	100
Canton-Massillon, OH	Mining, Logging, and Construction	8,600	8,700	1%	100
Cincinnati, OH-KY-IN	Mining, Logging, and Construction	47,600	49,000	3%	1,400
Cleveland-Elyria, OH	Mining, Logging, and Construction	36,600	40,300	10%	3,700
Columbus, OH	Mining, Logging, and Construction	40,400	43,800	8%	3,400
Dayton, OH	Mining, Logging, and Construction	12,700	13,100	3%	400
Lima, OH	Mining, Logging, and Construction	2,000	2,100	5%	100
Mansfield, OH	Mining, Logging, and Construction	2,200	2,300	5%	100
Springfield, OH	Mining, Logging, and Construction	1,200	1,200	0%	0
Toledo, OH	Mining, Logging, and Construction	13,700	15,100	10%	1,400
Weirton-Steubenville, WV-OH	Mining, Logging, and Construction	1,500	1,700	13%	200
Youngstown-Warren-Boardman, OH-PA	Mining, Logging, and Construction	9,200	9,400	2%	200

The challenge of hiring will continue to increase, as the [2019 outlook survey](#) shows 88% of contractors in the state plan to increase headcount.

AGC of Ohio members are encouraged to use [I Build America – Ohio](#), the association's new workforce development initiative. I Build America - Ohio (IBAO) is a movement focused on building pride in the industry, educating the public about the value of construction and recruiting the next generation. IBAO also provides employers and other influencers with all the tools, resources, and information needed to spread the word about careers in construction.

[LEARN MORE ABOUT HOW YOUR COMPANY CAN
IMPLEMENT IBAO AND ACCESS THE EMPLOYER TOOLBOX](#)



2019 SAFETY LUNCHEON

REGISTER TODAY



REGISTER TODAY FOR THE AGC OF OHIO SAFETY LUNCHEON!

When: August 16, 2019

Where: J.Liu Worthington (6880 N. High St., Worthington, OH 43085)

Agenda:

- 10:00 a.m. – Safety Meeting (free)
- 11:30 a.m. – Luncheon & Program (\$50 per person)

Sponsorship Opportunities:

- Event Sponsor: \$500
- Luncheon Sponsor: \$250
- Meeting Sponsor: \$100

Registration deadline: August 9, 2019

Learn more and register: <https://agcohio.com/2019-agc-of-ohio-safety-luncheon/>.

Questions: Contact Andrea Ashley at andrea@agcohio.com or (614) 486-6446



I Build America – Ohio, Changing the Conversation Around Construction

AGC of Ohio continues to promote I Build America – Ohio (IBA Ohio) across the state to aid in the recruitment of people into our industry.

So far in 2019 AGC staff has attended many regional construction events in an effort to educate and promote all the resources available. Content is being sent out daily through the IBA Ohio social media pages where it is reaching thousands of people across the state. In the month of April post sent out on just Facebook reached over 9,000 individuals!

As employers, your participation in workforce development is critical! I Build America - Ohio is here to make it as simple as possible to enhance your workforce development programs. We recently added more photos, talking points for the industry, downloadable flyers, and videos for employers across the region to use. Check out the latest updates in our highly organized, easy-to-use online Employer Toolbox. You can download the toolbox [HERE!](#)

Additionally, if you haven't already done so, we strongly encourage you to sign up as an employer on the site. Each month we deliver important resources, news, and current events in the industry across Ohio and our region right to your inbox!

EPA Reduces Amount of Lead in Dust Considered a Hazard

May Warrant Measures to Reduce Risk

The U.S. Environmental Protection Agency (EPA) EPA recently **finalized a rule** to reduce the dust-lead hazard levels on floors and window sills – from 40 micrograms (μg) of lead in dust per square foot (ft^2) and 250 $\mu\text{g}/\text{ft}^2$ to 10 $\mu\text{g}/\text{ft}^2$ and 100 $\mu\text{g}/\text{ft}^2$, respectively. The new standards take effect Jan. 6, 2020. These standards apply to most pre-1978 housing and child-occupied facilities (COF), such as day care centers and kindergarten facilities. Apart from COFs, no other public and commercial buildings are covered by this rule. Read more [here](#).

Upcoming Events

OFCC Conference

August 1, 2019

The Ohio State University—Ohio Union

Sign up @ ofcc.ohio.gov

AGC of Ohio Safety Luncheon

August 16, 2019—10:00 A.M.

J.Liu Worthington (6880 N. High St., Worthington, OH)

[REGISTER TODAY](#)

The 2019 Build Ohio Awards Celebration

November 15, 2019

Hilton Hotel, Columbus

ConstrucTalk

Do you have new employees or has someone received a promotion?

Has your company received an award or recently done anything newsworthy that you would like to share?

Send your information to Taylor Hobbs at
editor@agcohio.com.

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[Businesses and Employees](#)

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I BUILD AMERICA — OHIO —

I Build America - Ohio is a movement to generate pride and respect for the construction industry, and to recruit young people into the industry as a rewarding and valuable career.

www.ibuildohio.com