

# JOB DONE RIGHT



COLORADO ASSOCIATION  
OF MECHANICAL AND  
PLUMBING CONTRACTORS

REAL-WORLD ISSUES AFFECTING PROFESSIONAL PLUMBERS AND PIPEFITTERS OF COLORADO

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## Understanding the Reality of Our Industry *The Real Cost of an Hour of Labor*

The reality of our current economic climate has been shaped by the events over the last decade including the wars in Iraq and Afghanistan, high unemployment, large company failures and government bailouts and who knows what else. In Colorado, several factors are giving us cause for optimism including an improving unemployment rate, new housing starts and a stock market at near record highs. Many contractors are reporting more and more opportunities to bid on projects early this year, but are also reporting tougher and tougher competition from both new competitors and existing competitors who continue to find ways to improve their offerings.

It certainly does appear that we are bouncing back to a stronger economy - but don't get too encouraged – economic prosperity will not become real for you and I unless we continue to find ways to become more competitive and more productive. The economic lessons of the past decade, and our continuously improving competitors makes it critical for us all to do our part to deliver the best product possible every day – in every way.

Recently several contractors and union members took some time out of their busy days to attend an eye-opening educational presentation and question and answer session that gave them the inside scoop allowing them to understand the true reality of the cost of an hour of labor. The session was presented by Mark Rogers, COO of West Chester Mechanical Contractors, Inc., a company he started from the ground up. Mark is a family man, a pipefitter, a very successful COO and has freely given his time over the years to bettering our industry by most recently serving as the MCAA Board President.

This summary of Mark's session, entitled *The Real Cost of an Hour of Labor*, is detailed to help you understand exactly what our contractors spend as a piece of every dollar they invest in our collective futures every day.

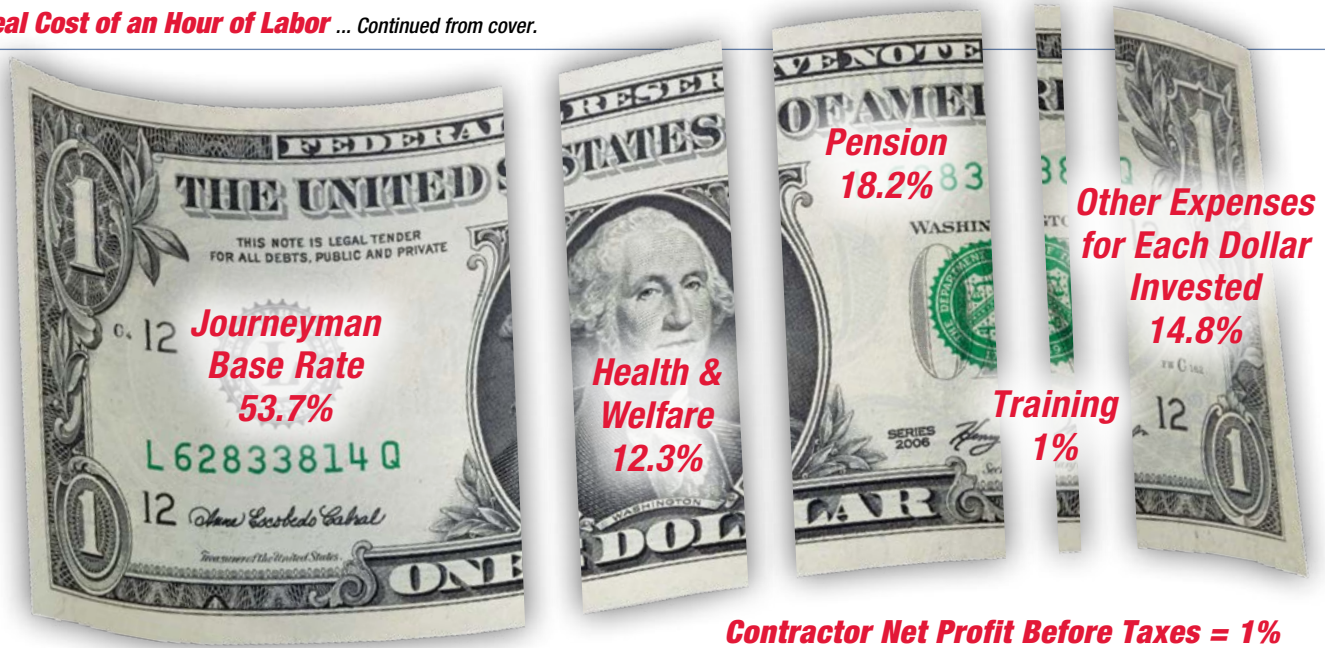
As you will see from the breakdown, contractors have a very little profit left over for their companies from every dollar they invest. Over the past decade, the average contractor's net profit before taxes was in the 2% to 3% range. The last decade of economic troubles, coupled with cost increases in every category and more and more competition with less projects to bid on, has taken the average contractor to a reality of earning a net profit before taxes of about 1%.



*Dave Davia*  
EVP/CEO  
Colorado Association of Mechanical  
and Plumbing Contractors

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The breakdown of the costs of an hour of labor based on journeyman wages is:

**On the check expenses:**

- Journeyman base rate = 53.7%
- Health & Welfare = 12.3%
- Pension = 18.2%
- Apprenticeship training = .6%
- Industry Fund = .3%
- International Training Fund = .1%

Total cost  
per labor hour  
**85.2%**  
of each dollar per  
hour invested

**Other expenses for each dollar invested:**

- Social Security and Medicare (company match at 7.65%) = 4.1%
- Workers Compensation Insurance and Disability Insurance = 3.8%
- Liability Insurance - Fire, Flood, Accident = 2.1%
- General Liability Insurance = 3.1%
- State & Federal unemployment = 1.7%

These costs are direct labor costs only. They do not include small tools, consumables and job site overhead.

I hope this valuable information from Mark gives you a perspective on the investment it takes as a contractor to do business in today's world. I also hope this information will provide us all with additional inspiration to step up our games for the good of our careers, family, and all those we work with daily. The information makes the point that to thrive and prosper in this very competitive economy we all have to be very mindful of every penny invested by

our contractors – and do our part to minimize waste and maximize productivity. If we do not - our competitors are going to take the good living we all enjoy away from us. I am optimistic that continuous education and training, open communication and understanding of all the issues facing our business with each other, and dedication to continuous improvement on all fronts will be the key to us all enjoying fulfilling and rewarding lifetime careers.

*Dave*



**Mark Rogers,**  
"The Real Cost of an Hour of Labor,"  
presentation at  
Local 58 in  
Colorado Springs.



**Mark Rogers,**  
"The Real Cost of an Hour of Labor,"  
presentation at  
Local 208 with  
members of Local  
3 and 208 in  
attendance and  
many Contractors  
also attending.

# Tom Stone Tapped to Become MCAA Board President in 2016

By Dave Davia

In March, the members of The Mechanical Contractors Association of America (MCAA) voted in Tom Stone, President of Braconier Mechanical & Plumbing Services, as the President of their national Board of Directors for 2016-2017. Tom will officially be named for this most prestigious role and honor at the 2016 MCAA convention and will lead the group until the 128th MCAA Convention spring 2017. Tom will represent the best interests of his industry peers in Colorado and throughout the country as he helps MCAA with their many interests on behalf of our industry, and will become only the 2nd MCAA President to represent Colorado. Prior to Tom, we have to go back to 1940 when JE McNevin served as President.

Tom has been volunteering his time pro-actively with MCAA since 2002 when he became a member of the Advanced Leadership Committee and has served on various committees ever since. Prior to Tom becoming the MCAA Board President he will serve as the chairman of various committees within MCAA. Tom said, "becoming involved in MCAA has been one of the best experiences I have had both personally and professionally." "The relationships I have built, and the knowledge and friendships I have gained through MCAA, have been invaluable and have helped me and my company work through both good times and bad. I strongly encourage others to get involved in MCAA — to

learn from their peers and interact with others who will help put the opportunities and challenges of our industry in perspective."

The Mechanical Contractors Association of America (MCAA) serves the unique needs of approximately 2,500 firms involved in heating, air conditioning, refrigeration, plumbing, piping, and mechanical service. They provide members with high-quality educational materials and programs to help them attain the highest level of managerial and technical expertise. MCAA includes the Mechanical Service Contractors of America, the Plumbing Contractors of America, the Manufacturer/Supplier Council, the Mechanical Contracting Education and Research Foundation and the National Certified Pipe Welding Bureau.

We at CAMPC salute one of ours for his efforts in giving back to our industry through MCAA and congratulate him on his pending Presidency of the MCAA Board of Directors. Congratulations, and thank you Tom!



*Tom Stone  
President  
Braconier Mechanical &  
Plumbing Services*

## CSU Student Chapter of MCAA Finishes in Top 10 in National Competition

CAMPC is happy to continue to sponsor the Colorado State University student chapter of MCAA. Our sponsorship serves as one of the ways for our contractor members to support and capture the best and brightest on their way to terrific careers in our industry.

Recently our CAMPC sponsored CSU students competed in a nationally held competition and finished in the top ten. Twenty-five MCAA student chapters submitted proposals on a project involving the installation of the HVAC and plumbing systems in the Space Exploration Center Building at the NASA Research Park in Cape Canaveral, Florida. Bidders were also encouraged to propose design features that exceed LEED Platinum requirements and included to a post-construction service component.

We salute and congratulate our CSU students and applaud their hard work and success in this competition.

*CSU Student Chapter of  
MCAA Makes Us Proud!*



*Left to Right – Ann Mattheis, MCAA Director of Career Development; Dennis Pettitt, Retired Contractor and CSU Faculty Advisor; CSU Rocky Mountain MCA Student Chapter Students Ellen Ford; AJ Sonnenberg; Scott Clancy; Mark Boland; and Troy Aichele, MCAA Career Development Committee Chair (Stirrett-Johnson Inc, WA)*

# MCAA's Public Policy Advocacy Program Steps Up to Big List of Opportunities and Challenges in the 113th Congress

By William J. Albanese, Sr.

MCAA's Government Affairs Committee, in conjunction with the MCAA Political Action Committee, chaired by MCA of New Jersey's William J. Albanese, Sr., are stepping up to take advantage of some big opportunities and challenges in the 113<sup>th</sup> Congress on behalf of the business interest of the MCAA membership and the industry as a whole.

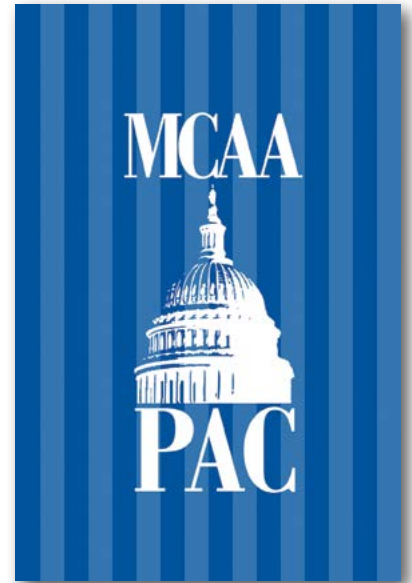
**Private sector – construction industry, multi-employer defined benefit pension plan reform proposal looms large on the public policy agenda this year**, as the very real chance of redressing the accretion of unbalanced risk allocation onto sponsoring employers in the system over the years since 1974 and 1980 and then after that, presents the single greatest opportunity for very positive small business and construction industry reforms in many years. Business and labor organizations are allied behind a very comprehensive set of reforms that rebalance the risks of plan asset volatility, and market fluctuations and adverse demographic trends, and ultimate under-funding risks of multi-employer plans in a way that relies on greater choices and options for bargaining parties and plan trustees to exercise remedial options and even alter plan designs to remedy plan funding problems, rather than relying on taxpayer or Pension Benefit Guaranty Corporation (PBGC) financial support for necessary relief. The legislative proposal, in this case, calls itself by a complete description of the goals of the broad business and labor coalition sponsors - ***Solutions no Bailouts: A Comprehensive Plan from Business and Labor to Safeguard Multi-Employer Retirement Security, Protect Taxpayers, and Spur Economic Growth***. For sure, that's a mouthful – and an accurate one.

The sponsors of the reform proposal, targeted for enactment before the Red, Yellow and Green Zone funding rules of the 2006 Pension Protection Act expire in 2014, are shepherding the proposal very carefully through the early stages in the 113<sup>th</sup> Congress. Those sponsors are over 40 business and labor groups representing all affected parties in multi-employer plans, called the Retirement Security Review Commission of the National Coordinating Committee for Multi-Employer Plans. So far, the expert coalition, reflecting the collective thoughts of many professionals with experience spanning 1974 Employee Retirement Income Security Act (ERISA), the 1980 Multi-Employer Pension Plan Amendment to ERISA, and then various other legislative and regulatory and court opinions since then, has introduced the proposal carefully, winning the guarded support

of the PBGC, and garnering initial rare bipartisan support in initial hearings in the main committee of jurisdiction in the House, the Education and Workforce Committee.

To further that effort, MCAA and the Quality Construction Alliance have slated a press discussion of the proposal in conjunction with the annual Quality Construction Alliance legislative conference for May 2<sup>nd</sup> at BloombergGov in Washington DC. That effort is aimed at overcoming one of the primary obstacles to comprehensive reform in the past, and that is the all-too-ready mischaracterization of reform proposals as “union bailouts.” The aim is to gain careful review by the business press to analyze the proposal carefully and thereby fully appreciate that the proposal is very literally a private sector solution to a set of problems caused largely by compounded regulatory and market problems, relieving small business sponsoring employers of the unbalanced risk policies of the past which have imperiled the sustainability of the system and put taxpayers in jeopardy with that misallocation of risks. MCAA also will be conducting joint labor/management presentations on the proposal as the legislative process continues this year – as we have set an ambitious target for enactment of the reforms in the first year of the 113<sup>th</sup> Congress – perhaps over optimistically.

**Comprehensive immigration reform** – MCAA's policy objectives are set to prevent the reforms from making a bad immigration/workforce standards compliance problem worse, and defending MCAA members' workforce standards investment from further degradation by national immigration policy or the lack of one. Eschewing social policy or social equity issues over and above construction industry/market issues, MCAA's policy aims are clear and straightforward, seeking to prevent further harm to national workforce standards in the reform effort. MCAA policy has four key areas:



*Continued on page 5*

- **Workforce documentation** – E-Verify or any similar workforce documentation/credentialing system is essential to an effective enforcement scheme against those employing undocumented workers or using misclassified undocumented workers as bogus independent contractors. Those who abuse undocumented workers or misclassification of employees as independent contractors have much more to fear from E-Verify than responsible employers who adhere to local, state and federal labor and employment laws. Still, MCAA will urge policy makers to refrain from imposing anything like vicarious liability on contractors from independent violations by separate employers/subcontractors.
- **Crackdown on employers who have exploited undocumented workers in the past** – As the reform may well include some path toward regular status or even citizenship for formerly undocumented workers, requiring an assessment and reparation for past tax avoidance and criminal background checks – then similarly, MCAA policy urges companies that have exploited those undocumented workers in the past, either through employment tax avoidance or independent contractor misclassification, also make amends for those violations.
- **Prevent any guest worker program from compounding workforce standard abuses in the future** – MCAA also supports the UA and the Building Trades efforts to curb any expanded guest worker program for skilled trades and to prevent employer abuse or lax entry standards from further compromising domestic workforce standards. MCAA favors use of an independent and expert panel to administer any guest worker program, with safeguards for domestic workforce payment standards, and to guard against guest workers from migrating to domestic employment for other than permitted work. We support a specific carve out for skilled construction craft workers; but favor flexibility in administration in the event intractable skilled workforce shortages should recur in the future as they did in the late 1990's. Specific wage and benefit industry standards, by industry and locality should be imposed on any guest worker employer for any definite period of employment.
- **Protect the underutilized domestic workforce** – Provide competitive safeguards for responsible employers that employ affirmative action to employ the underutilized domestic workforce against unfair competitive advantages from employers who may overutilize any guest worker program. Comprehensive immigration reform policy must reconcile the cross purposes that a guest worker program presents for national policies promoting employment opportunities for the underutilized domestic workforce.

**Implementing the Affordable Care Act** – Again, pressing to make the best of an overall perilous new policy change, MCAA is participating actively in the regulatory process to gain some policy changes that fully accede to the fundamental differences in the employment and health care relationship of employers and bargaining unit members in the multi-employer employment and health care system as compared with single employers and single employer health coverage. MCAA has filed comments with the Internal Revenue Service and is testifying at an IRS public hearing on the IRS proposed regulations bearing on how to compute the 50-employee threshold for purposes of the new health care law mandatory coverage/penalty rules. MCAA will be represented at the hearing by Aruna Vohra, of Horizon Actuarial Services, a principal in their health benefits consulting practice, and Alan Cabral, a partner at the Seyfarth Shaw law firm in Los Angeles. In representing MCAA, those two health plan professionals will approach the issue from the perspective of employers that contribute to multi-employer plans for health care coverage of bargaining unit employees, and will present the IRS with answers to several questions:

- Why construction craft workers employment relations with sponsoring employers in multi-employer health care plans are different from the employment relationships with sponsoring employers in single employer plans and therefore warrant distinctly different treatment under the proposed regulations; and
- Why bargaining unit employees and others covered by multi-employer plans should be excluded from a sponsoring employer's 50-employee threshold under the proposed regulations; and
- Why the employment/training relationship of construction craft apprentices, trainees and probationary employees in multi-employer bargaining units should be accorded distinct treatment under the proposed rules relating to coverage eligibility and waiting periods; and
- Why non-bargaining unit personnel who are covered under multi-employer plans by participation agreements also should be excluded from the employment threshold coverage under the proposed rules.

The Nation's health care reform law and regulations are an ongoing challenge. MCAA and its allies nearly had a significant gain in that policy back when the Senate bill gained a very positive reform in the Merkley Amendment, setting the threshold for mandatory coverage at an appropriate level for the

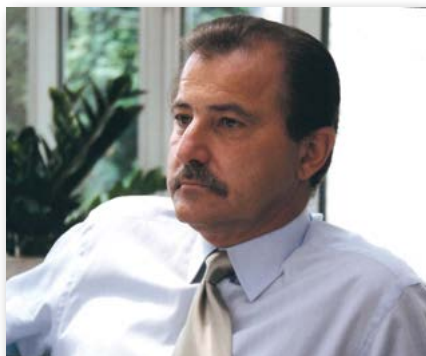
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construction industry. Unfortunately, that very positive gain was lost in the fracas in Congress on final passage of the Affordable Care Act. So, we are left to make the best of the law and regulatory process as it stands now, and the effort at IRS would go some small way to address some of the many daunting issues the new law and regulations pose for MCAA employers and their health care plans going forward.

**Other issues** – MCAA has made strong and steady strides in recent years pressing lawmakers on committees with federal construction procurement jurisdiction to continually look for improvements in federal construction procurement rules. Last year, MCAA gained some incremental changes in the small business contracting plan rules for subcontractors listed by prime

contractors. Building on that gain this year, MCAA now is leading the effort on an industry-wide basis for more comprehensive procurement reform, encompassing prime contractor and subcontractor selection reforms in the low-bid system, some needed changes in the initial scope of negotiated/design-build selection procedures, some payment and contract administration reforms, and further protections in individual surety asset protection on federal surety payment and performance bonds. On national energy policy, MCAA is working on a number of coalitions seeking federal tax and other incentives for a broad array of commercial, industrial, and public facility energy efficiency retrofits to expand that key market for MCAA members.

**MCAA Political Action** – So, to my fellow members – here's the key link. Your association's broad scope of policy advocacy and effectiveness goes hand in hand with expanded political action. As chairman of the Government Affairs Committee and MCAA PAC, I need you to join in your industry's program. It's that simple. Go to [www.mcaa.org](http://www.mcaa.org), scroll down to the MCAA PAC icon, and sign the required Prior Authorization form online, then you are able to make your personal contribution by personal credit card to the MCAA PAC.



*William J. Albanese, Sr.  
Chairman  
MCA of New Jersey*

Your MCAA Government Affairs Committee members, along with myself and our staff, have been building momentum for our program steadily over recent years — we need you to join up and help us pick up the pace — as the opportunities and challenges we face require nothing less of you and us for the best interest of our industry and our businesses. Thanks.

*Respectfully requested,  
William J. Albanese, Sr.*

## Are You Ready for the New National Lead Law?

The countdown is on: the federal “Reduction of Lead in Drinking Water Act” becomes effective January 4, 2014, and distributors, engineers, contractors, and code officials all need to start preparing now.

*The law that will take effect in January will make it illegal to sell or install pipes, fittings and fixtures in applications that convey water for human consumption that have a weighted average lead content exceeding 0.25%. The previous national standard was 8.0% maximum.*

I am sure many contractors carry stock in those fittings and fixtures in their warehouses, shops and trucks, which will need to be used by the end of 2013. I am sure vendors, if they haven't already, will no longer accept returns of these products after a certain date in 2013. Something else to beware of – the product also takes a different technique for soldering, which will involve training.

\*Lead Free refers to the wetted surface of pipe, fittings and fixtures in potable water systems that have a weighted average lead content  $\leq 0.25\%$  per the Safe Drinking Water Act (Sec. 1417) amended 1-4-2011 and other equivalent state regulations.

### **CONTRACTORS: TAKE ACTION!**

*The time is NOW to start planning for the federal Lead Free law. Specifically, contractors need to:*

- *Understand the federal law and any state laws that will affect you and know their effective dates.*
- *Know what product categories are included in and exempt from the applicable laws.*
- *Learn to identify lead free\* product markings and packaging.*
- *Confirm manufacturer listings with third-party agencies.*
- *Be sure you stock products that meet the new standards.*
- *Understand that you may be stuck with non-compliant (non-saleable) inventory on 1/4/2014.*
- *Practice proper installation and soldering techniques for lead free\* products.*
- *Work with suppliers to obtain installation material recommendations and training.*



# Be Afraid ... Be Very Afraid!

## November 2013 Ballot Packed With Important Issues For You To Vote On

By Dave Davia

Spring is in the air, but special interest groups are already focused on what they are going to do after Halloween ... and we all need to be informed about scary things to appear on the November ballot.

Voters need to be prepared for the litany of items likely to be on the November ballot. Colorado is one of the easiest states for people with a couple hundred thousand dollars to put their ideas to the will of the voters. The petition based ideas that make the November ballot based on securing names of support via petitions will be good and bad ideas and can come from Colorado groups or from groups outside of Colorado that may not necessarily have the voters best interests in mind. In the most recent past, voters have weighed in on items ranging from defining when an embryo should be considered a "person," to decriminalizing the possession of marijuana, and big tax payer issues such as building a new stadium for the Denver Broncos, mandating a percentage of energy production that comes from renewable energy, and a major tax reform bill we have been wrestling with for years called TABOR, or the so called tax payer bill of rights.

It is important for you and all in our industry to be informed of the issues and to vote your conscience after being educated on the ballot items. The titles alone can be misleading and it will behoove you to be prepared and informed prior to voting.

March 22nd was the deadline to file ballot titles for 2013. More than 25 separate measures were filed to increase funding for K-12 education in Colorado alone and many more will most likely be added that could definitely have an effect on your pocketbook and our industry in general. The process starts with the deadline to file the title, and then a hearing is scheduled to determine if the idea can move forward to the ballot. The Title Setting Board reviews the ideas submitted before the deadline to the Secretary of State. The Title Board is charged with reviewing items in accordance with Colorado law, the title (or initiative):

- must be brief;
- cannot conflict with another ballot title selected for any petition previously filed for the same election;

- must be in the form of a question which may be answered:
  - "yes" (to vote in favor of the proposed statutory proposition or constitutional amendment); or
  - "no" (to vote against the proposed statutory proposition or constitutional amendment); and
- must unambiguously state the principle of the provision sought to be added, amended, or repealed.

Included on page 9 and 10 is a table listing each potential ballot item and a brief description of what it intends to do.

A couple of things to keep in mind – Colorado is one of seven states to have a flat income tax. Many believe a flat tax is a good tool for recruiting businesses to relocate to Colorado and retain those already doing business here. Colorado's income tax rate is currently 4.63%. You will see mentioned in the potential ballot issues tables about something called The Gallagher Amendment and Amendment 23. The Gallagher Amendment was an amendment to the Colorado Constitution enacted in 1982 concerning property tax. It set forth the guidelines in the Colorado Constitution for determining the actual value of property and the valuation for assessment of such property. The Gallagher Amendment is named after Dennis J. Gallagher, then a state legislator, and now City Auditor for Denver. Amendment 23 was an amendment to the Colorado Constitution passed in 2000. Amendment 23 requires the state legislature to annually increase kindergarten through 12th grade funding by "inflation +1 percent." Some of the potential ballot items will attempt to fix problems with Gallagher and Amendment 23 and are noted above in groups.

I think it is safe to say that the Title Board, along with voters this November, will have their work cut out for them. Some subset of the items detailed will be on the November ballot. Once the Title Board is done with their work, watch for the greeters at your favorite grocery store asking you for your signature to get something on the ballot. Just be careful of what you are signing, as your ballot might take a whole role of stamps to mail due to the number of items on it! Stay tuned.

*Dave*

*Continued on page 9*



## November 2013 Potential Ballot Issues

Initiative No.	Const. or Stat.	Short Name	Description	Tax Revenue
1	C	Gay Marriage	Changes constitutional definition of marriage to include gay couples	
2	C	Personhood	Defines Person and Child as including unborn	
3	C	Marijuana	Prohibit all penalties for marijuana possession	
4	S	Sealing of Criminal Records	Allows convicted criminal to request sealing of criminal record	
5	C	Personhood	Constitutionalizes definition of Person and Child as including unborn	
7	C	Creates state-owned bank	Requires state to establish and maintain state-chartered bank	
8	C	High capacity clips	Constitutional prohibition on any limitation of ammunition magazines	
9	S	PERA Tax Increase	\$8 billion sales tax increase to fund school district portion of PERA contribution	\$8 billion
11	C	Universal Public Health Insurance Program	Establishes in constitution a statewide universal health insurance program	
12	C	Universal healthcare	Requires state-run universal healthcare system	
10	S	Micro tax increase to fund SB-213	.0001% income tax increase to fund SB-213; supersedes any other tax increase adopted at ballot	\$13 thousand
25	S	4A: increases and maintains a flat income tax	Flat rate 5.35% income tax	\$953 million
26	S	4B: adds two-tiered additional tax increment	5% income tax under \$75k (or a +.37% increase) and 5.9% over \$75k (or a +1.27% increase)	\$890 million
27	S	4C: adds five-tier graduated income tax increment	4.75% income tax for wages under \$50k, 5.5% for \$50k - \$75k, 6% for \$75k - \$100k, 6.5% for \$100k - \$200k, and 6.63% for income over \$200k.	\$1.017 billion
28	S	4D: adds five-tier graduated income tax increment	4.63% (<\$50k), 5% (\$50k - \$75k), 5.5% (\$75k - \$100k), 6% (\$100k - \$200k), 6.9% (>\$200k)	\$812 million
21	S	3A: Amends A23 and requires 43% of GF and increases flat income tax	Deletes A23 inflationary adjustment and requires a 43% GF fund commitment and 5.35% flat tax	\$953 million
22	S	3B: Amends A23 and requires 43% of GF and creates two-tiered income tax	5% under \$75k and 5.9% over \$75K	\$890 million
23	S	3C: Amends A23 and requires 43% of GF and creates five-tier graduated income tax	4.75% (<\$50k), 5.5% (\$50k - \$75k), 6% (\$75k - \$100k), 6.5% (\$100k - \$200k), 6.63%(>\$200k)	\$1.017 billion
24	S	3D: Amends A23 and requires 43% of GF and creates a five-tiered graduated income tax	4.63% (<\$50k), 5% (\$50k-\$75k), 5.5% (\$75k - \$100k), 6% (\$100k - \$200k), 6.9% (>\$200k)	\$812 million

*Continued on page 10*

## November 2013 Potential Ballot Issues *(Continued)*

Initiative No.	Const. or Stat.	Short Name	Description	Tax Revenue
17	S	2A: Amends Gallagher to hold res. property tax rate at 7.9% and increases flat income tax	Flat income tax rate of 5.35%	\$953 million
18	S	2B: Amends Gallagher to hold res. Property tax at 7.9% and creates two-tier income tax increment	5% under \$75k (+.37%) and 5.9% over \$75k (+1.27%)	\$890 million
19	S	2C: Amends Gallagher to hold res. Property tax at 7.9% and adds five-tier income tax	4.75% (<\$50k), 5.5% (\$50k-\$75k), 6% (\$75k - \$100k), 6.5% (\$100k - \$200k), 6.63%(>\$200k)	\$1.017 billion
20	S	2D: Amends Gallagher to hold res. Property tax at 7.9% and adds five-tier income tax increase	4.63% (<\$50k), 5% (\$50k-\$75k), 5.5% (\$75k - \$100k), 6% (\$100k - \$200k), 6.9% (>\$200k)	\$812 million
13	S	1A: Amends A23 and Gallagher and increases flat income tax.	Flat income tax rate of 5.35%	\$950 million
14	S	1B: Amends A23 and Gallagher and creates a two-tier income tax	5% under \$75k (+.37%) and 5.9% over \$75k (+1.27%)	\$890 million
15	S	1C: Amends A23 and Gallagher and creates a five-tier income tax	4.75% (<\$50k), 5.5% (\$50k-\$75k), 6% (\$75k - \$100k), 6.5% (\$100k - \$200k), 6.63%(>\$200k)	\$1.017 billion
16	S	1D: Amends A23 and Gallagher and creates a five-tier income tax	4.63% (<\$50k), 5% (\$50k-\$75k), 5.5% (\$75k - \$100k), 6% (\$100k - \$200k), 6.9% (>\$200k)	\$812 million
30	C	Creates 5-tier graduated income tax rates from 4.65% to 6.85%	Amounts collected over 4.63% goes to Ed Fund.	< \$812 million
31	C	Creates a 5-tier graduated income tax from 4.65% to 6.85% and requires TABOR refunds go to Ed Fund		< \$812 million
32	C	Creates a 5-tier graduated income tax from 4.65% to 6.85% but applies only to Joint filings		< \$812 million
33	C	Same as #32 plus all TABOR refunds to Ed Fund		
34	C	Creates 2-tier graduated tax	5.0% (<\$100k) and 5.9% (>\$100k)	< \$890 million
35	C	Creates a two-tier income tax plus TABOR refunds to Ed Fund	5.0% (<\$100k) and 5.9% (>\$100k)	< \$890 million
36	C	Creates a two-tier income tax but only for Joint filings	5.0% (<\$100k) and 5.9% (>\$100k)	< \$890 million
37	C	Creates a two-tier income tax but only for Joint filings and TABOR refunds go to Educ. Fund	5.0% (<\$100k) and 5.9% (>\$100k)	< \$890 million

## Busy Session – High Impact for Our Industry

By Jeff Weist

CAMPC has been actively lobbying a number of bills specific to our industry during the 2013 Colorado General Assembly.

The Examining Board of Plumbers is going through its normal “sunset” review, in which the Department of Regulatory Affairs (DORA) and the legislature reviews the program’s operations and effectiveness and decides whether to continue the agency. SB162 continues the Board until the year 2024 and makes a number of relatively non-controversial changes in its operations. CAMPC EVP/CEO, Dave Davia, testified in support of the bill and we’ve been working with the local plumbing unions to make some additional changes to the program that has been agreed to by DORA.

CAMPC has also been actively engaged with the AFL-CIO in its efforts to make changes to the state procurement and construction statutes. The “Keep Jobs in Colorado Act” would give public entities additional enforcement tools to ensure 80% of labor on public works projects in Colorado is performed by Colorado resident labor. It would also: require state and local governments to apply another state’s in-state bidding preferences against contractors from that state bidding on work in Colorado; direct state agencies to use a “best value” bidding process that considers a number of qualifications to do a construction project, including job standards like wages, training and benefits; ban the state from contracting for services outside the United States and require contractors to disclose service

to be performed outside Colorado or the United States, and; require contractors to disclose the most expensive foreign produced products used on a construction project.

CAMPC has also taken the lead in urging Colorado lawmakers to devote more resources to maintaining and repairing the aging 2,400 state-owned buildings, most of which were built prior to 1980. The recession has forced the state to put off hundreds of millions of dollars in needed maintenance, with very little new construction (outside of cash funded projects on state university campuses). Our efforts paid off in the legislature’s budget deliberations for Fiscal Year 2013-2014, when nearly \$300 million in capital construction and controlled maintenance funding was included in the state’s spending priorities for the coming year, a significant increase over previous years. This funding will mean more work for Colorado contractors and help the state begin to catch up with its backlog of maintenance and new construction needs.

With the 2013 session slightly more than one-half of the way completed, we anticipate many more bills impacting the construction industry will be considered before the legislature adjourns for the year on May 8. Stay tuned.



**Jeff Weist**  
*Boyle, Silver & Weist  
Policy Strategists, Inc.*

## Building Jobs4Colorado

By Jenn Penn

The Colorado Legislative Session is more than half over. Per the Colorado Constitution, the General Assembly can meet 120 days per year. The session began January 9th and must conclude by midnight on May 8th. The first part half of the legislative session has primarily focused on social issues. The Building Jobs4Colorado coalition meets at least twice per month during the session to review and discuss legislation and the potential impact on the construction and design industries. BJ4C anticipates legislation regarding state contracting and workers compensation to still be introduced this session. Dave Davia is a steering committee member of BJ4C and continues to play a leading role within the coalition looking out for your best interests.

During the interim, BJ4C plans to work with public and private industry owners and stakeholders to continue discussions on

payment reform. BJ4C plans to survey construction companies within the next couple of months to identify areas of concern to focus during our meetings over the summer and fall.

BJ4C hosted their second annual Legislative Reception on March 28th at American Institute of Architects Colorado (AIA) office location, a block and half from the Colorado State Capitol. Over 120 people attended giving industry leaders and elected officials an opportunity to network in a social setting. It was a great event to highlight the construction and design industries and BJ4C coalition collaboration.



**Jenn Penn**  
*Building Jobs for Colorado  
Coalition Lobbyist*

# New Forms Issued for Employers to Verify Authorization to Work

By Sue Schaecher

The U.S. Citizenship and Immigration Services (USCIS) has issued a new I-9 form to be used by all U.S. employers. The public can access the form, which has a revision date of March 8, 2013, at <http://www.uscis.gov/I-9Central>. The USCIS also updated its Handbook for Employers: Instructions for Completing Form I-9 (M-274 Rev. 03/08/13) a link to which appears on the same webpage.

Employers should begin using the new form immediately and must use only the new form after May 7, 2013. For reverification or rehires, the new form must be used. The Spanish version of the form may be used for reference, but may be completed only by employees and employers in Puerto Rico.

Changes to the form include its length, expanded instructions, new optional fields for email address and phone number in Section 1 and a field for foreign passport information in Section 1.

Additional USCIS updates that are helpful to employers include a Guidance for Employers on the Deferred Action for Childhood Arrivals Program (DACA) and updated "Frequently Asked Questions" posting about the program. Links to both documents appear on the above referenced webpage.

Launched in August 2012, DACA defers deportation and grants temporary work authorization for eligible individuals who came to the United States as children. The Guidance for Employers addresses how employers should treat Employment Authorization Documents (Form I-766) (EAD) issued under DACA and updated documents for I-9 purposes. When the validity period of an employee's Employment Authorization Document expires, the

employer must complete Section 3 of the Form I-9 or a new Form I-9 to ensure that the employee is still authorized to work.

In the "Frequently Asked Questions" update, USCIS clarified that the program affords beneficiaries lawful presence during the deferral period but not lawful status. This clarification could invalidate interpretations some states have made of their drivers licenses laws to deny driver's licenses to DACA beneficiaries on the basis that they are not lawfully present.

In addition to meeting the I-9 requirements, Colorado public and private employers are required to make a written affirmation of authorization to work for every Colorado employee hired on or after January 1, 2007. Initially, the affirmation could be made in any form, but since October 1, 2012, Colorado employers have been required to use a specific form created by the Colorado Department of Labor and Employment. The affirmation form and instructions for its use can be found by going to [www.colorado.gov/cdle/evr](http://www.colorado.gov/cdle/evr) and clicking on "Mandatory Affirmation Form."



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## FEDERAL AND COLORADO WORK AUTHORIZATION VERIFICATION FORMS FOR EMPLOYERS

	When to Complete	Records to Keep	How long
Federal Form I-9 (Rev. 03/08/13) N	Section 1: Never before employee accepts offer and no later than first day of employment. Section 2: after employee signs Section 1 and within 3 business days of first day of employment.	Must retain original I-9 and may make copies of documents presented by employee.	Either 3 years after date of hire or 1 year after employment ends, whichever is later.
Colorado affirmation form	within 20 days after hire	Must retain I-9, copies of required under federal law for completion of the I-9 form and affirmation form.	For the duration of the employee's employment.

This article is provided for general information purposes only and does not constitute legal or other professional advice. Readers are advised to seek specific legal advice from qualified labor and employment legal counsel in relation to any decision or course of action contemplated.

## EVENTS & EDUCATION

For more information about any of the activities listed below, visit our web site at [www.mpcColorado.org](http://www.mpcColorado.org) and click on "Events and Education" or contact Ann Woosley at (303) 757-3956 or [ann@mpcColorado.org](mailto:ann@mpcColorado.org). *Watch your mail for sign-up sheets and flyers.*

LEED TRAINING	DATE	TIME	LOCATION
LEED Green Associate-Webinar	May 1, 8, 15, 22	1:00-3:00 PM or 6:00-8:00 PM	ONLINE times are mountain standard time
LEED Green Associate-Webinar	June 5, 12, 19, 26	1:00-3:00 PM or 6:00-8:00 PM	ONLINE times are mountain standard time
LEADERSHIP TRAINING	DATE	TIME	LOCATION
BIM Unit 1: An Introduction to Building Information Modeling	May 3	8:00 AM – 4:00 PM	AGC Education Center 686 Mariposa, Denver

## I'm A Union Apprentice. Now Where's My Truck?

By Mark Breslin

How many dozens of times have you seen it?

As an Agent, Trainer or Business Manager you see the new apprentices come in to the program and then immediately go out and buy their new F-150 (all options). Next is a Harley, bass boat, quads and Ski-doo along with the big fat payments that comes with them. Without financial literacy, their union opportunity begins with a mountain of debt from day one.

For many, this starts a pattern that will last their entire careers. Living paycheck to paycheck, week to week, hand to mouth. How is it that we provide people with an amazing union related opportunity that compensates them \$50 – 100K per year, only to see them crash and burn financially more often than not?

This financial instability often leads to:

- Marital and family conflicts
- Drugs and alcohol
- Drop outs from apprentice programs
- Inability to improve life management skill sets

If one underlying purpose of unions and the union industry is to take care of people, perhaps we should focus on helping the guys manage their money and life. Is it worth paying for? There is a significant hidden cost due to drop outs in apprenticeship courses because the students don't know how to budget for 9 months of steady work in a 12 month year. That alone would pay for a lot of instructional time and effort.

After talking to hundreds of concerned union trainers, contractors and managers, almost everyone agrees that this is not a good thing for the guys, or their families. So, how about an idea to put into action:



Mandatory basic financial management for apprentices? What might this include?

- Basic budgeting
- How to select and use credit cards
- Credit rating and why it's important
- How to make major purchases
- Ways to save and invest even small amounts
- Why payday loans are a rip off
- Banking and credit unions



Mark Breslin

If you already have a financial literacy curriculum you are using I really salute your efforts—hundreds of thousands of union craft workers really need it.

If you don't, as a gift to any concerned instructors, agents or managers interested in helping out their guys, just send us an e-mail at [freemdbc@breslin.biz](mailto:freemdbc@breslin.biz), and we will send you a free copy of our book, "Million Dollar Blue Collar: Managing Your Money For Work & Life Success."

We also have some free training material to go with Million Dollar Blue Collar to download from our website.

Take a look and see if it is appropriate to use in your apprentice program to prepare them for a career of great earnings and financial challenges. And when you're done with it, you might consider giving it to your own kids!



# BIG SAVINGS FOR YOUR COMPANY.

## CAMPC Members

Ask your business specialist if you are eligible to receive these special offers from Verizon Wireless and National Purchasing Partners-Construction.

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For Family SharePlan,<sup>®</sup> discount only available on primary line.

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- **Incredible savings on wireless devices.**

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Please contact your Verizon Wireless business specialist for additional information on products, pricing and services.

**Dave Biggins**  
Acct Exec-Business Sales  
Dave.Biggins@VerizonWireless.com  
Mobile Phone: (303) 880-0333

Activation fee/line: up to \$35 IMPORTANT CONSUMER INFORMATION: Corporate Subscribers are subject to Nat'l/Major Account Agmt. Up to \$175 early termination fee (\$350 for advanced devices). Offers & coverage, varying by svc, not available everywhere; see vzw.com. ©2013 Verizon Wireless.0112-C2539



# CRADLEPOINT ROUTER

Day-One Connectivity. Business Continuity. Access Critical Systems.  
The Value of a Complete Business Router Solution.

Day-one connectivity to critical business systems is a necessity in today's business environment. CradlePoint's 3G/4G network routers provide secure, wireless connections to the internet, email and backend business systems. The router can also act as a back-up to your wired service and automatically takes over if your primary line goes down. The CradlePoint failover solution helps ensure that your critical systems are up and running, whenever and wherever you need them.

## CradlePoint Solution Benefits:

- + 3G/4G wireless backup functionality right out of the box.
- + Connects multiple devices and Wi-Fi users.
- + Reliable and cost-effective devices.
- + Simple setup and configuration makes for easy deployment.
- + Supports multiple and concurrent application streams.
- + Maintains security with unique router names and passwords.

These mobile solutions help you excel at the business of doing business. **No wonder more small businesses choose Verizon Wireless than any other wireless carrier.**<sup>1</sup>

Please contact your Verizon Wireless business specialist for additional information on products, pricing and services.

### Dave Biggins

Acct Exec-Business Sales  
Dave.Biggins@VerizonWireless.com  
Mobile Phone: (303) 880-0333



<sup>1</sup>Results based on third-party study.

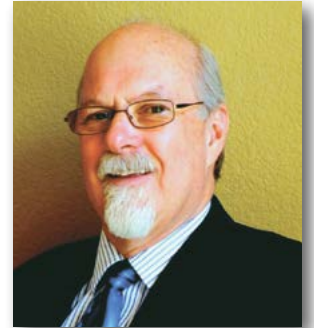
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## FREE Professional Marketing Services

### Take a Fresh Look At Your Business Through the Eyes of Professionals

By Dave Bocks

CAMPC is offering a FREE – NO OBLIGATION confidential business review to help CAMPC contractor members take a fresh look at their businesses through the eyes of professionals. This comprehensive business review program and process has proven to be very helpful for contractors by putting their particular challenges and opportunities in perspective. New strategies and tactics for success will result from this two to three hour working session conducted by Dave Bocks & Associates Marketing in conjunction with a few key people within the contractors' organization. This FREE service will be paid for entirely by CAMPC for their members benefit. It is not a high pressure sales call but a one-time FREE service designed to help CAMPC contractor members become more successful. The confidential strategies and tactics derived from the business review will be owned by the CAMPC contractor member and can be implemented by the contractor or any outside firm desired.



Dave Bocks  
Bocks & Associates Marketing

**Items reviewed in the session include the following:**

- Company mission/vision statement
  - Company values
  - State of business
    - Sales and profit results & goals
    - % of growth
    - Key challenges
    - Key opportunities
  - Products & Services review
    - Profit rankings
    - Sales rankings
    - Opportunity rankings
  - Company credibility factors
  - Company points of differentiation
  - Current positioning in marketplace
  - Current value strategy
  - Defining & re-defining target prospects
  - Customer motivations for your products and services by target prospect
  - Your current customer focus and experience
- Competition
  - Personnel bandwidth, skills, motivations
  - Current sales and marketing efforts
    - Retention (current and past clients regular communication efforts)
    - Acquisition – new prospects
    - Website/mobile site
    - Bid forms and presentations
    - Company vehicles
    - Company uniforms
    - Business cards
    - Using your Community efforts as sales tools
    - Focused niche sales & marketing
    - Networking
  - Measurement of efforts
  - Potential new marketing efforts
  - Recommendations for improving your sales and marketing success

Dave Bocks & Associates Marketing provides sales and marketing services and consultation for service oriented businesses across the country and continues to be actively involved in the marketing efforts of individual contractors within the HVAC construction and services category.

**To schedule your FREE BUSINESS REVIEW please call me at 303-807-3697 or e-mail me at [daveb@dbaam.com](mailto:daveb@dbaam.com). My team and I look forward to helping you make 2013 a year of new opportunity and success.**

~ Dave