
Monday, March 1, 2010

Compliance Deadline Here for Large Off-Road Diesel Vehicles, but March 11 Hearing Could Impact Implementation

By Thomas L. Brown, Chair of AGC of America's CARB Steering Committee, Sierra Pacific West, Inc.

As we reported to you a few weeks ago, the California Air Resources Board (CARB) recently ruled that it wouldn't enforce the Off-Road Diesel Emissions regulations until the U.S. Environmental Agency (EPA) gives the green light for the regulations (see clarification issued by CARB below). AGC believes this was a "meaningless" ruling that creates uncertainty for contractors, because at any point, EPA can grant CARB a waiver, which would immediately allow CARB to resume enforcement.

However, with the March 1 deadline here for large off-road diesel vehicles, CARB has agreed to hear from stakeholders whether the Off-Road regulation should be further modified. The reason to modify the regulation stems from the current economic conditions and equally important reduced emission reductions being a direct result.

A hearing will be held in Sacramento on March 11, and we hope to have some of our members join contractors from Northern California to tell CARB how the economic recession has affected their companies. Some of the information that can demonstrate this includes:

A comparison of company data from 2006 to 2010, including:

- Number of Employees
- Revenue
- Size of Fleet
- Bonding Capacity
- Ability to Finance/Borrow
- Fuel Consumption/Idled or Parked Equipment/Emissions

What has your company already done to comply with the regulations:

- Retrofits installed
- Engine Repowers
- Purchased New Equipment
- Sold Equipment

What are your company's future plans to achieve compliance in the next two, three years:

- Further Shrinkage of Fleet and Employees
- Close Business
- How will this affect your company's Project Capacity
- When do you anticipate the construction industry will recovery from the recession?

AGC will provide additional details about the time and specific location of the hearing when they become available, so stay tuned.

CARB Issues Clarification Regarding Enforcement of Off-Road Regulations

CARB has issued an [advisory](#) (click link) providing clarification regarding enforcement of the Off-Road Diesel regulations. At this time, no enforcement action will be taken for noncompliance with the March 1 emission performance provisions of the regulation, which include:

- Requirements for vehicle retrofit and replacement
- Limitations on adding higher emitting Tier 0 and Tier 1 vehicles
- Requirements for new fleets to meet fleet average targets

During this enforcement delay, fleets will not be retroactively cited for non-compliance with these provisions. This enforcement delay will remain in place until the EPA grants authorization to California to enforce all provisions of the regulation. At that time, CARB will provide fleets with up to an additional six months to comply with all requirements, as it has done previously with other regulations.

However, all other provisions of the regulation not requiring EPA authorization, including the labeling, reporting and idling limits, remain in effect and are enforceable.

TransNet is Working....the Investment is Paying Off

By Jim Ryan, AGCSD Executive Vice President

In 2004, a coalition of business, labor and government moved forward with a campaign to extend the San Diego County TransNet .5% sales tax. AGC members invested over \$500,000 in a program to inform the public of the critical need for this tax. The tax was originally passed in the 1980's, and was set to expire in 2008. This tax is dedicated to transportation projects and issues in San Diego County and is administered by SANDAG...the San Diego Association of Governments. TransNet required approval of 66 2/3% of the voters, and passed in November of 2004 with about 67%...so the vote was very close!!

There was significant opposition to the tax by certain conservative talk show hosts and some political leaders in the county. Their main argument was that the plan for congestion improvement put forward by SANDAG would not help congestion. The tax passed in November 2004, and in 2005 the SANDAG Board voted to borrow against "TransNet 2" sales tax receipts (which did not start until 2008) and to invest in an "early action" program in order to allow some critical construction programs, especially on the I-15 corridor, to move forward. A number of significant projects that would not have been able to be built, were started. While construction is ongoing for several of these projects, some have been completed and the results are starting to come in.....

At 5 pm on a weekday in 1999, northbound on the I-15, between the 163 and the 78 freeways, it took 40 minutes on average, 37 minutes in 2004, and in 2009 it took 31 minutes. The average speed in 1999 was 39 miles per hour, in 2004 was 42 miles per hour, and in 2009 was 55 miles per hour!!! Similar results are being recorded on most other major freeways. Major projects are moving forward on the 52, the 78, and continue on the 15. In addition projects are planned for the 5 and the 805.

TransNet 2 required SANDAG to convene an Independent TransNet Oversight Committee (ITOC). I have served on this committee since its inception in 2005. ITOC meets monthly for several hours per meeting. My impression....SANDAG does an excellent job of planning projects and maximizing TransNet 2 funds by using them to secure state and federal grants. I suspect that this program will produce positive results for years to come!!!

TransNet 2 will generate up to \$40 billion for construction. George Mason University, in a study conducted for AGC of America, indicates that 28,500 jobs are created for each \$1 billion spent on construction. These jobs include direct construction jobs, indirect jobs (construction suppliers, etc.) and "induced" jobs...those jobs that result from the dollars spent by construction workers and employees of suppliers.

So, TransNet 2 not only will result in congestion relief, but will also help with our area's employment.

Final Vote Expected Tuesday on County Fair and Open Competition Ordinance

Tomorrow at 9 AM, the San Diego County Board of Supervisors will consider the “second reading” of a proposed ordinance that would “prohibit the County from requiring project labor agreements on County construction projects”. Last week, the Board voted 5-0 to introduce the ordinance and consider it for adoption on March 2. Although a second reading is required, it usually is a formality, as the Board thoroughly discussed the issue last week and heard extensive testimony from proponents and opponents.

It is expected that the Board also will direct the County’s Chief Administrative Officer to return to the Board in 180 days with a report on county contracting, competition and privatization including practices that could be formalized by policy, ordinance, or reconsideration for putting an initiative on the November ballot for voter approval.

Congress Shuts Down Highway Program...Caltrans Projects at Risk

Congress adjourned last week without enacting legislation to extend highway and transit program spending authority beyond the February 28 deadline. As a result, the Federal Highway Administration (FHWA) will no longer be able to approve projects funded from the general fund, including Stimulus projects. The federal government will not be able to reimburse Caltrans or other states’ Department of Transportation for payments for on-going contracts, and FHWA employees will be furloughed beginning on Tuesday.

In an e-mail from the Caltrans Chief Financial Officer received last Saturday, Norma Ortega stated that “a suspension of expenditures from the Federal Highway Trust Fund will have immediate impacts to Department operations that will grow more severe if the suspension surpasses one or two weeks. Average Monthly reimbursements to the State are approximately \$225 to \$250 million.”

The exact impact to Caltrans projects is not known at this time; however, payments to contractors on federally funded projects could be at risk if this impasse lasts more than a few weeks. We will keep you posted on any further developments.

Two pending bills were intended to keep this shutdown from occurring, but efforts to pass either bill have been stymied. AGC is contacting key Senators and Congressional representatives pointing out the devastating impact this shut-down will have on the highway construction industry and urging them to resolve these differences quickly. We urge you to call Senators Feinstein and Boxer and your Congressional representative with the same request. To be connected to your elected officials, call the U.S. Capitol switchboard at: 202-224-3121. You can also e-mail a letter simply by clicking on to AGC’s [Legislative Action Center](#) and following the instructions. It takes less than one minute to complete.

UPCOMING AGC EVENTS

21st Annual Spring Golf Tournament- Monday, May 10th - SOLD OUT!

The AGC Spring Golf scheduled for May 10 at the Country Club of Rancho Bernardo has **SOLD OUT!** However, the committee has made arrangements with the Rancho Bernardo Inn, which is next door to the Country Club **to add 12 foursomes**. Those that play at the Rancho Bernardo Inn will be included in the tournament, will gather at the Country Club with the other players, and will have dinner, etc at the Country Club. So all tournament amenities will be identical, tee times for only 12 foursomes are available, **so don't delay!!** To register for the Rancho Bernardo Inn course, [click here](#).

We'd like to thank our major sponsors who continue to support this event year after year:

Casper Company, Rossin Steel, Inc. and Marks Golia & Finch, LLP

Additional sponsorships are still available. For sponsorship opportunities, [click here](#). For more information, contact Rae Krushensky at raek@agcsd.org

UPCOMING AGC COMMITTEE/COUNCIL MEETINGS

All meetings at the AGC office at 6212 Ferris Square unless indicated otherwise.

MARCH MEETINGS

March 1 – **San Diego Port District Liaison @ Port**
March 2 – **Human Resource Practices Committee**- 11:30 am
March 3 - **Safety Committee** – 7 am
March 3 - **County Liaison** - 1:00 pm
March 10 - **Public Building Liaison** - 3:00 pm
March 10 - **CLC** – 4 pm
March 24 – **Government Relations Committee** – 10 am
March 24 – **PAC Committee** – 11:30 am
March 26 - **Caltrans Liaison** – 7:30 am
March 26 - **Technology Trends in Construction Committee** – 12 pm



VOLUNTEER FOR A COMMITTEE

To volunteer for a committee(s), please click the following link to register. Appointments are approved by **2010 AGC President, Diane Keltner**.

Get involved! *"The more you put into the AGC, the more you'll get back!"*

[COMMITTEE SIGN-UP](#)

CALENDAR OF UPCOMING AGC SAFETY & EDUCATION CLASSES

***** PLEASE REGISTER ON-LINE FOR CLASSES *****

Go to our website at www.agcsd.org. Click on “Calendar” (on black navigation bar) for either **Construction Education** or **Safety Training** or click on the registration links below.

AGC SAN DIEGO’S EDUCATION & SAFETY CATALOG WINTER-SPRING 2010



DATE	MARCH 2010 CLASSES	CLICK ON LINK TO REGISTER	CLICK ON CLASS F
March 9, 16, 23, 30	Leadership in Changing Times	REGISTRATION	
March 9, 10	BIM 201	REGISTRATION	
March 10	On-Screen Takeoff	REGISTRATION	
March 11	Construction Health & Safety Technician Exam Study Workshop	REGISTRATION	
March 12	OSHA 10-Hour	REGISTRATION	
March 16, 23, 30	Microsoft Excel Formulas	REGISTRATION	
March 18	Mechanics Lien Law	REGISTRATION- COMPLETE SERIES	
March 18-19	CQM Training	CLASS FULL	
March 23	Conceptual Estimating	REGISTRATION	
March 25	New class 2010 Scaffold Users & Fall Protection Training	REGISTRATION	
March 26	Subcontractor Supervisory Training for Navy & Army Construction Projects	REGISTRATION	
March 29	SureTrak Project Manager	REGISTRATION	
March 30	HR Seminar- “Understanding the Maze of the Many Leave of Absence Laws”	REGISTRATION	
March 31	CPR/First Aid	REGISTRATION	
March 31	Ethics & Compliance	REGISTRATION	



INDUSTRY INSIDER

(CGA) Excavation Safety Conference & Expo



March 2 - 4, 2010
8 a.m. - 2 p.m.
San Diego Convention Center
San Diego, CA

Keynote Speaker to Address the Utility Construction Market

The Underground Safety Summit is part of the **FREE** Safety Day 2010 event and our keynote speaker is Mark Bridgers of FMI Corporation. He will share perspectives on the soon to be published 2010 overview of utility construction markets. In addition, he will share critical results from FMI's recently published 10th Annual Owners Survey where owner perspectives on the shape and direction of the construction market beyond 2010 are described. All attendees will receive copies of both pieces of this highly valuable research from FMI.

Safety Day 2010 is a **FREE** one-day event that focuses on Utility Damage Prevention and Underground Excavation Safety. This event features over 100 exhibits and demonstrations, educational sessions, training videos (followed by Q & A), and much more.

For additional information on Safety Day 2010 and to register [click here](#).

LOOKING AHEAD...UPCOMING 2010 AGC EVENTS

- AGC of America Annual Convention- Orlando, Florida**March 17-2010
[CLICK HERE](#) for Registration
 - AGC Mixer- San Diego Harley Davidson**.....April 13, 2010
 - AGC Spring Golf Tournament - Country Club of Rancho Bernardo**.....May 10, 2010
 - AGC Spring Conference- St Regis Resort in Dana Point**.....May 20-22, 2010
 - AGC Baseball Bash**.....June 15, 2010
 - AGC Affiliate Day Golf**.....August 2, 2010
 - AGC Technology EXPO**.....November 3, 2010
-

Guest Writer:

If you would like to be a MMQB guest writer, or include your comment on an article in MMQB, please contact Marcy Knopman at mknopman@agcsd.org.

Keep us in the Loop:

Please notify us if your company has a change of address, phone/fax, or change of contact person, so we may update our records. Thank you!

[Click here](#) to make the necessary membership listing changes