



# CONSTRUCTION BUSINESS GROUP

*Building Wisconsin Together*



## *Skilled Construction Trades and Respected Contractors Building Wisconsin Together®*

Welcome to Construction Business Group's Industry Updates. This monthly e-newsletter will help us communicate the important initiatives that we have underway and relevant updates on issues that impact Wisconsin's construction industry.

### **Message from Executive Director Robb Kahl**



I hope by now you have heard about the Operating Engineers Pre-Apprenticeship Program, courses offered to high school students through an on-line public charter school called Destinations Career Academy (DCA). CBG assisted with the development of the DCA, and I now sit on the Four Lakes Education Board, which oversees the school.

DCA provides high school students with all of the usual curriculum required by the Department of Public Instruction. However, DCA also offers students the ability to earn advanced education, training and certificates in an industry pathway. The Operating Engineers Pre-Apprenticeship Program is one of the highly specialized industry pathways offered at DCA, and is intended to help get young people ready to be apprentices with the Wisconsin Operating Engineers.

Students can attend the school full-time or they may choose to stay in their home school district and take a course or two per semester through a program called Course Options. There is a new option for schools, school districts and consortiums to purchase seats in the industry-specific pathway curriculum through DCA Direct. If the school has a teacher certified to teach a course, their teacher may teach the course and the price to purchase the curriculum is lower. If the school does not have a teacher certified to teach a course, which is very common as school districts make budget cuts, DCA has certified teachers available to teach the courses. That is one of the benefits of online coursework, flexibility.

CBG has been actively promoting the Operating Engineers Pre-Apprenticeship Program in Wisconsin and beyond. CBG was fortunate enough to partner with the IUOE as an exhibitor at the 2017 ConExpo in Las Vegas, one of the world's largest conferences. The Operating Engineers Pre-Apprenticeship Program was promoted to conference attendees from nearly every state.

Most recently, the Building Wisconsin television show selected DCA and the Operating Engineers Pre-Apprenticeship Program as its featured topic for the April 2017 episode. Tony Evers, the State Superintendent of Public Instruction, gave an interview for the show and expressed his excitement and support for the program. Montello, one of the school districts that has embraced the on-line curriculum is featured, and one of the students taking the Pre-Apprenticeship courses is also interviewed. You can watch the episode on-line at <http://www.buildingwisconsintv.com/>

CBG will continue to promote and expand the Operating Engineers Pre-Apprenticeship Program. If you believe your school district might be interested in learning more about the program, send me an email [r.kahl@cbgwi.com](mailto:r.kahl@cbgwi.com). We would be pleased to come to your school district to explain how DCA can be a useful tool to supplement its course offerings.



[www.buildingwisconsin.together.com](http://www.buildingwisconsin.together.com)

## ALERT - BUDGET HEARINGS

The Joint Finance Committee public hearings on the 2017-2019 budget begin Monday, April 3rd. There are six public hearings scheduled at various locations throughout the state.

Please attend in your community and speak out on important issues affecting the construction industry: 1) finding a long-term, sustainable funding source for transportation; 2) capital budget funding; and 3) leaving the State prevailing wage laws intact to ensure Wisconsin contractors and employees are protected from cut-rate, out-of-state contractors.

Below are the hearing dates, times and places:

**Monday, April 3 (10:00 a.m. - 5:00 p.m.)**

UW-Platteville, Ullsvik Hall  
30 South Hickory St.  
Platteville, WI 53818

**Wednesday, April 5 (10:00 a.m. - 6:00 p.m.)**

Wisconsin Exposition Center  
8200 West Greenfield Ave.  
West Allis, WI 53214

**Friday, April 7 (10:00 a.m. - 5:00 p.m.)**

Berlin High School Auditorium  
222 Memorial Dr.  
Berlin, WI 54923

**Tuesday, April 18 (10:00 a.m. - 6:00 p.m.)**

Spoooner High School Auditorium  
801 County Highway A  
Spoooner, WI 54801

**Wednesday, April 19 (10:00 a.m. - 5:00 p.m.)**

Ellsworth High School Gymnasium  
323 West Hillcrest St.  
Ellsworth, WI 54011

**Friday, April 21 (10:00 a.m. - 5:00 p.m.)**

Marinette High School Auditorium  
2135 Pierce Ave.  
Marinette, WI 54143

## Industry News and Updates

### From the News Stand

#### AGC Economist Sees Uncertainty in Forecast

Associated General Contractors of America Chief Economist Ken Simonson doesn't foresee a huge influx of federal money for infrastructure this year and is skeptical that a divided Congress could

pass any legislation. He sees construction growing in 2017, albeit "very spotty, very segment-specific." [Watch Video Here](#)

## Trump wants infrastructure projects ready to go immediately

Richard LeFrak, infrastructure adviser to President Donald Trump, said the president will only consider funding for infrastructure projects that are ready to go immediately. LeFrak said the president is also working to reduce regulations that are detrimental to important projects, and he reiterated that Trump "has concrete in his blood." [Watch Video Here](#)

## Underinvestment Leads to Near Failing infrastructure Grade

The D+ grade given to the country's infrastructure by the American Society of Civil Engineers is a result of "under investment across most categories" and "delayed maintenance," the group says. "Infrastructure owners and operators must charge, and Americans must be willing to pay, rates and fees that reflect the true cost of using, maintaining, and improving infrastructure".

## WisDOT Memo Warns of "Tidal Wave" of Delays

An internal memo to brief the new leadership team at WisDOT warns that Wisconsin is headed toward a "tidal wave" of costly highway project delays as the state patches together a rapidly deteriorating system. The memo, released to the Milwaukee Journal Sentinel under the state's open records law, warns that \$200 million in State Highway Rehabilitation funding will need to be diverted to southeastern Wisconsin to hold the region's freeway system together as the state walks away from megaprojects in the region.

Click [here](#) to read more.

## Wisconsin #49 in U.S. Ranking for Road Quality

U.S. News & World Report published its rankings of "Best States" -- placing Wisconsin 49th out of 50 states for the quality of its roads. Wisconsin was ranked 16th overall, but lagged in several metrics related to infrastructure.

### Road Quality Rankings



U.S. News & World Report and management consulting firm McKinsey & Company recently released rankings of "Best States" based on 68 metrics across 7 categories.

Using U.S. DOT pavement data, the ranking for Road Quality puts Wisconsin at #49. Only Connecticut ranked worse.

At left are the Road Quality rankings for Midwestern states.

The road quality ranking relied on information from TRIP, which reported last year that 42% of major roads in Wisconsin were in mediocre to poor condition. WisDOT projected in December that the number of poor pavement miles in the state would double over the next 10 years.

Click [here](#) to read more.

## Upcoming Events

# 2017 ARTBA Federal Issues Program & Transportation Construction Coalition Fly-In

May 16-18; Hyatt Regency Washington Hotel

For more information, click [here](#).

## Legislative Alerts

### Lawmakers Propose Management Changes to Highway Program

Recently, the Legislative Audit Bureau (LAB) published its evaluation of the management of the State Highway Program by the Wisconsin Department of Transportation (DOT). Of note, the LAB found:

1. When a major highway project is considered for approval, the DOT provides the Governor and the Legislature with an estimate of total project costs, but such estimates were incomplete, in part, because they did not take into account that inflation would increase project expenditures over time; and
2. The DOT budgeted to complete more major highway project work than could be completed with its available funding because it did not sufficiently take into account the extent to which project expenditures increased over time as a result of inflation and unexpected cost increases.

The legislature's Joint Audit Committee introduced legislation to address these management deficiencies. Their proposal requires the DOT to:

1. Provide state lawmakers with cost estimates that include all costs associated with potential major highway projects, including the effects of inflation; and
2. Regularly report information to state lawmakers about the ongoing costs of each major highway project.

### Trump Budget Could Cut Federal Transportation Grants

President Donald Trump could call for cuts to transportation grant programs, like the FASTLANE and Transportation Investment Generating Economic Recovery grants, but he also wants a \$1 trillion infrastructure investment. Rep. John Delaney, D-Md., said the president's policy is "inconsistent," and several members of Congress have pushed to keep the grants in the budget during a working session. [Read more](#)

### New Rural Broadband Expansion Legislation

State Senator Howard Marklein (R-Spring Green) and State Representative Romaine Quinn (R-Rice Lake) recently introduced rural broadband expansion legislation that combines elements of Governor Walker's budget plan and the recommendations made by the 2016 Legislative Council Study Committee on Rural Broadband.

According to Senator Marklein, this bill:

- Allocates an additional \$15.5 million for Broadband Expansion (BEX) grants;
- Provides the Wisconsin Public Service Commission (PSC) with a requirement that BEX grants go to areas of the state with the greatest need. In other words – "fill from the bottom up";
- Includes a policy that prevents broadband service providers from "cherry picking" high value customers, while ignoring the needs of residential customers;
- Directs the PSC, in evaluating BEX grant proposals, to consider the impact of improved broadband on students at home and patients at home; and

- Discourages the duplication of existing broadband service.

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