



Operating Engineers working on Milwaukee's Zoo Interchange gather for a morning safety meeting at State Fair Park in October.

LOCAL 138 PHOTO BY DAN MARSOLEK

CBG's mission more than prevailing wage



The construction industry faced significant challenges in 2015-2016 due to the political climate in Wisconsin, and it looks like 2017-2018 will be equally as challenging. However,

Construction Business Group is ready to face these challenges.

CBG staff has developed a database collecting information on projects funded with federal money subject to federal Davis-Bacon prevailing wage law. CBG is building a Responsible Bidder database for use by state and local contracting agencies in Wisconsin so that these municipalities, counties and state officials have a clear understanding of the performance history for each contractor bidding on their projects.

Our six investigators have expanded their investigations to include review for compliance with: competitive bid laws; independent contractor laws; misclassification standards; insurance and bonding requirements; drug testing requirements; apprenticeship program and ratio regulations; OSHA and other safety requirements; and many other fair contracting laws. These efforts will help ensure that contractors awarded public projects are playing by the rules and that workers (and their wages) are protected.

But, CBG does much more than fair contracting compliance. In 2015, CBG embarked on a workforce development and public image campaign under the name Building Wisconsin Together®. This campaign includes youth outreach, veteran support and recruitment, television shows and community outreach. CBG assisted with the development of the Destinations Career Academy of Wisconsin, an online public school that features exclusive pre-apprenticeship Operating Engineer curriculum for high school students statewide. I sit on the Four Lakes Education Board which oversees this program.

CBG helped coordinate the "Safer Communities" campaign between the Operating Engineers and the Wisconsin Professional Police Association to educate the

public and decision makers on the connection between public safety and the construction of public infrastructure by qualified contractors and workers. Our agency also assisted with creating the first-of-its-kind Operating Engineers-only American Legion post and is undergoing efforts at the state and local level to enact more labor-management initiatives that will benefit our 139 members and our current and prospective contractors.

CBG also educates contractors, governmental officials and others about our industry and our labor-management partnership. Annually, CBG investigators visit signatory contractors and local municipal clerks to provide informational packets highlighting the information necessary for them to ensure they remain in compliance with the myriad of fair contracting laws.

In March 2016, CBG hosted a seminar on union-based real estate development financing in an effort to get more projects built using union labor. This February, CBG will host a two-day seminar featuring many high-profile speakers on topics such as use of public-private partnerships to fund infrastructure projects and human trafficking of undocumented workers on construction projects.

At CBG, everything we do is intended to protect and promote your industry. We will keep you informed of our efforts in future newsletters.

Robb Kahl,
CBG Executive Director

UPCOMING EVENTS:

Construction Business Group: Winter Conference, Feb. 9-10, Wisconsin Dells
Wisconsin School Counselors Association: Feb. 21-23, Madison
Wisconsin Technical Educator Association: March 2-3, Wisconsin Dells
SkillsUSA State Conference: April 25-26, Madison

A SPECIAL REPORT FROM CONSTRUCTION BUSINESS GROUP



LOCAL 139 PHOTO BY DOUGLAS CHEEVER

Trades, contractors partner to build careers, communities



Construction Business Group is committed to enhancing the image of Wisconsin's construction industry through the "Building Wisconsin Together" campaign. The campaign theme centers on skilled construction trades and respected contractors building Wisconsin together.

Building Wisconsin Together shares the message that the trades and the contractors work to build a better Wisconsin every day by building careers and building communities. Messages shared through the BWT website, advertising and outreach reinforce that the Operating Engineers and its' signatory contractors are working with educators, parents and veterans to provide successful career opportunities.

Please take a moment to visit our website www.buildingwisconsin.together.com where you will find links to outreach efforts, videos and upcoming events.

Racine schools pilot Operators' pre-apprenticeship program

Mike Ervin, an Operating Engineers' organizer, and Laura Cataldo, a consultant to Construction Business Group, met with Racine Case High School officials in the fall of 2016 to share details on the Operating Engineers' Pre-Apprenticeship Pathway through Destinations Career Academy. The high school is in the process of becoming a wall-to-wall academy program, focused on preparing students for a career pathway.

DCA's online curriculum fits well with the high school's model and Racine Case is offering the exploratory course as part of an after-school program. Ervin is working with area contractors to supplement the online curriculum and expose students to the opportunities available in their community.

Above: Bob Weaver, Local 139 business agent, and Mike Ervin, Local 139 organizer, introduce Racine Case High School faculty and students to a heavy-equipment simulator.

Operators develop curriculum for online training



Concerned with a growing demand for construction trade

professionals and the lack of Career & Technical Education in high schools, the Operating Engineers is committed to make a difference in Wisconsin as a partner in Destinations Career Academy of Wisconsin and Construction Business Group is providing a lot of the coordination support and outreach for this exciting new program. Here are some facts to help you understand DCA of Wisconsin:

- An online charter school focused on CTE
- A tuition-free option for high school students
- Allows students to stay at a traditional school and take select courses through DCA
- The Operating Engineers Pre-Apprenticeship Pathway is available only in Wisconsin.
- Earns technical college credit
- Fulfills high school CTE credits
- Completes coursework required of apprentices

THE FIRST COURSE, "BASIC EQUIPMENT", IS UNDER DEVELOPMENT FOR SPRING 2017.

If you know of a student or a high school that would be interested in the Operating Engineers' program, please contact Laura Cataldo, a consultant to CBG, at 608-616-2835 for more information.

www.widca.k12.com/career-fields/-architecture-construction.html

Study: Prevailing wage changes hurt veterans

A 2016 study conducted by the Midwest Economic Policy Institute finds that prevailing wage laws greatly improve economic outcomes for veterans in Wisconsin.

The study concludes that military veterans disproportionately join the construction industry at a higher rate than non-veterans. Nationwide, veterans account for 6.9 percent of blue-collar construction workers compared to 5.8 percent of the overall workforce. In Wisconsin, veterans account for 8.3 percent of all blue-collar construction workers compared to 5.5 percent of the state's overall workforce. Any given construction worker is 2.8 percentage points more likely to be a military veteran than an individual in the rest of Wisconsin's economy.

Signed into law by Gov. Scott Walker, the 2015-17 budget bill makes changes to the state's prevailing wage laws effective Jan., 1, 2017. According to the study, the full effects of these changes are projected to:

- Reduce annual incomes of veteran blue-collar construction workers by 7 percent to 11 percent
- Lower employer-provided health insurance coverage for veterans in construction by 11 percent to 15 percent
- Force into poverty nearly 200 veterans who work in construction
- Negatively impact veterans working in construction and veterans who own construction businesses

By decreasing incomes, reducing employer-provided health coverage, increasing poverty, hindering apprenticeship training, and shrinking the market share of veteran-owned construction companies, it is clear that weakening prevailing wages will increase taxpayer costs on the backs of veterans who have served their country.

By 2022, construction and extraction occupations will grow by 15 percent in Wisconsin, adding 14,600 jobs. This growth far exceeds projected employment growth in all occupations (7.1 percent). To meet the demand for more people in these industries, Wisconsin needs stronger prevailing wage laws to help fund apprenticeship programs.

Local 139 is addressing this growing need for workers by aggressively recruiting veterans into its apprenticeship program through the Combat 2 Construction program. It is vital that we reverse the January 2017 changes and strengthen prevailing wages in Wisconsin so we can benefit veterans who are populating the construction trades at higher rates than non-veterans, and who are increasingly using apprenticeship programs to transition into civilian careers in this fast-growing field. Again, please visit www.AmericanLegionPost139.org Click on the "Sign the Petition" tab and add your name to the growing list of Wisconsinites who want to reverse these changes to prevailing wages.

WISCONSIN'S NEW PREVAILING WAGE LAWS AFFECTING VETERANS IN CONSTRUCTION

Employer-Provided Health Insurance

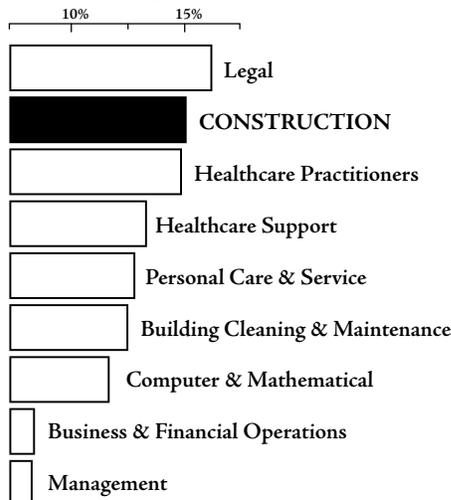
Down 11-15%

Annual Wages

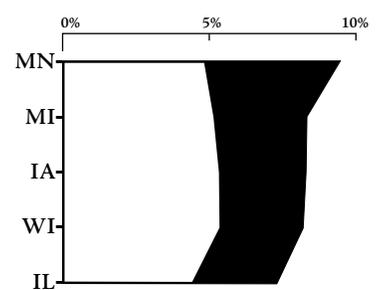
Down 7-11%

TAKE ACTION!
Read the entire study & sign the petition at:
AmericanLegionPost139.org

Projected Growth of Wisconsin's Faster-Growing Major Occupations 2012-22:



Legend:
 Veteran Share of Total Workforce
 Veteran Share of Construction Workforce



Source for graphs: Midwest Economic Policy Institute. Note that the overall projected growth rate of jobs in Wisconsin from 2012-2022 is 7.1 percent. Because of their high rate of employment in construction, veterans are disproportionately harmed by changes to prevailing wage laws.



LOCAL 139 PHOTOS

Building a pathway to recovery

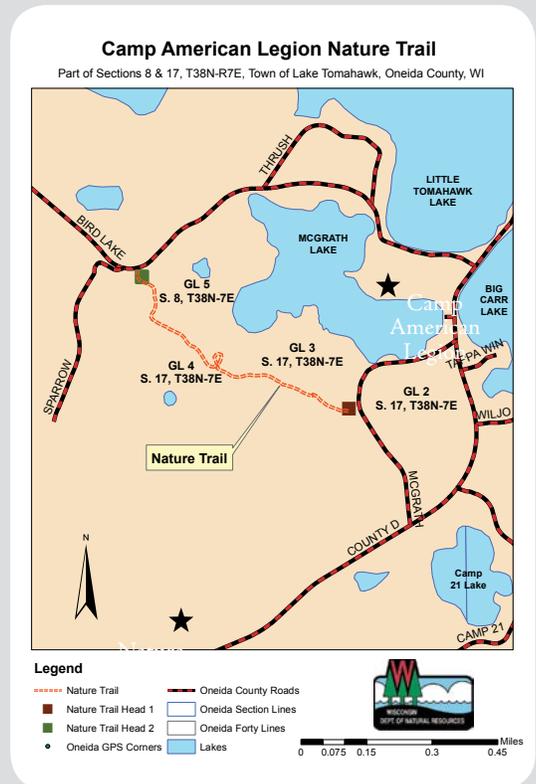
In 2016, the Wisconsin American Legion reached out to the Operating Engineers about the need for a handicapped-accessible trail for veterans at Camp American Legion near Tomahawk. Within a very short period of time, the mile-long trail was built, thanks to generous donations of time, equipment and materials by the Operating Engineers and their signatory contractors.

Many of the Operating Engineers who helped construct the trail are veterans, who learned a lot about the American Legion while working on the project. Once the trail was finished, the next natural step seemed to be starting an American Legion post exclusively for Operating Engineers. In September, a group of Operating Engineers who are also veterans did just that, and American Legion Post 139 was born.

Starting a new American Legion post isn't as easy as one might think. The paperwork and other legal hurdles are significant. Faced with the prospect of having to hire a lawyer to help (and having no startup funds to do so), Construction Business Group stepped in and allowed its in-house lawyer, Cindy Buchko, to help the new post get started.

Chartering a new post requires drafting a constitution and bylaws, completing a 20-page Internal Revenue Service application, obtaining a bond from an insurance company, notifying the Wisconsin Department of Financial Institutions, and completing a number of other bureaucratic, but necessary, steps. In addition to the pro bono legal help, CBG's board approved several in-kind and cash donations to help the fledgling post launch.

CBG is committed to honoring all veterans and was happy to help the Wisconsin Operating Engineers veterans who had the vision and foresight to create their own American Legion post.



LOCAL 139 PHOTO

Top: Local 139 apprentices, mostly veterans, construct a nature trail at Camp American Legion in Tomahawk, in Oneida County.

Middle: A wheelchair-accessible nature trail for veterans is mapped by the Wisconsin Department of Natural Resources.

Left: Ground-breaking in spring of 2016 for the nature trail.