

Texas

September 2016

MERIT SHOP

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Journal



ONE-ON-ONE WITH STATE REPRESENTATIVE TAN PARKER

Texas State Representative Tan Parker discusses his views of the free enterprise system and personal priorities this upcoming session

PLUS

Texas General
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Chapter Contact Information

ABC of Texas

Jon Fisher, President
P.O. Box 1891
Austin, Texas 78767-1891
ph (512)470-5756
www.abctexas.org

Central Texas Chapter

Tracey Evers, Executive Director
2600 Longhorn Blvd., Ste. 105
Austin, Texas 78758
ph (512)719-5263
www.abccentraltexas.org

Greater Houston Chapter

Russell Hamley, President
4910 Dacoma
Houston, Texas 77092
ph (713)523-6222
www.abchouston.org

Southeast Texas Chapter

Kimberly Bernard, President
2700 N. Twin City Highway
Nederland, Texas 77627
ph (409)724-2519
www.abcsctx.org

South Texas Chapter

Steven Schultz, President
814 Arion Parkway, Ste. 204
San Antonio, Texas 78216
ph (210)342-1994
www.abcsouthtexas.org

Texas Coastal Bend Chapter

Kathy Burnette, President
PO Box 2584
Corpus Christi, Texas 78403
ph (361)289-5311
www.abctcb.org

Texas Gulf Coast Chapter

Terry McAlister, President
PO Drawer 2650
Freeport, Texas 77542
ph (979)233-1616
www.abctxgulfcoast.org

Texas Mid Coast Chapter

Kristi Stevenson, President
1408 N. Ben Jordan
Victoria, Texas 77901
ph (361)572-0299
www.abctxmidcoast.org

TEXO Chapter

Meloni McDaniel, President
11101 Stemmons Freeway
Dallas, Texas 75229
ph (972)647-0697
www.texoassociation.org

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4910 Dacoma
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(713) 523-6222 www.abctexas.org

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and Wes Johnson.
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LETTER from the Chairman



JOHNSON

Jon Fisher's letter in this issue of the Texas Merit Shop Journal gives the reader a very good synopsis of important state issues affecting ABC members. I urge everyone to read it.

I am writing on the single issue one should focus on in determining for whom to vote in the upcoming presidential election. What issue is so paramount that it is more important than all others; metaphorically, an issue that is worth dying for, or stated another way, worth fighting to the death for? Is the election of this president, metaphorically, a Battle Royale? "Battle Royale" - Wikipedia says the term refers to a novel by Japanese writer Koushun Takami. The story tells of junior high school students who are forced to fight each other to the death.

The major parties are treating the presidential election this year very much as a Battle Royale. Whether one is entertained by, approves or disapproves of the prior, current, or future middle-school conduct of the major party's candidates, both major parties and their candidates should be fighting to the death. That said, "fighting to the death" should not be merely for "important" reasons. Pundits want to discuss and frame the argument on what they believe is important, i.e. whom said what to whom, or about whom, who did or didn't lie, cheat, steal, or verbally abuse. Pundits tend to focus on issues which are raised by conduct of others in the previous 24-hour news cycle; the "flavor of the day"; the economy, terrorism, immigration, domestic policy, and all flavors and shades thereof. But, important issues are those which if one loses, one wants to live to fight another day.

But, what issue is more than important; that is, an issue so paramount, that it warrants a fight to the death - that is metaphorically giving one's life to win something. In our country, freedom, liberty, and the pursuit of happiness have been reasons for, in fact, fighting to the death, giving one's life for a paramount reason. One could argue that all of the above "important" reasons have some effect on freedom, liberty, and the pursuit of happiness.

If one probes further, however, all of these "important" reasons have one thing in common, each is significantly governed by those making, amending, and implementing laws. The making and implementation of laws is important, but it is equally self-evident from the prior conduct of politicians affiliated with both parties, that it is much too easy to simply issue regulations contravening the written law, selectively enforce the law, or issue the infamous "executive order" to circumvent laws.

The paramount issue is "who interprets both the making of laws and the conduct of those implementing the laws?" The answer for those in the United States is the judges of our courts. Why this election is, and should be, metaphorically, a Battle Royale, is the very simple concept of who will nominate those to sit on the US Supreme Court. The answer to this question is paramount because a Supreme Court Justices opinion affects you and the country long term, likely longer than the life time of many who are reading this.

There will likely be three or four new Justices voted and approved by the Senate to the Supreme Court in the very near future. The appointment is for life, or until resignation. Supreme Court justices are individuals, with life experience from which each justice draws to interpret the written word as well as the conduct of those implementing the law. Each justice absolutely has a "bent". So, regardless of all the "noise" related to both major party's candidates, their conduct, various policies, and peccadillo's, the governing and paramount issue above all others: Which individual presidential candidate do you want nominating future Supreme Court justices?

Wes Johnson
2015 - 2017 ABC of Texas Chairman
The Gardner Law Firm

LETTER from the President



FISHER

This is the last issue of Texas Merit Shop Journal before the November elections. I urge everyone to vote and get active in local elections.

Mike Toomey, our lobbyist, and I have identified races in chapter areas that are important to the State of Texas and ABC. If you are interested in getting involved, check with your Chapter President to see if we have identified races in your area. I remember a legislator telling me once that he could not remember the names of everyone that gave him \$1000 or more, but he did know the names of everyone that volunteered in his campaign!

By now, all of you should have received instructions from your chapter on how to access the webinar on Lien Law Modernization which was held on July 25. We had 24 members participate. Our panelists—Ben Westcott and Fred Wilshusen—did an excellent job of explaining the proposal and answering questions. The most important thing for members to do is to try to understand the proposal and provide us feedback—directly to Ben or me. As I said in my introductory remarks in the webinar, this proposal is not designed to produce more liens; it is designed to provide a better system for assuring all are paid thereby eliminating the need for liens. This is attempted by creating a system for owners and general contractors to be aware of who needs to be paid. This gives owners and general contractors the ability to have a list of who needs to provide lien waivers so “surprise liens” are avoided. And it provides a simpler way with fewer “tripwires” for subcontractors and suppliers to preserve lien rights by providing an upfront notice (the same notice that lets owners and GCs know who needs to provide lien waivers). Please do not hesitate providing feedback. We need to know if you like the proposal or not. We do anticipate getting feedback from some other stakeholders by the time this issue reaches you so we need to know what you think also.

One of our other highest priorities for the next legislative session is Neutrality in State Government Contracting. The One-on-One in this issue features the author of that bill—State Rep. Tan Parker, a longtime friend of ABC.

Other articles in this issue include a rundown on the November elections and more on the Lien Law Modernization Proposal.

The next issue of Texas Merit Shop Journal will be January 2017. We will have write-ups on our Priority Issues.

Last, but not least—VOTE!

Jon Fisher
ABC of Texas
President

THANK YOU

The following ABC of Texas Members have provided financial support which is above and beyond their normal dues commitment.

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Texas General Election Prospectus

BY: MIKE TOOMEY

Many pollsters predict that a particularly galvanizing 2016 presidential election will drive non-voters to the polls in droves this November. That prediction brings uncertainty to candidates further down the ballot.

Why? A Trump or Hillary ballot comes with the possibility of first time voters showing up and casting straight-ticket ballots, regardless of how that voter might actually align with candidates further down the ballot. On the other hand, historically straight-ticket voters might opt to vote down the ballot given their "lesser of two evils" candidate at the top. Lastly, Hillary's historic run could increase female voters looking to vote for female candidates. It's clear that the presidential race will have a significant impact on closely contested races this November.

Even so, the ground is not shifting under Texas politician's feet. No state-wide office holders are up for election this year. In the House, almost two-thirds (82 to be exact) of the candidates will not face an opponent in the fall. Of the remaining 68 House races headed to a general election, 62 will host an incumbent. In the Senate, of the 16 seats up for grabs this election cycle (senators run for 4-year terms), only 4 will face an opponent in the general election. Of those 4, only one will not feature an incumbent.

Using what is known as the Optimal Republican Voting Strength (ORVS) metric, we can identify the few competitive general election races. The ORVS is a rough assessment of Republican support in a particular district for a Republican candidate. Although it is not a definitive tool, a Republican candidate in a district with an ORVS of 57% or greater is very likely to carry that district. A district between 50%-56% is hotly contested. It is also important to note that a general election race featuring a Libertarian candidate can take around 3% of the vote away from the Republican candidate, making it an even closer contest. Last election year, the ORVS was perfect – in all 50% +1 ORVS districts, Republicans won.

regional BREAKDOWN

Below is a regional breakdown of House races that are hotly contested as well as the only two State Senate races in majority Republican districts with a Democratic Party opponent.

IN THE HOUSE

ABC-TEXO CHAPTER

HD 107 – 52.5% ORVS:

Incumbent Kenneth Sheets (R-Dallas) will face Democrat Victoria Neave (Dallas), in what could be this year's most competitive general election in the Texas Legislature.

HD 105 – 53.6% ORVS:

Another close race will pit incumbent Rodney Anderson (R-Grand Prairie) against attorney and Democrat, Terry Meza (Arlington).

HD 113 – 53.7% ORVS:

Democrat Rhetta Andrews Bowers (Rowlett) will test incumbent Cindy Burkett (R-Sunnyvale) for a seat in the House.

HD 102 – 54.4% ORVS:

Incumbent Linda Koop (R-Dallas) goes up against Democrat Laura Irvin (Dallas).

HD 114 – 56.3% ORVS:

Democrat James "Jim" Burke (Dallas) and Libertarian Anthony Holan (Dallas) will challenge incumbent Jason Villalba (R-Dallas) in November.

HD 112 – 56.8% ORVS:

House District 112 features incumbent Angie Chen Button (R-Garland) versus former Navy serviceman and Democrat Jack Blackshear (Garland).

HD 115 – 56.8% ORVS:

Incumbent Matt Rinaldi (R-Irving) will have to fend off Stanford educated lawyer and Democrat Dorothea Ocker (Carrollton) to keep his seat in the House.

ABC-GREATER HOUSTON CHAPTER

HD 144 – 49.3% ORVS:

Former Democratic State Rep. Mary Ann Perez (Houston) will challenge Gilbert Peña (R-Pasadena) for a chance to reclaim the seat she lost to Rep. Peña in 2014 by less than 1% of the vote.

HD 23 – 53.9% ORVS:

Former Democratic State Rep. Lloyd Criss (La Marque) contests incumbent Wayne Faircloth (R-Galveston) for HD 23. While Criss last served in the House in 1991, his legislative tenure spans over a decade, from 1979 to 1991. Criss has a history as one of the most pro-union legislators in the past 30 years.

HD 134 – 56.3% ORVS:

Another Houston race to watch will pit incumbent Sarah Davis (R-Houston) against Democrat Ben Rose (Houston) and Libertarian Gilberto Velasquez, Jr. (Houston).

ABC-CENTRAL TEXAS CHAPTER

HD 47 – 56.4% ORVS:

Businessman and incumbent Paul Workman (R-Austin) will face Democrat Ann "Ana" Marie Jordan (Austin) and Libertarian Scott McKinlay (Austin) in November.

HD 136 – 53.4% ORVS:

Incumbent Tony Dale (R-Cedar Park) goes up against financial planner and Democrat Paul R. Gordon (Austin).

ABC-SOUTH TEXAS CHAPTER

HD 118 – 44.2% ORVS:

In San Antonio, an interesting race to watch is HD 118, where Joe Farias (D-San Antonio) resigned mid-term in August 2015. That vacancy spurred a special election where Republican John Lujan (R-San Antonio) defeated Democrat Tomas Uresti (San Antonio) in a January special election runoff. This November, Lujan and Uresti will race again to decide who will serve HD 118 for a full two-year term.

HD 117 – 49.3% ORVS:

Incumbent Rick Galindo (R-San Antonio) faces former Democratic State Rep. Philip Cortez (San Antonio). An active Air Force serviceman, Cortez looks to reclaim his old House seat after losing it in 2014.

ABC-TEXAS COASTAL BEND CHAPTER

HD 43 – 52.5% ORVS:

In Corpus Christi, incumbent J.M. Lozano (R-Kingsville) will face fitness instructor and Democrat Marisa Garcia-Utley (Alice) in November.

IN THE SENATE

ABC-TEXO CHAPTER

SD 22 – 68.5% ORVS:

Democrat Michael Collins (Granbury) will challenge incumbent Brian Birdwell (R-Granbury). While no Senate race is within the 50%-56% hotly contested ORVS range, it will be interesting to see how an organized grassroots effort from Democrat Michael Collins will play out on election day.

ABC-CENTRAL TEXAS CHAPTER

SD 24 – 71.6% ORVS:

Senate District 24 is a race to watch as it is the only Senate race that will not feature an incumbent. With an ORVS of 71.6%, however, SD 24 is considered safely Republican. Republican Dr. Dawn Buckingham (Austin) will look to cruise past Democrat Virginia "Jennie Lou" Leeder (Llano) this fall. 🗳️

About the Author

Mike Toomey is the longtime ABC of Texas lobbyist and has the distinction of being the only individual in Texas history to have served as chief of Staff for two Texas Governors. He is a former State Representative from Houston and was voted in Texas Monthly magazines "Top Ten Legislators". Mr. Toomey is a strong supporter of Tort Reform in Texas and is widely acknowledged as one of the most respected and effective lobbyists in the State of Texas.

ONE-ON-ONE



STATE REPRESENTATIVE

Tan Parker

A successful Texas businessman, Parker spent his childhood growing up in the North Texas region and attended college at the University of Dallas. After marrying his wife Beth over 22 years ago, they moved to Denton County where they proudly raise their two daughters, Lauren and Ashley. Parker is a lifelong conservative and began his career in public service as a White House intern under President George H.W. Bush before beginning his career in state government as Governor Perry's appointed Chairman of the Texas Industrial Development Corporation. He was elected to the Texas Legislature in 2006 and continues to proudly serve today.

As the state representative for House District 63, Parker is an effective champion for economic development, job creation, tax relief, appraisal reform, and promoting fiscally responsible government spending. He is also known for his advocacy for children on a wide range of policy issues including improvements to the foster care system, a framework to support homeless teens, cracking down on human trafficking, and the prevention of abuse and neglect.

During the 84th Legislative Session, Parker was unanimously elected by his House colleagues to serve as the Chairman of the House Republican Caucus, responsible for leading and serving the overwhelming Republican majority. He was also appointed Chairman of the House Committee on Investments and Financial Services and is a member of the Ways and Means, Redistricting, and State and Federal Power and Responsibility committees.

Please describe your business background.

I currently own a consulting firm that specializes in assisting companies to improve their sales and marketing effectiveness. A majority of my current focus is in private equity and investments in biotech, agriculture, and retail pharmacy industries.

After graduating from the University of Dallas and the London School of Economics, I began my career in the securities industry starting with Dean Witter Reynolds in 1995.

Later, I joined Computer Sciences Corporation's Financial Services Group and worked in numerous positions in consulting, marketing strategy, M&A and eventually served as a Regional Vice President.

What is your view of the free enterprise system?

The free enterprise system is the heart of America's economic engine. As lawmakers, we should be in the role of minimizing regulatory burdens, creating a low and fair tax structure, and allowing the private sector to grow jobs and invest in our workforce.

Regulation should only be put in place when absolutely necessary and it must be predictable. Capital formation will not occur without businesses understanding the rules for

engagement. Therefore, maintaining a predictable regulatory environment is essential to the future of the Texas economy and free enterprise itself.

The free enterprise system is run by the people of this nation, it is not a government construct. One either believes in the free enterprise system or in socialism. It's the choice between a free people making decisions for themselves and accepting the responsibility that comes with it or it's a government controlled system that interferes in every aspect of our lives.

It's one of the two, frankly, I don't believe there is anything in-between. No economic system has done more to pull people out of the cycle of poverty and improve the human condition.

You co-authored our Neutrality in State Government Contracting bill in 2013 and authored it in 2015. Do you think we have a better chance of passage in 2017? If so, why?

Yes, I believe the Associated Builders and Contractors of Texas will be successful in the next session. With all the major issues facing the state in 2015 and only 140 days to complete those tasks, time got away from the Legislature. It gained a lot of momentum during the 84th Session, and I believe this increased visibility and awareness on the issue will carry it to passage in 2017.

What do you see as the biggest challenges facing the state this upcoming session?

Budgetary challenges will be a major issue coming into the 85th Legislative Session. While our Texas economy has remained strong, we are clearly being affected from the impact that significantly reduced oil prices are having on our state treasury.

In light of budgetary challenges, preserving funding for public education and our infrastructure investments, including transportation, will be some of the major subjects that require our attention. Additionally, Texas must take immediate action to restructure our Child Protective Services system in order to provide for the safety of the children placed in our care and the opportunity for these children to ultimately live a normal life.

What are your personal priorities this upcoming session?

As the Chairman of the Republican Caucus in the Texas House of Representatives, it is my priority to ensure that we have a strong, conservative session in order to keep Texas economically vibrant and to maintain our liberty and way of life.

Is there anything else you want to share with our membership?

I am very appreciative of the ABC of Texas organization for your commitment to strong free market principles and keeping the Texas economy robust. I look forward to working with your leadership and members during the upcoming legislative session. 🇺🇸

Lien Law Modernization Proposal BY WES JOHNSON

As most of you already know, a Lien Law Modernization Proposal appeared and legislation will likely be introduced in the next Texas legislature. Associated Builders and Contractors of Texas and the Texas Construction Association presented a webinar on the specifics of the legislation.

I wanted to provide some insight as to the spirit of this legislation (i.e., how and why it appeared from the ethos).

In 2012, the Committee on Business & Industry of the Eighty-Second Legislature was, among other responsibilities, tasked with reviewing existing lien laws in Texas and making recommendations for improvement. As a result of those hearings, the Committee determined Chapter 53 of the Texas Property Code regarding Mechanic's, Contractor's, or Materialman's liens was a confusing patchwork lacking the continuity needed for a well-coordinated statutory scheme. In summary, the Committee tasked the construction industry with crafting a new scheme which would:

- simplify the process;
- provide owners with a means to prevent unwanted mechanic's liens of subcontractors and suppliers; and
- still allows all segments of the industry to protect their interests.



EVERYTHING BEFORE IT APPEARED HAD FIRST IT'S BEING IN SPIRIT - PLATO



The basis of the Committee's findings was a hearing in August of 2012 wherein the committee heard testimony regarding Texas Property Code, Chapter 53, dealing with Mechanic's, Contractor's or Materialman's Lien. In December of 2012 the Committee issued its findings (paraphrased):

- Materials and work are completed in advance of payment (credit basis) between individuals who generally, but not always, have prior working relationships and the steps to perfect a lien may become detrimental to the subcontractor's future business with its customer general contractor.
- During construction, subcontractors are many times required to provide owner's notice of non-payment regardless of the actual circumstances and even if the money is not due, either by contract or informal agreement. The due date of the notice is governed solely by when the work was performed.
- The notices, even though money is not due, can indicate to an owner that the general contractor does not pay its bills on a timely basis, causing unnecessary tension and hard feelings between the owner and general contractor, as well as the subcontractor. A subcontractor must choose between forgoing its lien rights or creating a bad business relationship

with its customer, the general contractor.

- The need for a good working relationship many times outweighs a need or desire to engage in dispute or file a claim, potentially resulting in devastating financial consequences to subcontractors and suppliers.

The Committee determined that:

- Lien claimants should not be forced to make a choice between foregoing lien rights and creating a bad relationship with its customer.
- There should be a new lien law scheme that does not require lien claimants to make the choice.
- The existing lien laws are confusing and complex.
- A new scheme should be developed that is easier to understand and follow.

Overall, the Committee acknowledged that Chapter 53 was logical in concept, but further stated that numerous amendments over the years, many the result of the efforts of special interest groups seeking coverage of the statute for very narrow and specific interests, had resulted in antiquated provisions.

To address the task of responding to the Committee Report, in early 2013, three construction industry groups, Associated Builders and Contractors of Texas, Associated General Contractors-Texas Building Branch, and the Texas Construction Association formed a Lien Law Working Group. The Group was mediated and also had several volunteers with knowledge and insights on residential construction and remodeling, the title insurance industry, lending, and owners.

After three years of work, the Group published a Final Draft providing a framework of possible changes to Chapter 53. The overall consensus was a change in lien methodology from a "debt notice" system to a "preliminary notice" system. Although there was a general consensus, there were still some "Open Issues" identified in the comments made a part of the Draft.

Is the Lien Law Modernization Proposal good, or bad, or neither? Please take time to look at the webinar, understand the spirit from which these proposed changes were made, provide input to ABC of Texas, and hopefully support this new modernization of the Lien Law in Texas. 📍

ABC CHAPTER INITIATIVES AROUND THE STATE



In June, nineteen ABC Greater Houston Chapter members made the trek to Washington, D.C. for the 2016 ABC Legislative Conference.

Greater Houston Chapter

The ABC Greater Houston Chapter has had an eventful few months! In June, nineteen ABC Greater Houston Chapter members made the trek to Washington, D.C. for the 2016 ABC Legislative Conference. The Houston contingency was fortunate to have a balance of seasoned participants and newcomers to the Legislative Week event, resulting in new experiences and great relationship building opportunities. Houston members visited with an Aide from Congressman Michael McCaul's office, followed by a meeting with Congressman Ted Poe, Congressman Brian Babin, an Aide from Congressman Kevin Brady's office, and capped off the visit to the South Side of the Capitol with a visit to Congressman John Culberson. Following meetings with the Congressmen, the group was off to the Northside of the Capitol for visits with Senator John Cornyn, and Aides from Senator Ted Cruz's office.

In addition to Legislative Week, the Chapter has been very productive in raising funds for the PAC, surpassing the half-way mark at \$55,982.53, getting closer to the \$100,000 goal. The Chapter's grassroots efforts are also off to a strong start, bringing in \$1,195 from a recent campaign.

Locally, members had the opportunity to visit with State Representatives Wayne Faircloth, and Sarah Davis, as well as State Senator Larry Taylor, at Greater Houston Chapter events. Lastly, the ABC PAC has made endorsements of 33 elected officials and candidates for the upcoming November election.

Aside from politics, the Chapter has hosted numerous successful networking events - most recently the 2016 Casino Night. This popular Vegas-style event drew over 260 members eager to try their luck at winning great prizes.

Looking forward, the Chapter is closing out the Excellence In Construction award submittal acceptance process and this year is shaping up to be a great one for ABC Members looking for project recognition.

And finally, the Chapter will host its 2016 Membership Drive in September. The Membership Committee has an ambitious goal to reach 503 total members by year's end. To achieve that goal, members are encouraged to come out and participate in the September 8th Membership Drive event. Members who recruit could win a state-of-the-art DJI Drone. To learn more about the ABC Greater Houston chapter visit www.abchouston.org.

South Texas Chapter

This past May at the Chapter's General Membership Breakfast, in addition to voting to amend the by-laws, the chapter presented

Texas Speaker Joe Straus with it's Special Award for Leadership from ABC of Texas and heard from guest speaker U.S. Representative Will Hurd. Hurd's comments covered cyber security, national security concerns and what it's like to be a freshman Congressman.

Due to popular demand the Government Affairs Committee will be meeting more frequently with representatives from the city's Development Services Department, City Public Service Energy, and the San Antonio Water System. These meetings provide contractor members opportunities to not only have project specific issues/ concerns addressed, but also assist in improving the overall plan review, permitting, inspections process which can result in timely completion of projects.

Enrollment for the 2016/2017 apprenticeship school year is underway, and hopefully there will be more interest as a result of increased construction activity. There has been a noticeable increase in participation in safety related training and other construction offerings.

The summer kicked off with the second annual Summer Shindig at the Bluebonnet Palace. This is a co-hosted industry mixer by ABC, ASA, MCA, PHCC, TACCA, and AmeriCrane. Over 350 attendees were able to mix and mingle, test drive an excavator and operate a crane (under close supervision).

The Chapter held its annual Excellence in Construction Awards banquet in early August. Approximately 400 attended the event recognizing the 21 EIC winners, the 33 STEP participants, the nine Safety Excellence Award winners, and the six chapter award winners.

Finally, the chapter has initiated two new monthly membership networking events. The "Breakfast Club" will be held the first Wednesday of each month with guest speakers. The speaker in August talked about cyber crime and how to protect companies. The last Wednesday of each month will be a Social gathering to meet, relax and visit after work.

TEXO Chapter

TEXO Challenge Cup 2016 Under Way! The 2016 ASA/TEXO Bass Classic kicked off the TEXO Challenge Cup competition. More than 100 boats participated in the tournament held at Lake Bob Sandlin @ Titus County Fresh Water District; the first of six events in the TEXO Challenge Cup competition presented by Acton Mobile.

Softball Anyone? TEXO's Softball Tournament, brings out some of the best competition in company sports. The 200+ players that began to gather at the Hurst Athletic Complex early on a Saturday



Texas House Speaker Joe Straus, Congressman Will Hurd & South Texas Chapter President Steven Schultz.



The 2016 ASA/TEXO Bass Classic kicked off the TEXO Challenge Cup competition. More than 100 boats participated.

morning would find themselves in the most competitive of all of the TEXO Challenge Cup events.

Tee Time! 270 participants in TEXO's 2016 Open Golf Tournament enjoyed a fun day of friendly competition at Trophy Club Country Club. The tournament also included on the green games, the Flop Wall, Split Decision, and Go for the Gold. These games provide teams with a fun break from the tournament and give them time to relax and have some fun.

What's Next? The final 3 Challenge Cup events are on the schedule and preparations made. September 22nd the Dallas Gun Club will host the Annual Clay Bird Shoot Out benefitting the Education & Research Foundation.

The TEXO Mega Event featuring the final two Challenge Cup events will be held Saturday October 15th at Silver Lake Marina on Lake Grapevine. Events include the 2016 TEXO Washer Tournament hosted by TEXO's Young Constructor's Council and the 2016 TEXO Chili Cook-Off. This mega event is open to the public; registration is required. For more information on these and other TEXO events, visit the website at www.texoassociation.org.

Texas Gulf Coast Chapter

As summer ends and back-to-school days approach, the month of August brings thoughts of education to mind, and ABC Texas Gulf Coast Chapter is no exception.

In June, ABC Texas Gulf Coast and Merit Shop Training, Inc. honored 38 graduates, their guests, and industry, contractor, and college representatives at their 40th Annual Craft Training Graduation and Banquet. Completed coursework included electrical, millwright, pipefitting, and scaffolding. Intermediate Riggers and Industrial All Purpose Crane Operators were recognized for NCCER Gold Card Certification. Jacob Henson was recognized as the chapter's 2015 National Craft Championships' medalist for having brought home the Bronze Medal for Millwright.

ABC Texas Gulf Coast and Merit Shop Training, Inc. has recently partnered with the University of Texas-Arlington to deliver OSHA classes to local contractors and industry. These courses cover OSHA General Industry Standards over a variety of topics, and make a significant addition to our fall training line up.

In June, Board Chairman Amando Gonzalez and Government Affairs Director Buck Blevins joined President & CEO Terry McAlister for the ABC National Board Meeting and Legislative Conference. Highlights included legislation preventing government-mandated Project

Labor Agreements and the development of comprehensive tax reform aimed at achieving parity in tax rates for small businesses and large corporations as well as simplifying the Internal Revenue Code.

School may be starting soon, but the Texas Gulf Coast Chapter was busy 'planting a few seeds' about the construction industry in mid-July. In partnership with Brazosport College, 20 incoming 9th graders visited ABC for a facility tour. The purpose was to help them learn what part ABC plays in the industry. Students saw contractors taking training/exams in Brazosport Safety Council and NCCER assessments in Merit Shop Training, Inc. They learned

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In June, ABC Texas Gulf Coast and Merit Shop Training, Inc. honored 38 graduates, their guests, and industry, contractor, and college representatives at their 40th Annual Craft Training Graduation and Banquet.

about hands-on testing requirements for rigging, pipefitting and aerial lift. They were informed about hair-follicle testing performed by on-site drug testing companies, the importance of PPE, and were even 'badged' for entry into a plant.

September will provide another great learning opportunity at the annual ABC/Brazosport Safety Council/MSTI joint membership event on September 28th. Guest speaker, Mark Mallett, Senior Vice President of Operations and Projects for Freeport LNG, will discuss their industry's operations and projects.

ABC Texas Gulf Coast is on the move this back-to-school season,

working hard to advance and defend the principles of the merit shop in the construction industry and to provide members and their employees with the opportunity to succeed.

Texas Mid Coast Chapter

The ABC Texas Mid Coast Chapter has recently directed its focus to increasing member benefits, encouraging our future workforce and developing a stronger community presence.

- The Chapter has partnered with member construction firms, local outreach programs and local schools and is investing in students' lives to prepare them to be successful construction



South Texas Chapter

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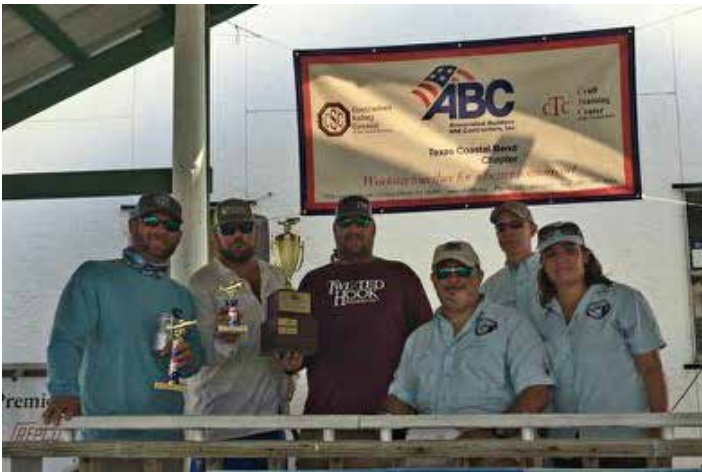


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1st Place Team at Texas Coastal Bend Chapter's Golf Classic was The Craft Training Center of the Coastal Bend.

professionals and future leaders. In May, the Chapter awarded two scholarships for students pursuing construction careers. Congratulations to Caleb Thedford of Ganado High School and Tyler Ward of Yoakum High School. In 2017, the Chapter plans to announce the scholarships in January and set up presentations in every high school in its 8 county region.

- On May 4, the Chapter hosted a dinner social, sponsored by VCS Companies, with the topic of discussion being "Open Carry Laws" featuring Detective Tanya Brown with the Victoria Police Department. That same night, the Young Professionals group was introduced by Board Member Scott Lewis with MMR Constructors, Inc.
- In June, after the 24th Annual Fishing Tournament in Port O'Connor, the Mid Coast Chapter was proud to present another \$1,500 donation to Ronald McDonald House Charities.
- On June 28, the Chapter hosted a dinner social, sponsored by Weaver & Jacobs Constructors, with the topic of discussion being "Potential Threat to Our Pro-Business Climate in Texas" featuring Jack Baxley, Executive VP of Government Affairs for the TEXO Chapter.
- On October 4, another NCCER Construction Site Safety Technician class will begin.
- On October 6, the Chapter will hold their Annual Dove Hunt.
- A membership dinner is scheduled for November 3 to shine a spotlight on Workforce Solutions of the Golden Crescent, Communities in Schools, Victoria Business & Economic Coalition and Victoria College and what services they offer our community and how our members can benefit.

Central Texas Chapter

Earlier this summer, the Central Texas chapter was privileged to celebrate its 40th anniversary of service to the Austin community. Members gathered for a sand volleyball tournament and shared stories of the dedicated commitment of many volunteers. Steven Schultz, President of the South Texas chapter, was kind enough to attend also.

As the dog days of summer stretch on, several ABC Central Texas members celebrate the approaching completion of the first phase of UT's new Dell Medical School. Construction of five new buildings has created a tremendous new facility for the community, exciting potential for the growth of medicine and research in Austin, and great opportunity for our industry and workers. The collaborative effort of state government, local agencies, individual citizens, higher education, and business to create this great benefit for the community cannot be overlooked.

The construction market in Austin continues to provide great opportunity in many areas. Suburban development of commercial office, light industrial, retail, education, institutional and multifamily

projects is proceeding at a steady clip. As 2017 approaches, the construction of numerous, significant higher education projects funded in the 2015 session of the Texas legislature will begin to move quickly. Across the multi-county area, a wide variety of new instructional facilities will help create the resources needed for future generations of Texans. Meanwhile, the development of large commercial projects in the urban core is nearing another period of peak activity.

Throughout the metropolitan area, folks will be watching the Austin City Council as elections approach. A number of Council members face their first reelection since the new 10-1 format was introduced in 2015, and a contested race or two is not unlikely. As the city government grapples with the continued challenges presented by rapid growth, key leadership would be wise to prioritize the proper role of government and a multilateral approach with broad input from taxpayers, community groups, and business. The need for a responsible approach to improving mobility, creating real economic opportunities broadly, and ensuring resources for education and other infrastructure will not become less critical or challenging.

During the primary elections earlier this year, central Texas voters made several good decisions on who to put on the ballot this November. A strong group of both experienced and first-term legislators should be elected in 2016, and will approach the 2017 session prioritizing limited government, shrewd reforms, and the right allocation of funds for the interesting years ahead.

Southeast Texas Chapter

On July 6th, the ABC-Southeast Texas Chapter, in conjunction with the Golden Triangle Business Roundtable (GTBR), hosted an "OSHA Compliance Seminar" for its members regarding the new federal eReporting regulations being mandated for the workplace. Compliance Assistance Specialist James Shelton from Houston came in and conducted a very informational presentation. He not only shared hand-outs, but also answered a number of questions.

In keeping with the Chapter's philosophy of "Our Community, Our Commitment", on July 12th, a field trip for a Southeast Texas nonprofit organization known as "Inspire, Encourage, Achieve (IEA)" was hosted. This organization is for underprivileged youth involved



Southeast Texas Chapter held their annual summer camp program known as "Camp Bright Star", which provides children ages 12 through 17 with community-based enrichment activities, literacy programs, and field trips

in the juvenile justice system. They have an annual summer camp program known as "Camp Bright Star", which provides children ages 12 through 17 with community-based enrichment activities, literacy programs, and field trips. The children were bused to the ABC-Southeast Texas Training Center where they listened to presentations given by a few ABC-SETX Craft and Safety Professionals regarding the many opportunities and rewards there are in the construction industry. As part of their field trip experience, they were allowed hands-on time on our Crane and Welding Simulators. Everyone in attendance had a fun day, and hope to host IEA's Summer Camp again next year.

Members are also looking forward to our upcoming "22nd Annual Hurricane Party" being held on August 16th at Larry's French Market. This is always a well-attended Chapter networking event with great Cajun food and music. The guest speaker will once again be Jefferson County's Emergency Management Coordinator, Greg Fountain, who always provides members with valuable updated information as well as playing out the various "what-if" and "worst-case" scenarios.

Texas Coastal Bend Chapter

The Texas Coastal Bend Chapter had another exciting quarter! As always, the monthly First Wednesday Mixers were a hit, and the Chapter extends a special "Thank You" to this summer's sponsors: April - Ram Tool.; May - Mirage Industrial Group; June - Scott-Macon Equipment; July - Acton Mobile; and August - Fishbone Safety.

The Chapter's 28th Annual Golf Classic was held at the River Hills Country Club in early May. Heading up the Golf Committee once again this year was Mike Blundell with Repcon, Inc., who delivered another successful event, with much gratitude to this year's wonderful committee members, sponsors, participants and volunteers. These members are all so vital to the success of events!

This year's 1st Place Team was The Craft Training Center of the Coastal Bend. This year, the Golf Committee was able to donate \$10,000 to the John "Jocko" Taylor Scholarship fund with the funds raised at the tournament.

In June, the Contractors Safety Council of the Coastal Bend (CSCCB) hosted their annual South Texas Industrial Industry Safety Excellence Awards banquet. Every year ABC-TCB, CSCCB and Port Industries of Corpus Christi recognize the industrial contractors in our area who have maintained an excellent safety program. A special "Congratulations" goes to the 2016 ABC-TCB Safety Training Evaluation Process (STEP) Award winners: Rabalais I&E Constructors (Platinum); Mirage Industrial Group, LLC (Diamond); Turner Industries Group, LLC (Diamond); Ohmstede Industrial Services (Diamond); Repcon, Inc. (Diamond); MMR Constructors, Inc. (Diamond); Brock Services, LLC (Gold). Later in the month the Chapter hosted the June General Membership Luncheon and welcomed TEXO VP of Government Affairs Jack Baxley to be the Guest Speaker and give an update to members on Union Front Organizations (UFOs).

In July, the Chapter kicked off the 22nd Annual Fishing Tournament at Marker 37 Marina. Co-Chairs, Mike Garza and Cliff Johnstone, both with Swantner and Gordon Insurance Agency, along with a very dedicated committee organized a fun and successful event. Thank you to all the volunteers, sponsors and anglers for your support. The Chapter is certainly looking forward to an even bigger event next year.

To wrap up the busy summer schedule, committees are currently working on the 15th Annual Skeet & Trap shoot to be held on September 8th and 9th at the Corpus Christi Rifle and Pistol Club. 🏹

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