

Texas

September 2019

MERIT SHOP Journal

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TEXAS SENATOR

Eddie Lucio, Jr.

Representing the Texas House District 27, Eddie Lucio, Jr. discusses his priorities in the 86th Legislative Session.



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LETTER from the Chairman



HOLLIMAN

Since the late 80's, when I became active with ABC, I have had the privilege of observing the successes and challenges of ABC on a local, state and national level. It is a privilege and honor to serve as your 2019-2021 ABC of Texas Chairman for the Texas 87th Legislative Session. The Texas 86th Legislative Session proved to be positive for our industry. We need to continue to focus on opportunities that help Texas legislative activities remaining business friendly.

One of the many challenges that we face in today's society is holding Texas to a standard that shows its' independence, uniqueness, and success now; just as it was prior to 1845 when Texas joined the United States.

A true passion of mine is to ensure that ABC of Texas legislative priorities continue to be based on merit shop principles and free enterprise initiatives that push for the continued success of Texas businesses which benefit their employees.

There is a great debt to be owed to our retiring President, Jon Fisher, who has served us through legislative sessions over the past 11 years. There is a tremendous appreciation for his promotion and branding of ABC Texas and for his unwavering dedication in helping create one voice for legislative initiatives related to construction in Texas. Over the years, Jon has become a friend that I will miss seeing at our regular board meetings and wish him nothing but the best as he enters retirement.

Thank you to the executive committee including Ben Westcott, Wes Johnson, David Smith and Craig Messer for your dedication and the entire board for your service. A great deal of thanks and appreciation goes to Ben Westcott, our 2017-2019 Chairman, who did an outstanding job as Chairman in leading our organization during this past legislative session. This executive committee also served as the search cCommittee to find a President for ABC of Texas. I am looking forward to working with Jon's successor; and, as of this writing, I am excited that a new President has been hired and will be active to ensure the legislative priorities are a focus to help our industry.

As we prepare for the next legislative session, we look forward to taking on issues that will benefit our industry by identifying priorities and initiatives. This fall, the board of directors will update our strategic plan as we diligently start preparing for the 87th legislative session.

God bless America, God bless Texas, and God bless each of You. Thank you for allowing me to represent this organization and be a voice on behalf of merit shop and free enterprise principles in Texas. 🇺🇸

GPaul Holliman

2019-2021 ABC of Texas Chairman
SEDALCO, Inc.

LETTER from the President



FISHER

Dear ABC Members

This is my last letter to the membership as my successor should be in place for the January 2020 Texas Merit Shop Journal issue. It has truly been an honor and a pleasure to work for this organization the past 11 years. I believe we have accomplished what we set out to accomplish when I was hired—you have a higher profile in Austin and we've been able to pass some bills.

Also, Legislators and other associations seek our support and our input. We have formed strong relationships with construction and business associations and work closely with both Associated General Contractors-Texas Building Branch and the Texas Construction Association. We also serve on the Executive Committee of the Alliance for Securing and Strengthening the Economy of Texas (ASSET)—a public relations effort designed to promote Consistent Employment Regulations across the state.

The Texas Department of Licensing and Regulation has a great relationship with ABC of Texas, and they've put two of our members on the Electrical Safety and Licensing Advisory Board. And, that board is now chaired by an ABC member—Mark Roach of Dealers Electrical, a member of the ABC of Texas Board.

As you will read in outgoing Chair Ben Westcott's session recap article, we passed a major initiative that took 4 sessions to pass. We started on the bill in 2015 & got it passed and signed by the Governor in 2019. During my tenure, we have passed 4 other bills with ABC of Texas as lead. We have worked on scores of others with our close allies. But, most importantly, we've avoided the passage of legislation that makes it harder for you to run your business and make a profit.

We've also established a regular strategic planning process and increased the size of the state Political Action Committee. And, we've done this on a small budget by Austin standards!

Whoever my successor is will have more resources than I have had. That is by design. The ABC Texas Board and I want my successor to build on the legacy that has been established. That's exactly what I would like to see. It is what it will take to keep this organization moving forward. My intention (board allowing) is to stay on through December to help my successor and to participate in my last strategic planning meeting. Hopefully, that will enable him or her to hit the ground running.

I have enjoyed the people in ABC of Texas and will miss you all! 🇹🇽

A handwritten signature in black ink, appearing to read 'Jon Fisher', with a long horizontal line extending to the right.

Jon Fisher
ABC of Texas
President

ABC of Texas Accomplishments in the 86th Texas Legislature

BY BEN WESTCOTT
IMMEDIATE PAST CHAIR OF ABC OF TEXAS

Hopefully by now you have read the Final Legislative Report put together by our outgoing President, Jon Fisher. This article will touch on many of the same things from a slightly different angle.

First and foremost, we finally passed something that has required a lot of effort including seven visits to Austin and seven 7 committee appearances by ABC of Texas Member Gary Roden of TDIndustries (who is a past Chair of ABC National). Of course, Jon also made seven committee appearances over those four and a half years. HB 985 by Rep. Tan Parker and Senator Kelly Hancock provides Neutrality in State Government Contracting. ABC National calls this Fair and Open Competition legislation. Basically, any public entity that receives state funds (such as state agencies and universities) or uses state credit (like most school districts) cannot require contractors to sign pre-hire collective bargaining agreements (also called Project Labor Agreements or PLAs) as a condition of working on a construction project. This may not seem like a big deal now, but it protects us from the increased activity of organized labor in Texas and will definitely preserve the Merit Shop longer than it would be preserved without this legislation on the books.

On our behalf, Jon was a leader in putting together a 14-association effort called Alliance for Securing and Strengthening the Economy of Texas (ASSET). ABC of Texas and ABC National's Free Enterprise Alliance funded about 25% of this public relations effort meant to help convince Legislators that their constituents supported Consistent Employment Regulations (preempting cities and counties from regulating employment practices). Altogether, the construction industry associations in Austin funded about 50% of the effort. While we were not successful this session for reasons

over which we had no control, we are set up to have Paid Sick Leave Ordinances erased by the Texas Supreme Court because these ordinances violate our State Minimum Wage Law. This effort should carry forward so perhaps we can pass this much-needed legislation in 2021.


Working with Texans for Lawsuit Reform and Associated General Contractors-Texas Building Branch (AGC-TBB), we were able to throw a whole bunch of cold water on the contingency fee agreements that governmental entities have been signing to sue our members for construction defects. That is covered in another article in this issue.

We were also successful in working with AGC-TBB to address Right to Repair. While this legislation was restricted to governmental entities, it provides a sound framework on which to extend this principle.

We didn't get across the finish line with Design Defects, but we made progress. We also worked out better language with our design partners which makes contractual exceptions for "standard of care" language they seek in legislation.

We also did not get across the finish line with changing the Statute of Repose, but the bill advanced to the House Calendars Committee and has a better chance of passage next session because it was re-written in House committee to be more palatable.

Our now seven year long effort to promote Lien Law Modernization hit an unforeseen snag—competing legislation authored by a prominent member of the House who both chaired



the Committee on Ways & Means and the Republican Caucus. While we participated in an effort to perfect his bill, there just simply wasn't enough time.

While we would have liked to have dealt with Public Employees Dues Deductions, there just wasn't enough time to deal with this and the threats on employment regulations coming from cities (covered above).

ABC of Texas did not restrict its activities to these issues. We also dealt with a plethora of construction, concrete and aggregate, education, employment and licensing issues.

There were numerous other construction issues on which ABC of Texas engaged—some we supported, some we opposed and others we watched very carefully. One disappointment was the failure to clear up an error caused by a recodification. The recodification took the word “person” and substituted “individual or corporation”, inadvertently leaving out partnerships, etc. when dealing with the parties that could be assessed attorney's fees in certain litigation. This bill died in the Senate. We also lost a bill to bring State Breach of Contract in line with statutes dealing with local governments when it was flagged as having uncertain fiscal implications. But, we were able to participate in the demise of many bad ideas including those from a specific Union Front Organization that we will not dignify by naming.

We also participated in some concrete and aggregate issues since increasing those costs could cause uncertain and higher costs for construction. It is obvious that some of these companies have made some mistakes in dealing with their neighbors as well as some neighbors being unreasonable. Nonetheless, many

Republicans believed they had to try to do something to respond to constituent concerns. The only bill that passed will increase the frequency of inspections and allow unannounced inspections for those found in violation previously.

The state also continued to advance the cause of CTE by passing several bills dealing with grant programs to private employers for training, allowing local workforce development board to access the skills development fund and providing funding for high schools that assist adults in obtaining high school diplomas and workforce credentials.

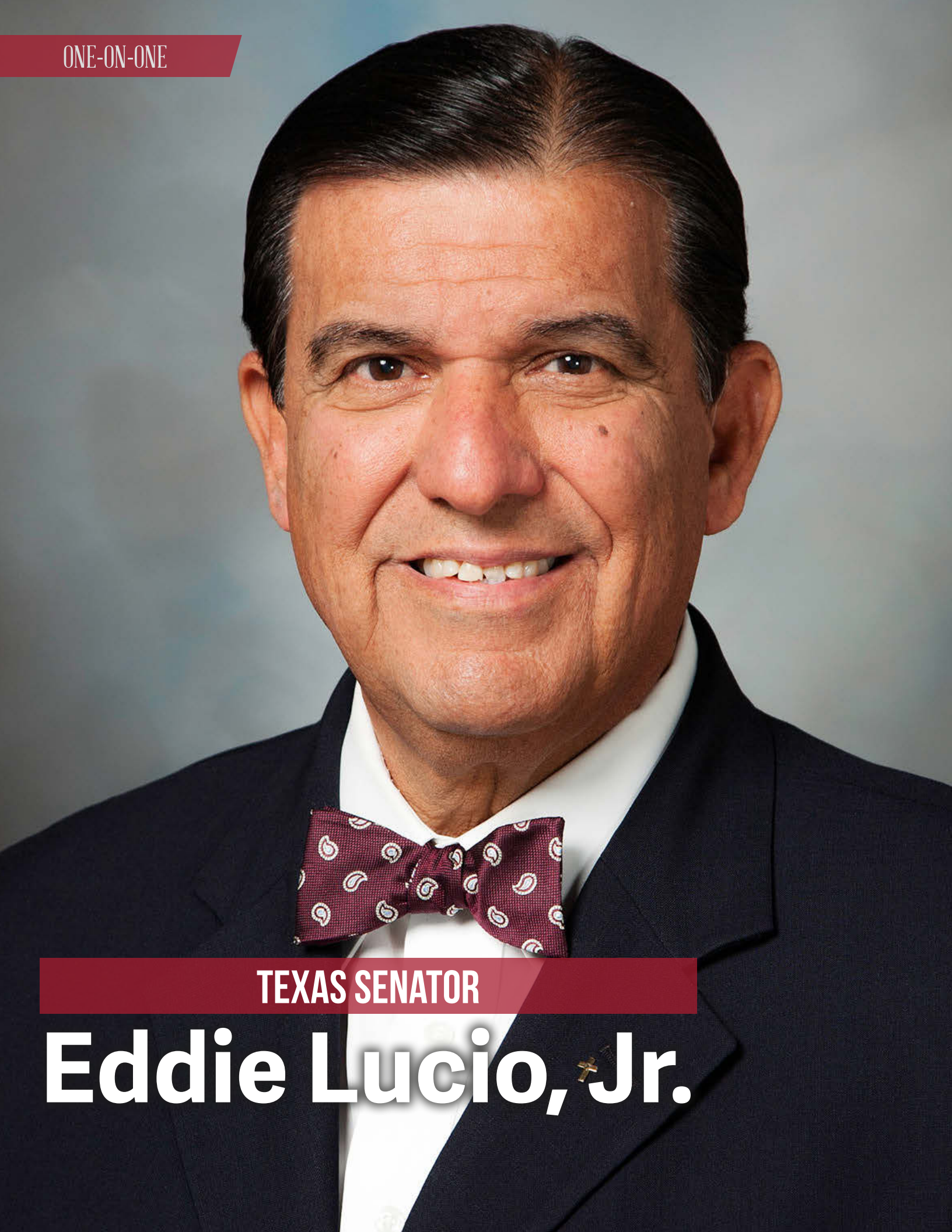
Employment issues were numerous. Everything from minimum wage to rest breaks to arbitration agreements to restrictions on hiring practices to creating new protected classes to voiding arbitration agreements. ABC of Texas was perhaps the most active association opposing bad ideas because we fundamentally do not believe government should insert itself in employer/employee relations.

The licensing issues included eliminating student loan defaults and some criminal history from being absolute barriers to licenses. Of course, there were also some attempts to license more occupations or more of those engaging in them—those bills failed.

The bottom line is that this was the most successful Legislature in history for construction and the merit shop in particular.

I was honored to have the opportunity to serve as your Chair during these successes. It was a great send off for our retiring President, Jon Fisher. 🇺🇸

ONE-ON-ONE



TEXAS SENATOR

Eddie Lucio, Jr.

A native of Brownsville, Senator Eddie Lucio, Jr. began his public service in 1971, becoming Cameron County Treasurer and later Cameron County Commissioner. After having served two terms in the Texas House of Representatives, he was elected to the Texas Senate in 1991. He is third in seniority and Chairman of the Senate Committee on Intergovernmental Relations.

A relentless advocate for the Rio Grande Valley and the ranch lands of the coastal bend, he improved access to higher education to strengthen the South Texas economy. His legislation created several colleges and universities in Rio Grande Valley including a medical school.

During his tenure on the Finance Committee, Lucio worked to secure state funding for South Texas infrastructure, which contributed to the designation of the first interstates in the Rio Grande Valley.

As he prepares for the Legislative Session, Senator Lucio is guided by the values he learned growing up in Brownsville, which were enriched as an educator and cultivated in the corridors of the State Capitol, by putting people first and advocating for hard-working families of South Texas.

Please describe your professional background.

SENATOR LUCIO: I am a small business owner. I started my professional career as an educator and coach in the Brownsville Independent School District. I was first elected to serve as Cameron County Treasurer in 1971, and was subsequently the County Commissioner for that county as well. In 1987, I was proud to be elected to represent Brownsville in the Texas House of Representatives, and four years later was elected to the Texas Senate. I am currently third in seniority in that body, having served for 28 years, and am honored to be the only Committee Chairman from the Border region.

What is your view of the free enterprise system?

SENATOR LUCIO: Our state has enjoyed the robust economic strength that comes from having a climate that supports free enterprise. I have long been proud of my record of encouraging economic development across Texas, especially in my Senate District, as I believe this is the best way to support long-term prosperity. It is critical, when talking about economic development, to remain mindful that it is our collective responsibility to ensure everyone has access to the free enterprise system – this includes ensuring fundamental needs and education of every Texan. I am committed to ensuring that our state's economic progress reaches to all corners of Texas.

You chair the Senate Committee on Intergovernmental Relations. What do you believe are the most important functions of that committee?

SENATOR LUCIO: A major function of the Committee is to oversee legislation that impacts communities at the local level and assist fellow legislators in addressing the specific needs of their districts. For example, we have jurisdiction over the creation of special purpose districts, local units of government that have the power to develop new communities, facilitate development, and foster regional economies. One important area where coordination between governments is crucial is in the issue of disaster response and recovery, over which my committee has standing jurisdiction. In the aftermath of Hurricane Harvey, my Committee made great strides toward more efficient and effective disaster recovery in Texas. I am a product of public housing. It's a privilege to focus the critical work of the committee in assisting families and industry in addressing the high demand for affordable housing throughout the state. We work with stakeholders to develop and implement initiatives that promote collaboration between the private and public sectors in the delivery of affordable housing.

This session, you authored SB 1907 and sponsored its companion, HB 1734, which passed. This bill addresses some problems with construction defect litigation by school districts. What do you believe was the most important change in this bill?

SENATOR LUCIO: This bill provides better enforcement of existing law which ensures school districts adhere to a statutory requirement on remittance of funds to the state after a successful lawsuit. A crucial part of effective legislating is writing laws in a way that will be followed; HB 1734 was a great example of the importance of well-crafted legislation in achieving the law's intended goal.

What do you believe were the most important accomplishments of the 86th Texas Legislature?

SENATOR LUCIO: One aspect of the 86th Legislature that will make it stand out in the history books is the focus on central policy matters that affect the day-to-day lives of Texans. All the various groups in the Legislature were largely able to work together and address the most pressing issues of the state, including school finance reform, property tax relief, school safety improvements, and Hurricane Harvey recovery. Personally, I was proud to have carried a number of bills that will help spur local economic development in South Texas, including providing for a \$200 million funding opportunity to improve water and wastewater infrastructure in economically-distressed areas of the state. 📍



An Important Step for Transparency in Local Government Contingency Fee Contracting Legislature

BY LEE PARSLEY

Texas for Lawsuit Reform (TLR) is focused on keeping Texas' economy strong by shutting down frivolous and costly lawsuits. Each legislative session, we work with our allies in the business community to identify abuses of the legal system that make it difficult to do business in Texas, and work to get critical reforms passed by the Legislature to address those abuses.

TLR's top priority bill in 2019 was House Bill 2826, which amended existing statutes and used existing procedures to create transparency and consistency in local government contracting for contingent fee legal services—something that has been a growing problem in Texas and throughout the U.S. in recent years.

The problem we identified exists in multiple contexts. For example, a small group of lawyers in Texas solicit local governments (particularly school districts) for construction defect lawsuits against general contractors. The law firms use their "experts" to evaluate the facilities. If any construction or design defect is found—and these hired guns always say they have found defects—a multimillion-dollar lawsuit is filed to recover the cost of repairs. The lawyers "front" the litigation costs and are paid on a contingent fee basis, creating a "no risk" opportunity for the local government. In these lawsuits filed up to 10 years after construction was completed, the contractors seldom had any pre-suit indication that there was an issue with the facility.

The general contractors bring virtually all subcontractors into the lawsuit, creating a massive lawsuit involving dozens of insured defendants. This creates a large pot of money from which the plaintiff lawyers hope to extract a settlement. The result of this lawyer-driven litigation strategy is that many contractors will no longer bid on

government construction work in parts of Texas, and when they do, they build a premium into the cost.

Environmental litigation presents another opportunity for lawyer-driven government litigation. Texas law allows both the state of Texas and local governments to enforce environmental laws and seek remediation of contaminated property. Any time environmental damage is found, the state or local government can obtain an injunction to prevent further pollution, as well as damages for past pollution and penalties of up to \$25,000 per day for the wrongful conduct that led to the pollution.

Some Texas attorneys file penalty-only lawsuits on behalf of local governments against property owners who already worked successfully with the Texas Commission on Environmental Quality (TCEQ) to remediate a polluted site. Again, the attorneys promise no-cost, contingent fee litigation to the governmental entity. As a consequence, a property owner can fully cooperate with TCEQ and still face a lawyer-inspired lawsuit and substantial liability.

Opioid-related litigation is yet another example of lawyers driving local governments to file lawsuits. When the opioid crisis came to the forefront, plaintiff attorneys began contacting local officials in Texas, pitching "no risk" contingent fee litigation that would put revenue in the coffers of the local governments. Many cities and counties signed on, apparently agreeing to widely varying contingent fee rates.

While we believe local governments must have the freedom to contract with outside attorneys, the existing process invited enterprising lawyers to recruit government entities for lawsuits, some of which should have been avoided. Since 1999, there have been guidelines governing state-level



contracts with contingent fee attorneys. The procedures help ensure that, when litigation is needed, the state keeps more of the money that is recovered. House Bill 2826 makes the longstanding rules governing state-level contingent fee contracting applicable to all local governments in Texas. It also requires local governments to conduct the attorney-retention process in open meetings (to prevent the all too common brother-in-law deals), and gives the Texas attorney general the right to review and approve contracts to ensure local governments are not duplicating the state's efforts.

In addition to working for the passage of House Bill 2826, TLR also supported the general contractors, architects and engineers in their successful effort to pass two other important bills related to construction litigation. House Bill 1734 requires school districts to make the repairs for which damages are awarded in a construction defect lawsuit instead of spending the money on unrelated items, which was a persistent problem. House Bill 1999 requires a government entity to provide a pre-suit notice and time for repairs to be made before a construction defect lawsuit is filed, also addressing a persistent problem.

All of these common-sense measures should reduce the number of unneeded and

meritless lawsuits against contractors while maintaining local governments' ability to bring a lawsuit when a construction defect truly exists. And the new laws will help keep costs lower for local governments looking for construction services, while also ensuring that the government can keep more of any award it receives in a legitimate construction defect lawsuit. 🇹🇽

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-Beau Pollock
President
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Recapping the ABC Legislative Week

By Emily Barnes

Each June, Associated Builders and Contractors hosts members and chapters from across the country in Washington D.C. for the annual ABC Legislative Week. The week is full of national meetings and sessions from government affairs best practices to regulatory and legal updates, all in anticipation of the final event, Legislative Day. ABC members and staff then set out for Capitol Hill for a day of meetings with elected officials armed with key policy issues and personal stories of how these policies effect business back home.

Over five hundred ABC members made the trip to Washington D.C this year. The Houston group was a true representation of the merit shop construction industry in our city. We had commercial, industrial and specialty contractors, small firms to large global companies. They communicated with their presence and messaged the concerns of the merit shop contractor who does business in Houston, Texas and beyond.

During Legislative Day, the Houston chapter had the opportunity to meet with congressional members including Congressman Bill Flores and Congressman Pete Olson. Around their offices, you can spot bronze ABC Eagle Awards from years past, an award given to those whose voting record aligns with ABC's principals.

We also had the chance to introduce ourselves to the staff of one of Houston's newest representatives, Congressman Dan Crenshaw. Congressman Crenshaw had earlier kicked off ABC Legislative Day as a keynote speaker at the ABC Legislative Day Breakfast. Our day ended with a sit down with Senator Ted Cruz who shared more about the workforce education bill he recently authored.



(From left to right: Sam Craig, Craig & Heidt, Inc.; Russell Hamley, ABC Greater Houston; Phil Restivo, Turner Construction; US Representative Dan Crenshaw; Brandon Mabile, Performance Contractors, Inc.; John Glaze, Fast Track Specialties, LP; Robert Burelsmith, E.E. Reed Construction, LP; Emily Barnes, ABC Greater Houston; Dwayne Boudreaux, Ref-Chem, LP)

The ABC Greater Houston Chapter hosted a breakfast for Texas area members, staff and elected officials the last morning of the trip. Congressman Michael McCaul, Congressman Randy Weber, Congresswoman Sylvia Garcia, and Congresswoman Lizzie Fletcher all attended and participated in an informal conversation over breakfast on the challenges that ABC member companies are experiencing such as labor shortages and workforce development.

ABC Legislative Week was a reminder of the bigger picture. The Greater Houston Chapter is one of sixty-nine chapters all facing a multitude of issues affecting the construction industry. These policy decisions made in Washington D.C. are vitally important to the industry and business back home, and we must be advocating for the merit shop future we need to continue to build and grow. 🇹🇽



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CMEF had its graduation ceremony and recognized ninety-three graduates who participated in multiple CMEF programs.

GREATER HOUSTON CHAPTER

The ABC Greater Houston Chapter and its training affiliate, Construction & Maintenance Education Foundation (CMEF), have had a busy summer and are looking forward to the cooler fall weather!

In May, CMEF had its graduation ceremony and recognized ninety-three graduates who participated in multiple CMEF programs including pipefitting, boilermaking, millwright, electrical, instrumentation, crane, rigging, and safety. CMEF is meeting the demands for skilled labor by increasing course offerings, adding more hands-on training, and expanding facilities in La Porte with the addition of two new buildings totaling more than 7,500 square feet of classroom and lab space.

June was a busy month as the chapter had its annual Fishing Tournament and raised funds for the ABC Scholarship Foundation. Over five-hundred members attended the event. Additionally, the chapter's women's peer group, Ladies Operating for Growth in Construction (LOGIC), had its first committee event at TopGolf. The group seeks to provide opportunities for women in the industry to learn how to achieve leadership positions, network with fellow members, and have the chance to give back to the community through community service projects.

In August, the chapter started its second year of Leadership 2.0, which is a course that allows attendees to fine tune their management skills. The sessions include effective leadership, working in a multi-generational workforce, business etiquette, and self-awareness.

In September, the chapter will have its annual clay shoot tournament to raise funds for the Political Action Committee. This is a great opportunity for members to enjoy a day outdoors, network, while raising funds for the PAC. On September 26, the chapter will recognize top workforce development innovators and leaders at the Workforce Development Awards gala.

CENTRAL TEXAS CHAPTER

The ABC Central Texas chapter has been busy throughout the summer planning for events and training programs through 2019!

The chapter hosted its annual Casino Cruise on Lake Austin in early June. Another sell-out, this event was a great way for chapter members to network and have fun playing casino games and winning prizes.

The ABC Central Texas Emerging Leaders Group has been busy this year raising money and developing programming for its members. On August 20, the group held its first Leadership Skills Program, facilitated by ABC CTX board member Nat Peniston, with The Contractors Plan, an ABC National Strategic Partner. This half-day long forum focused on topics including Active and Authentic Listening, Building Your Professional Network, Executive Blind Spots, and Team Development and Accountability.

The chapter will also host its semi-annual Construction Leadership Development Program and will be bringing its Frontline Supervisors 2-day training class back again in the fall.



SOUTH TEXAS CHAPTER

On September 18, the Central Texas Membership Committee and Board of Directors will come together to hold a "Member Tele-GROWTH" membership drive, with the goal of adding 10 additional contractor members.

The chapter's Career and Workforce Outreach committee is in the process of developing a School Liaison Program, which will assign one ABC member with a construction tech high school/post-secondary/pre-apprenticeship training program in order to facilitate communication and coordination between ABC and the schools and programs ABC supports through NCCER. Additionally, the committee is promoting its Alliance for Quality Employment pledge that ABC members will have a chance to sign on to, indicating their quality employment practices to new entrants into the workforce.

The chapter is gearing up for its annual clay shoot, set to take place on September 6 at Capital Clays. Entry fees to the flurry competition will go towards the chapter's PAC.

SOUTH TEXAS CHAPTER

What a summer! The big issue for the ABC South Texas Chapter has been the mandated Paid Sick Leave issue. In June, the South Texas Chapter and a group of business associations and chambers of commerce filed an Amicus Brief in the City of Austin appeal asking the Texas Supreme Court to hear the case. Last month, ABC South Texas, along with 10 other associations and companies filed suit against the City of San Antonio (Associated Builders & Contractors of South Texas, et. al. V City of San Antonio, Texas, et. al.) to stop the implementation of the ordinance from going into effect August 1. The District Judge approved an agreement between the plaintiffs and defendants that delayed the ordinance

until December 1. The city council appointed Paid Sick Leave Commission is meeting weekly in an effort to amend the ordinance such that it would be constitutional. At this time there is still the possibility the Texas Supreme Court will take the case and rule such ordinances are unconstitutional.

The July Breakfast Club featured a panel discussion on the San Antonio Paid Sick Leave ordinance, how we got to this point, compliance issues, and how two ABC members have attempted to get in compliance. One of the challenges is the City of San Antonio isn't really ready, as they aren't sure how to interpret various parts of the ordinance and how it can be enforced.

Workforce Development Director Tamara Schmoekel and Controller Bob Jett conducted an NCCER training session including ICTP at the annual TIVA Conference in Corpus Christi. This resulted in four more high schools joining the growing list of sponsored high schools seeking to provide construction education programs for their students. The South Texas Chapter will be hosting a breakfast for all of the Northside ISD high school and middle school CTE teachers. This is part of the effort to generate more interest in construction as a career.

To help fund the chapter's education programs, through the Contractors Apprenticeship Trust (CAT), the first annual Dove Hunt is set for late September. Help feed the CAT!

The annual Excellence in Construction Awards banquet was held in August at the Security Service FCU Event Center, which won a local EIC Eagle award in 2018. Twenty-two eagle awards, twenty-nine STEP awards and six chapter awards were presented.

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Other upcoming events include a Fall Golf Tournament in September, the annual Fishing Tournament in October, and then the Sporting Clays Shoot & Barbeque Cook-off in November.

SOUTHEAST TEXAS CHAPTER

The ABC Training Center articulates with the Region 5 Education Service Center to provide NCCER curriculum and consumables to those local high schools who have expressed interest in participating in our School-to-Work program. By partnering with Region 5, the ABC Southeast Texas Chapter is able to reach over 1,200 students each year, with the main goal to recruit young people into the construction industry upon graduation. Currently, 16 local high schools are teaching the following NCCER curricula—(Core, Welding, Pipefitting, and Carpentry); the books and instructional aides are provided to the schools, free of charge, by ABC Southeast Texas.

ABC Southeast Texas participates in several high school career fairs throughout the school year, with the largest one being a Career Expo hosted every September by the Texas Workforce's Youth Solutions of Southeast Texas for all the Region 5 high schools. The chapter's staff and members volunteer and speak at several civic and church organizations' youth outreach events (i.e., Salvation Army's Boys & Girls Club, Jr. Achievement, Boys & Girls Haven, area Chambers, etc.), so they can ensure that all future graduates receive information about ABC Southeast's Training Center and programs. Additionally, the chapter employees spend time at many local high schools' CTE classes, sharing information about their post-secondary options and opportunities at their Training Center to pursue a career in construction. The chapter has assisted the Southeast Texas Human Resource Assoc. in conducting mock interviews with seniors in order to prepare them for future employment. The chapter's Training Center also hosts a large Welding competition every January with approximately 17 high schools participating. These students are able to showcase their skills to the local member contractor judges, and get a chance to win valuable Welding items and gift cards to assist them in their training and careers.

This past 2018-2019 school year, ABC Southeast Texas awarded 14 qualified graduating seniors with craft scholarships to attend the Training Center (an estimated value of over \$75,000 for Welding and Carpentry alone). ABC Southeast Texas has a motto... "Our Community, Our Commitment", and is committed to training a safe and successful workforce. The chapter is very optimistic that these scholarships will yield a return on financial investment, and will help fill the severe projected craft shortages, as well as giving motivated young people the opportunity to earn a

great living in construction and the petro-chemical industry.

TEXO CHAPTER

In the second quarter, TEXO and its members kicked off the 2019 Challenge Cup series, presented by Procore, which consists of five competition events throughout the year and culminates with the presentation of the Challenge Cup trophy at the TEXO Holiday & Awards Gala in December.

The first event of the series was the ASA|TEXO Foundation Bass Tournament at Lake Fork in East Texas on April 26th and 27th, co-hosted with the North Texas chapter of the American Subcontractors Association. One hundred and five teams representing the two associations competed, with BakerTriangle taking home 1st place and the TEXO traveling trophy and Brandt taking home 2nd place and the ASA traveling trophy.

Then, on May 13th, TEXO members teed off the next event of the series, the TEXO Golf Tournament, with friendly competition and an elusive hole-in-one, made by Tony Bailey of BakerTriangle. Featuring two rounds of golf on two courses, Prime Controls and Northstar Builders won the morning's 1st place prizes, and Eyesite Surveillance and Prism Electric won the afternoon's 1st place prizes.

Recently, the yearlong series hit its halfway mark with the TEXO Softball Tournament on June 8th. Twenty-four teams fought their way through a tough bracket, but at the end of the day, Burleson Electric edged out the rest to become the tournament champion for the 3rd year in a row.

TEXO Safety had an exciting quarter as member companies representing millions of dollars' worth of work stopped to observe OSHA's National Safety Stand Down the week of May 6th - 10th. The TEXO Safety committee also hosted the 3rd annual Raymond L. Critchfield Scholarship Golf Tournament on June 27th to raise money towards scholarships for individuals pursuing or continuing a course of study in the construction health and safety profession. These scholarships will be awarded on November 1st during TEXO's 2019 Construction Safety Professionals Conference.

Additionally, the TEXO Foundation displayed a tiny house at the EarthX Expo in Dallas. The structure was built by construction CTE students at MacArthur High School as part of the inaugural Tiny House Building Project, aimed at giving students hands-on training and experience relevant to the construction career field.

Looking ahead, TEXO and its members prepare for the final two Challenge Cup events – the TEXO Foundation Clay Shoot and TEXO YCC Tailgate – as well as a full slate of professional development courses and the TEXO Foundation's Building

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COASTAL BEND CHAPTER

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Knowledge Conference for collegiate educators.

TEXAS COASTAL BEND CHAPTER

The Texas Coastal Bend Chapter wishes its president, Kathy Colwell, the best of luck as she is moving onto new career opportunities. Kathy dedicated her time and talents to the chapter for eight successful years. She has been an outstanding representative of ABC not only for its members, but also the Coastal Bend community. The chapter is looking forward to introducing its new Texas Coastal Bend Chapter president in an upcoming Texas Merit Shop Journal issue.

The Texas Coastal Bend Chapter has hosted numerous networking opportunities over the past several months. The Wednesday mixers continue to be a hit, and the chapter thanks participating mixer sponsors KSI Specialties, Dawson's Recycling, Navy Army Credit Union, Moore Supply, Equipment Share, Mirage Industrial Group, and Power Line Electric. Recent annual events have also provided a great opportunity for some fun in the sun while networking with others.

In May, the Corpus Christi Country Club provided a wonderful venue for the 31st Annual Golf Classic. The chapter's fishing tournament committee decided to switch venues this year for our chapter's 25th annual fishing tournament. Marker 37 Marina has recently been remodeled and proved to be an excellent marina to host our July tournament. Thirty teams competed in both guided and non-guided divisions. In addition to networking opportunities, our annual events also provide our Chapter the opportunity to partner with The Craft Training Center by providing scholarships to students.

This summer, The Craft Training Center of the Coastal Bend hosted summer camps for middle school students. This was a great opportunity for young students to experience first-hand a sampling of trades such as welding, pipe fitting, and instrumentation.

The Contractors Safety Council of the Coastal Bend is proud to announce this year's STEP award recipients. **Diamond**- Ohmstede Industrial Services, MMR Constructors, Inc., Repcon, Inc., Mirage Industrial Group, LLC, SR Trident, Inc., Rabalais I&E Constructors, Turner Industries Group, LLC, Brock Services, LLC. **Platinum**- Holes South Texas, Pro Tech Mechanical, Inc., Teal Construction Company, Larson Plumbing & Utility, Onyx Engineering, Inc. **Gold**- McKinney Drilling, TNT Crane & Rigging, Inc., SpawGlass Contractors, Inc., Bay Ltd., Weaver & Jacobs Construction, Inc.

The chapter is especially proud of its Young Professionals as they continue to be active at the local, state, and national levels of ABC. They have shown leadership and dedication as they host local events, serve on committees, and travel with board members to Austin and out of state ABC events.

TEXAS MID COAST CHAPTER

The ABC Texas Mid Coast Chapter is preparing for the upcoming school year for the Mid Coast Construction Academy (MCA). The program offers pre-apprenticeships and apprenticeships for plumbers and electricians, and the MCA received double the number of applicants seeking a seat in the classes that began on August 21, 2019. Much of the success of the program can be attributed to student peer recruitment, career fair and leadership camp participation, school presentations, and employer recruitment.

School Superintendents, Principals, Counselors, and Career & Technical Education (CTE) Professionals have toured the MCA facility to learn more about the MCA program structure and how participation can assist with Career & Technical Education funding and improving school ratings through the Texas Education Agency.

Field trips have been coordinated with Hall Electric, Ferguson and Steve Klein Custom Builder so that students can learn about the real-world application of their trades.



TEXAS MID COAST CHAPTER

Employers visited the MCA to preview the work and portfolios of local high school students and visit with them about future employment. Guest speakers have visited the MCA to see the student's work stations, offer feedback, offer summer job opportunities and educate on topics such as intrapreneurship, personal journeys to becoming professions, how the trades have impacted lives and supported families, and workplace communication. Congressman Michael Cloud also visited the students to learn more about the program.

The benefits of MCA are vast, including contribution to the economic development of the region, training of future taxpayers, and offering lucrative career opportunities to students (which promotes better self-esteem, discourages drug usage and high school dropout).

The mission of the MCA is to promote and educate students and jobseekers about the construction industry and develop skilled labor. The MCA will prepare students with career-ready job skills to enter the workforce with confidence. This workforce development initiative will promote regional job growth in Bee, Calhoun, DeWitt, Goliad, Jackson, Lavaca, Refugio and Victoria Counties.

For more information, please call 361-572-0299 or www.mccacademy.org and like the Facebook page (search "Mid Coast Construction Academy").

TEXAS GULF COAST CHAPTER

While the summer season often evokes images of rest and relaxation, it has been an action-packed summer at ABC Texas Gulf Coast Chapter.

In June, ABC Texas Gulf Coast and its educational affiliate Merit Shop Training (MSTI) proudly honored graduates of their craft training program at the 43rd Annual Graduation Ceremony and Dinner. Recognitions of training completion and NCCER Gold Card certifications were awarded in the areas of electrical, millwright, pipefitting, rigging, and Construction Management

Academy. Industry, contractor and college instructors were honored at the event with former National Craft Champion Ashle Agbe as the guest speaker.

Joseph Patterson of McGill Maintenance Partnership, Ltd., who competed in March at the ABC National Craft Championships, was honored for bringing home the bronze medal in the Millwright competition. In the past 25 years, ABC Texas Gulf Coast has sponsored contestants who have earned 26 medals. These achievements are possible thanks to many mentors, instructors and their employers who support workforce development.

Also in June, ABC Texas Gulf Coast Chair Mark Monical, Director Buck Blevins and President & CEO Terry McAlister, were on Capitol Hill as ABC members from across the nation gathered in Washington, D.C. for ABC's 2019 Legislative Week.

Legislative Week is an opportunity for ABC members to hear from top administration and congressional leaders on the issues that impact the construction industry on the federal and state levels. Attendees heard inspiring calls to action from merit shop advocates and an overview of ABC's legislative priorities for the year ahead. ABC members from across the nation gathered on Capitol Hill to garner support for issues critical to ABC members.

Other events during the week included the 2019 Legislative Day breakfast featuring VIP speakers (Rep. Dan Crenshaw, R-TX and Sen. Rick Scott, R-FL), and the opportunity to network with peers and members of Congress on Capitol Hill to give representatives a firsthand understanding of how legislation affects the construction industry. As the activity on Capitol Hill heats up, the days will begin to cool down with the end of summer and the arrival of a new season.

On September 25th, the chapter will have the Joint Membership Event & Luncheon featuring STEP Awards, new member recognition, and the election of 2019 Chapter Officers & Directors. 📍

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