SMACNA January Board actions and highlights

During the coming year, watch for the following products that were reviewed and approved by the Board at their January meeting.

Technical Services


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Capitol Hill Update

Major tax reform starting in Congress

Leaders in the House and Senate have outlined an ambitious tax reform agenda for the first nine months of the 115th Congress and it appears to require two separate reform packages.

The House Ways and Means Committee has begun the long process of reforming many parts of the Internal Revenue Code by establishing a variety of task groups focusing on code provisions. Once the task groups report to the Committee a reform package will be assembled. SMACNA and its allies have provided input and guidance on key industry provisions to the Committee.

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SmartMarket report: Collaboration reduces risk

Three quarters of building owners and contractors have experienced a dispute or claim in the last three years, and nine in ten say increased collaboration can be used to mitigate future risk, according to a new SmartMarket report “Managing Risk in the Construction Industry” from Dodge Data and Analytics. SMACNA served as a research partner on the report.

The report provides a unique link between specific risk reduction practices—like conducting regular meetings with the full project team, formal brainstorming, and developing a plan to manage risk—and tangible project benefits, such as reduced construction cost, improved project schedule, and improved safety.

“This study contributes to the growing body of knowledge about the positive impacts of project collaboration,” says Steve Jones, senior director of industry

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Strategic Leadership: Where are we heading?

Many of us get caught multitasking throughout our day-to-day jobs and have no time to figure out where the market is heading, what new technologies are best, and which road will lead to corporate success. But being a SMACNA member has always had its advantages when it comes to predicting the future.

There’s no guesswork and no crystal balls because every four years or so SMACNA’s New Horizon Foundation conducts a Futures Study of contractors, architects, and specifiers of HVAC systems. The results provide a glimpse of what may lie ahead. The industry data we collect give us an idea of what “trends” we should take seriously.

One thing I found interesting in this year’s report is that the industry has changed more in the last five years than in the prior 30 years and that this pace of change will continue, something I can attest to.

A few more trends the report revealed include:

• Owners will want HVAC contractors to provide asset flexibility, new approaches to manage regulatory unpredictability, and a capability to meet their tight schedule and budget needs.

• Significant new national or statewide regulations mandating equipment change-out are unlikely in the next five years. This, in combination with relatively low energy prices, means that change-out of functioning but inefficient equipment will remain a limited driver of HVAC spending moving forward.

• Building Information Modeling (BIM) will expand into facilities management in the next decade. Larger owners are already requiring that their BIM models act as their facilities management operating systems.

• The lack of a trained and flexible workforce is viewed as a threat by many contractors. However, those who have a well-trained and flexible workforce view it as a primary source of competitive advantage.

• Contractors who can rapidly develop younger employees will have an advantage in the market in coming years.

This year SMACNA’s “The HVAC and Sheet Metal Futures Industry Study Update 2016” will form the foundation as our Association revisits its strategic plan. As SMACNA plans for our future, I urge you to review the information in the report and apply it to your company.

A focused organization is more meaningful to its Board members and energizes the leadership and members. The same holds true for your company. Pick up a copy of this report and see how it applies to your firm.

Sincerely,

Joseph Lansdell
SMACNA President

SmartMarket report: Research shows collaboration reduces construction risk

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insights research at Dodge Data and Analytics, “and early collaboration by team members can lead directly to less project risk and crisis—a significant incentive to start working together better, more often.”

Capitol Hill Update

Major tax reform starting in Congress

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SMACNA is working to ensure that the energy and related tax incentives will be part of this package, including 179D, waste-heat-to-power, thermal energy, and combined heat and power tax incentives that expired on Jan. 1.

SMACNA and its coalition partners worked all last year to extend energy retrofit and industrial efficiency provisions with the assurances of early action in 2017 by Senate Finance Committee leader Orin Hatch (R-Utah), most tax committee members, and Senate leader Mitch McConnell (R-Ky.). When Congress decided to adjourn early in December they left these provisions on their desks. Leaders of the House and Senate Energy Committees have committed to passing comprehensive energy legislation in 2017.

Davis Bacon and PLAs Under Attack

SMACNA and its allies in the Construction Employers of America (CEA) joined forces to beat back Senate efforts to repeal PLAs as part of the Senate Concurrent Resolution (S. Con. Res.) Budget legislation in the first weeks of the 115th Congress. While S. Con. Res. passed the Senate, it did not contain the provisions introduced by Sen. Jeff Flake (R-Ariz.). SMACNA’s position supported the option of considering and utilizing PLAs where deemed in the best economic interest of the project owner on behalf of the taxpayer on public work.

PLA opponents also have begun targeting Executive Order 13502 which allows the federal owner to consider PLAs on federal construction projects but does not mandate their use. SMACNA and the CEA each contacted the White House repeatedly to support Executive Order 13502 and the continued federal consideration of PLAs where appropriate.

As soon as the 115th Congress convened Sen. Jeff Flake (R-Ariz.) introduced legislation to repeal Davis-Bacon on countless billions in federal infrastructure projects yet to be considered or approved. SMACNA contacted Hill offices and media outlets to express strong opposition to The Transportation Investment Recalibration to Equality (TIRE) Act, offered by Sen. Flake.

The TIRE Act would eliminate the Davis-Bacon Act’s prevailing wage language on federal infrastructure legislation, especially bills providing funds for federally assisted infrastructure construction. SMACNA also informed Senate offices that it was ironic that at a time when the Congress, the Trump Administration, and much of the construction industry are expressing alarm over insufficient numbers of skilled construction workers that Congress would debate legislation to undercut wages, training, and standards for those making up much of the infrastructure workforce.

SMACNA has supported prevailing wage laws covering federally assisted projects in housing, energy efficiency, and infrastructure legislation, regardless of political changes to Congress or the executive branch, where construction quality and a national funding role are paramount. The legislation awaits consideration in Senate Environment and Public Works Committees but will most likely be proposed as an amendment to appropriations or infrastructure authorizing bills so it could come up at any time the related legislation is on the floor for debate. SMACNA will continue to closely monitor and oppose the TIRE Act and related attempts to undercut prevailing wage regulations and legislation during the 115th Congress.

House Passes Energy Efficiency Legislation Focusing on Government Data Centers

In its first week of the 115th Congress, the House moved to easily pass legislation to boost energy efficiency, expand performance contracting, and improve cybersecurity for government operation centers.

Interested in creating a safety legacy?

A good reputation goes a long way in building a corporate legacy of excellence. Participating in the 2017 SMACNA Safety Excellence Awards Program (SSEAP) year after year can establish a reputation of safety for your company—now and in the future.

Your customers will recognize the value of your solid safety reputation, as your safety rating puts you ahead of the pack. Many SMACNA members have benefited from the Safety Program by winning an award, but you don’t have to win to gain the prestige that comes from participating.

However, when you do win, this significant achievement can be used as a marketing tool to let your customers know about your firm’s very successful safety culture. Submit your Safety Survey today. Both U.S. and Canadian members visit the same survey link. You will be prompted to either the U.S. or Canada survey once you select a state or province.

All entries must be received by May 5, 2017.

Most information needed for the survey can be found in your company’s 2016 injury records. You will need a SMACNA website username and password. Contact Sara Mauck at smauck@smacna.org to obtain this access information.

Commit to your legacy today. The annual Safety Survey recognizes members for their outstanding safety performance while collecting valuable safety and health data. We need your input to make the program a success.

For more information, contact Mike McCullion, SMACNA’s director of market sectors and safety (mmccullion@smacna.org / (703) 995-4027).
SMACNA January Board actions and highlights

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A Food Grade Task Force will develop a scope of work for a guideline/manual to engage SMACNA members in food grade fabrication work.

An IRCA Task Force will determine the feasibility of developing a method of test (MOT) and investigate the potential opportunity for SMACNA testing, adjusting, and balancing members to engage the health-care community as a resource with a MOT for validating containment and air pressure differential.

Business Management Services

SMACNA’s “Contractor Operations Manual” contains documents to assist SMACNA contractors to improve their business management skills and provide resources for best practices.

New Contractor Operations Manual 2017 books include:

• Principles of Job Costing (update)
• Personnel Policies and Procedures (update)
• Guide to Shop Burden (update)
• Lean Transformation (new)
• Ownership Transition and Management Succession (new)
• Contract Delivery Methods (new)

Advanced Project Managers Institute

SMACNA’s popular education program, the Project Managers Institute continues to sell out each year. Many attendees with five or more years’ experience have requested a program to cover more advanced topics. A level-two follow-up program will be developed.

Social Media

The Higher Logic Community Suite will expand members’ online experience to include discussion forums, resource libraries, directories, a wiki glossary, advanced search function, a mentor match, and a speakers’ bureau. It will improve SMACNA’s online Member Directory and offer a significantly more user-friendly interface.

Market Sectors

A Residential Customer Service White Paper will serve as a companion piece to SMACNA’s recently released “Residential Retrofit and Service Operations Manual.” It will provide details and examples of the work practices and procedures that successful customer service departments should implement.

A Virtual Design Architectural White Paper will explore the benefits of using virtual design in the architectural sheet metal market and the advantages of having the architectural metals fabricator engaged with the design team through a design-assist/design-build relationship early in the project development.


State Issues Legislative Tracking Service

This service will enable chapters to stay apprised of the status of state and local issues in their areas so they may intervene in a timely manner on their members’ behalf.

SMACNA’s Board of Directors met in January and approved an expense-operating budget of $11,435,478 for 2017.

CAL SMACNA’s Cyndi Marshall recognized for legislative service

Cyndi A. Marshall, executive vice president of the California SMACNA State Association chapter (CAL SMACNA) in Sacramento, was recently recognized with SMACNA’s Special Legislative Service Award for her dedicated legislative and political leadership since entering the industry as a chapter executive more than two decades ago.

An active legislative force locally, regionally, and nationally as executive vice president for CAL SMACNA and as a leading member of the CAL SMACNA Political Action and Legislative Committees, Ms. Marshall has proven to be one of the most effective industry representatives in the political and policy arenas in California. In addition to leading a sophisticated legislative program in Sacramento, she has made CAL SMACNA’s voice heard clearly and persuasively on Capitol Hill.

Ms. Marshall was presented with a Statue of Freedom, a replica of the monumental bronze statue that crowns the U.S. Capitol dome in Washington, D.C., during the association’s Board of Directors meeting in Marina del Ray.

SMACNA National Board member Carol Duncan (right) of General Sheet Metal, Clackamas, Ore., recently presented Cyndi Marshall, executive vice president of the California SMACNA State Association (CAL SMACNA), with SMACNA’s Special Legislative Service Award.
Meet the Board

Scott Vidimos of East Chicago, Ind.

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a lot of parts, plus there are tough jobs to field-measure where scanning would capture all the pertinent information quickly and accurately.

My outside interests: Golf is my vice; my grandchildren are my passion.

My secret weapon for making jobs run smoother: Explaining a job in detail with a foreman so that he has built the job in his mind even before hitting the jobsite.

My favorite motto: “We do business with people.”

My biggest business hurdle: Filling the pipeline with people willing to be foremen. When I started in the business, my dad set the table for me by having talented job leaders on board and I want to make sure my son has a running start as well. It’s been tough finding people willing to take on the joys and challenges of running work.

The best business advice I ever received: Get to the office first. It shows your commitment to the business, but it has also been proven to be the best time to get a jump on the day.

There is nothing better than: Getting a customer and their spouse out for an afternoon or evening away from the house and work. I think it’s very important to include spouses.

The sports team I cheer: Any Chicago team, but especially the Blackhawks.

My first car: A Chevy Vega, though my first company car was a Camaro.

On the national level, Mr. Vidimos serves on SMACNA’s Technical Resources Committee. He has served as chair of the SMACNA-IFUS Trustees, chair of the Director Nominating Committee, and IFUS liaison to the Budget and Finance Committee.

He has served twice as president of the Northern Indiana Sheet Metal Contractors Association as well as on its Board of Directors. He has served as chair of the JATC, Pension Fund, and Industry Fund, and on the Grievance and Negotiating Committees.

Involvement in ASHRAE and the American Welding Society for many years, as well as the Building and Construction Resource Center, he is devoted to helping children with disabilities and Down’s syndrome, and has worked with Boys and Girls Clubs, Tradewinds, and Opportunity Enterprises, which help children with disabilities.

He received his degree in business, accounting and finance, from Miami University and entered the sheet metal industry in 1979 as a project manager and estimator.

For more than 60 years, three generations of the Vidimos family have led Vidimos Inc. which specializes in custom sheet metal, plate and miscellaneous structural steel fabrications, including flame, laser, and plasma-cut steel parts. Also specializing in field installation and maintenance repairs, Vidimos Inc. prides itself on the quality of its products and their skilled and experienced craftsmen.
**Build leaders to meet challenges at Supervisor Training Academy, March 22-20**

Your supervisors will learn concrete solutions to real-world problems during SMACNA’s Supervisor Training Academy, March 20-22, in St. Louis. There’s still time to register!

In this interactive 2½-day course, supervisors—from shop foremen to superintendents—will learn that effective leadership means understanding the role of the leader/foreman, team building, coaching and mentoring, developing motivation, and delegating. Sign up today on SMACNA’s Educational Programs webpage.

Supervisors who are just starting off and those with several years’ experience, will learn the core values of successful supervisors, handling time-management and communication systems, and study leadership skills. They will role-play managing conflict and difficult conversations. Mastering productivity through cost control and lean practices, along with best practices in profitability, will also be on the agenda.

Put your supervisors on the right track to success! Additional employees from the same company will receive a discount on the registration fee. Sign up today on SMACNA’s Educational Programs webpage.

For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership, bbienacker@smacna.org.

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**Master your bottom line at SMACNA’s Financial Boot Camp, May 21-24**

Enlist in SMACNA’s Financial Boot Camp, May 21-24, in Tempe, Ariz., and your financial and non-financial personnel will gain a better understanding of your company’s finances and be ready to make more informed decisions that affect your bottom line.

If you are an owner or future owner, a purchasing, estimating, or project manager, a division manager, or financial manager, you will increase your knowledge, skills, and abilities through solving innovative case study problems in this dynamic, intensive program. Sign up on SMACNA’s Educational Programs webpage today.

You will engage in hands-on drills based on case studies that simulate real-world business experiences. You also will have the option to evaluate your organization’s financial conditions using your own financial statements.

Participants will discover how to interpret financial statements for better company performance, calculate ratios and indicators, work with credit, develop cash flow projects, and use financial information for strategic planning and risk assessment.

Back by popular demand, this program is taught by construction industry expert John Murdock, CPA, MBA, and principal of Pittman and Murdock.

Learn the pitfalls to avoid at SMACNA’s Financial Boot Camp, May 21-24, in Tempe, Ariz., and sign up today.

**Get your early-bird discount and register before April 5.**

Additional employees from the same company will also receive reduced rates. For more information, contact Bridgette Bienacker, SMACNA’s director of business management and membership, bbienacker@smacna.org.

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**College of Fellows reminders**

**Candidate nominations, scholarship applications due soon**

SMACNA’s College of Fellows is now accepting candidate nominations for this distinguished fellowship of industry professionals. Application forms may be found on SMACNA’s College of Fellows Scholarship webpage.

**Submit your College of Fellows nominations by Feb. 24.**

Please note that there are two kinds of forms—a contractor nomination form and a chapter executive nomination form. For more information, contact Jason Watson (jwatson@smacna.org / (703) 803-2980).

**Scholarship applications due March 31**

Have a student in college? Apply for a SMACNA College of Fellows scholarship to help pay the bills. SMACNA is now accepting applications for the 2017-2018 academic year, submit your application online on SMACNA’s College of Fellows Scholarship webpage.

SMACNA’s College of Fellows administers 34 active scholarships, which are available to undergraduate students from SMACNA’s extended family including SMACNA contractors, employees of SMACNA contractors, SMACNA Fellows, employees of SMACNA chapters, employees of SMACNA National, SMACNA National Associate Members, and members of the families of all these groups.

For more information, contact Jason Watson (jwatson@smacna.org / (703) 803-2980), or Heather Frank (hfrank@smacna.org / (703) 995-4045).

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**Give an industry shout-out to new members of Congress**

Plan to meet your new members of Congress when they are back in your home district this coming year. We need your voice to fight for the concerns vital to the health of our industry.

Issues that the industry has fought long and hard for—pension reform, Davis-Bacon, and project labor agreements—could be on the chopping block in the new Congress.

Invite your representatives and senators to your shop during these Congressional recess dates and educate them about the issues that affect your business.

**U.S. Senate Recess Dates**

- March 16-17
- April 10-21
- May 29-June 2

**U.S. House Recess Dates**

- March 3-6, 11-13, 18-19, 24-26, 31
- April 1-2, 7-24, 29-30
- May 5-15, 20-21, 26-31

Find your lawmakers’ contact information on SMACNA’s Advocacy webpage. Then meet them in person and let them know where you stand on the industry’s issues.
Welcome new SMACNA 2017 Associate Members!

SMACNA is proud to welcome these new and returning 2017 Associate Members. SMACNA Associate members have the unique opportunity to develop valuable business partnerships with SMACNA contractors.

Gold
- Greenheck, Schofield, Wisc.
- Johns Manville, Denver, Colo.
- Mestek Machinery, Cedar Rapids, Iowa (also a Premier Partner)
- Titus, Plano, Texas (also a Premier Partner)

Silver
- Ductmate Industries Inc. (Silver Patron) Charleroi, Pa.
- Majestic Steel USA Inc. Pepper Pike, Ohio
- Retrotec Inc., Everson, Wash.

Bronze
- Gripnail Corporation, Providence, R.I.
- Lloyd Industries, Montgomeryville, Pa.
- Thermaduct LLC, Perrysburg, Ohio

Don’t delay! This year, take advantage of all the benefits 2017 SMACNA Associate Membership can give you and contact Member Services at memberservices@smacna.org.

SMACNA welcomes new members

SMACNA National is pleased to welcome the following new members:
- Haybner Sheet Metal Inc., Strongsville, Ohio – SMACNA-Cleveland
- Kent Welding Inc., Mineral Wells, W.Va. – Sheet Metal and Roofing Contractors Assn. of West Virginia
- Metal One, Lee’s Summit, Mo. – SMACNA-Kansas City

Holiday observed

The SMACNA National offices will be closed Monday, Feb. 20, on Presidents Day.
SMACNA reminders

February 2017
- Collective Bargaining Orientation – Feb. 23, Dallas

March 2017
- Supervisor Training Academy – March 20-22, St. Louis
- Association Leadership Meeting – March 30-31, Las Colinas, Texas

April 2017
- Project Managers Institute – April 23-26, Raleigh, N.C.

May 2017
- Safety Surveys Due (U.S. and Canada) – May 5

June 2017
- Council of Chapter Representatives – June 4-6, Coeur d’Alene, Idaho
- NJAB – June 12-13, Pittsburgh

Future SMACNA Conventions
- 76th Annual Convention – Oct. 20-23, 2019, JW Marriott, Austin, Texas