



# The Monitor

RAISING THE BAR BY MONITORING THE CONSTRUCTION INDUSTRY

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# The Monitor

RAISING THE BAR BY MONITORING THE CONSTRUCTION INDUSTRY



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Fracking could bring between \$10 million to \$100 million per year to Illinois.

## Comprehensive Fracking Bill Helps Illinois Jobs, Economy

BY DANA ROMANO AND LYDIA SIMRAYH

**H**ydraulic fracturing, also known as “fracking,” has long been a debate within this nation. While the environment is often a concern within the fracking process, a new bill passed in Illinois protects the environment while promoting this burgeoning industry.

Fracking is defined as the process in which water, sand, and other chemicals are pumped underground into layers of rock in order to extract natural gas. This technique is used mostly by the oil and gas industries in this country. Hydraulic fracture wells exist all over the country. Some are formed naturally while others are man-made and are known as induced hydraulic fractures.

The fracking process was first invented in the 1940’s. It has been projected that over one million wells have been hydraulically fractured since then. The production of these wells are becoming more popular as multiple bills have been passed allowing hydraulic fracturing in states such as Ohio and Pennsylvania. It is estimated that up to 80 percent of the natural gas wells drilled in the next decade will utilize the system of hydraulic fracturing.

In late May of this year, the Illinois House passed Senate Bill 1715 (“SB 1715”) to regulate horizontal hydraulic fracturing. The III FFC,

in conjunction with the International Union of Operating Engineers, Local 150, were instrumental in negotiating provisions of SB 1715. The bill is one of the most comprehensive regulatory frameworks for fracking procedures in the nation.

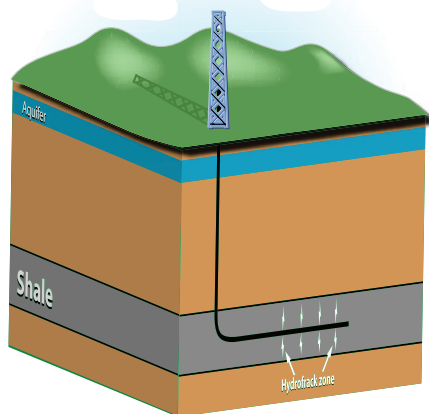
Illinois Governor Quinn is in favor of the bill due to the amount of jobs that will be created, tax revenue, and investments it will bring

to the state. A well producing 200 barrels of oil a day will generate more than \$1.1 million in revenue during its life. In total, fracking could bring between \$10 million to \$100 million per year to Illinois. Job creation estimates range from 5,000 to 76,000 with job development in industries such as manufacturing, mining, trucking, rail, engineering, and road building.

The system of fracking has been tested in states across the country. In 2009, Pennsylvania created 44,000 jobs due to fracking operations and Texas created 47,000 jobs with almost \$25

billion in economic impact. The same success is likely to be had in Illinois.

As one of the most comprehensive regulatory frameworks in the nation, SB 1715 will prove to foster the future success of fracking in Illinois.







## IDOT creates Illinois' first multi-modal transportation system improvement program

system that will feed the needs of the state for at least the next 40 years.

### LETTER FROM THE **Executive Director**

Marc R. Poulos

**"Transforming Transportation for Tomorrow" is anticipated to receive \$9.2 billion throughout a six-year period with funding levels of \$1.8 billion in 2013 alone.**

**A**s the fifth most populous state, Illinois' transportation and infrastructure system plays an important role in shaping the state. Due to Illinois' vast multi-modal network, residents, tourists, and businesses rely on the transportation system in order to foster economic, social, cultural, and educational activity. Therefore, the Illinois Department of Transportation ("IDOT") created the state's first multi-modal transportation improvement program: "Transforming Transportation for Tomorrow."

Through the creation of comprehensive policies and goals, Illinois' transportation system will be guided through a multi-tier development. IDOT will take many factors into account while developing the program such as safety for all transportation users, preserving and managing the existing infrastructure, accommodating future growth in population and employment, and securing adequate funding for maintaining, improving, and ensuring sufficient operation of the transportation systems. Additional emphasis will be placed on improving the efficiency and expanding capability of multi-modal connections to move people, goods, and services in a combination of two or more modes of transportation.

"Transforming Transportation for Tomorrow," in effect from 2013 through 2018, will work in conjunction with IDOT's proposed multi-year programs for public transportation (FY 2013-2017), railway (FY 2013-2017) and aeronautics (FY 2013-2015). By effectively incorporating federal, regional, and local transportation, Illinois will create a transportation and infrastructure

"Transforming Transportation for Tomorrow" is anticipated to receive \$9.2 billion throughout a six-year period with funding levels of \$1.8 billion in 2013 alone. The plan includes \$6.5 billion in federal funding and \$2.2 billion in state funding. The final \$1.2 billion will come from the state's "Illinois Jobs Now!" Capital Plan and \$454 million from local funds. In addition, Illinois highways will see \$6.6 billion in improvements throughout the program, with \$2.6 billion targeting local highway systems.

Governor Pat Quinn signed into law the "Illinois Jobs Now!" Capital Plan in mid-2009. The program has helped to revive the state's ailing economy by creating and retaining over 439,000 jobs over a six-year period. "Transforming Transportation for Tomorrow" was driven by "Illinois Jobs Now!" because it will further create or sustain nearly 120,000 jobs through 2018.

Since Governor Quinn's "Illinois Jobs Now!" Capital Plan has been in place, more than \$9.5 billion has been invested into the state's highway system and more than 6,000 miles of roadways and 840 bridges have been improved. Projects like "Transforming Transportation for Tomorrow" and "Illinois Jobs Now!" will continue to improve Illinois' infrastructure while creating and maintaining much needed jobs. Supporting infrastructure investment is vital for the health of Illinois.

# Public interest served through competitive bidding of public work projects

**T**he Court of Appeals of Indiana recently held that a school corporation may not evade competitive bidding requirements through a series of contracts for a building renovation, where the process did not meet existing statutory requirements for public work construction. *Alva Electric v. Evansville Vanderburgh School Corporation*, No. 82A01-1201-PL-2 (Ind. App., Mar. 6, 2013).

Although the building renovation was complete by the time the case was appealed, the Court rejected an argument that the claims were moot. Rather, the Court stated that the “issues of competitive bidding and the expenditure of taxpayer money are undoubtedly matters of great public interest. We also believe that similar issues are likely to recur in the future as school corporations and public entities seek alternative methods of achieving their public purposes within tight budgetary constraints. Accordingly, we will address this case upon the merits regardless of whether it is technically moot.”

In 2009, the School Corporation decided to move all its administrative offices into one building as a cost-saving measure. The move, however, required substantial renovation of a building it already owned, previously used as a warehouse. The School Corporation met with an architectural firm in early 2010 to discuss the plan and the firm delivered plans for the renovation to the school corporation in June 2010. The School Corporation paid approximately \$250,000.00 for the design work.

In August 2010, the School Corporation determined it did not have sufficient funds to pay for the project. Yet in October 2010, it continued moving forward on the project by meeting with Industrial Contractors, Inc. (ICI) to discuss the renovation. The School Corporation proposed an arrangement where it would convey the warehouse building to the EVCS Foundation, Inc., a private not-for-profit organization not subject to competitive bidding requirements, and the Foundation would contract with ICI for the renovations.

ICI was the only contractor approached about the project and the School Corporation did not disclose its selection of ICI at any public meeting. ICI sent a formal proposal to the School Corporation in November 2010.

The School Corporation approached the Foundation about the project in December 2010, explaining that it would buy back the building once the renovation was complete. The Foundation purchased the building for one dollar and entered into a construction contract with ICI in January 2011. The School Corporation also entered into an Installment Purchase Agreement with the Foundation. The first \$800,000 installment was paid to the Foundation on January 4, 2011 and the Foundation paid \$800,000 to ICI on January 31, 2011.

In all, the ICI, Foundation and School Corporation entered into a series of six contracts to execute the renovation. While the individual contracts may have been lawfully executed, the Court of Appeals recognized that the School Corporation “selected a contractor to renovate a public building according to plans

prepared by an architect selected by the School and fully intended to pay for the project and in fact is paying for the project with public funds, without following the public bidding laws.”

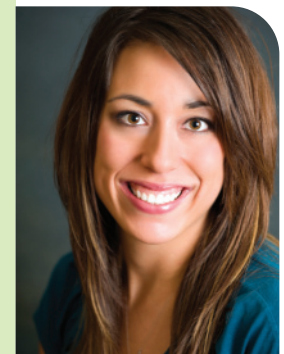
The Court recognized that the General Assembly has a comprehensive statutory scheme for a school corporation to pay for a public work (IC 36-1-12), or to enter into a lease-purchase agreement for a school building from a building corporation incorporated solely for the purpose of constructing or renovating the building (IC 20-47-2, IC 20-47-4, IC 20-47-4). Either process protects the public trust, through public notice and competitive bidding under the public work statute, and public meetings concerning the terms of the lease under the lease-purchase agreement. The Court concluded that the process followed by the School Corporation was not authorized by the General Assembly and violated public bidding laws. ■

**“Issues of competitive bidding and the expenditure of taxpayer money are undoubtedly matters of great public interest.”**

—The Court of Appeals of Indiana



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## FOCUS ON Illinois

# “Move Illinois” merges roadway projects into the fast lane

In typical fashion, this year’s winter season extended well into April before skipping spring and heading right into summer.

Construction work seems to be gearing up to full swing in Northeast Illinois and is being driven by the Move Illinois capital program. The Illinois Tollway approved Move Illinois in 2011 and this season seems to be seeing the benefits of that investment in the infrastructure of Northeast Illinois. Also the Illinois Department of Transportation is planning improvements to the Circle Interchange in Chicago where I-90, I-94 and I-290 meet. The bigger goal here is to reduce traffic congestion thru investment in our infrastructure.

Move Illinois is an ambitious capital program embarked on by the Illinois Tollway. One facet of this program is a western bypass of O’Hare Airport. This would involve upgrades to the existing Elgin-O’Hare expressway and extending it east to O’Hare Airport and making connections to I-90 and I-294 to create the western bypass of the airport. One problem with the plan was that the Elgin-O’Hare Expressway was part of the U.S. Interstate system and there were hurdles to converting the public road to a Tollway.

A delegation led by the Illinois Tollway, Labor Organizations and Management Organizations was able to convince the United States Department of Transportation (USDOT) that converting the Elgin-O’Hare Expressway to a Tollway was the best long term solution to fund the extension of the existing roadway and to pay for long term maintenance of the roadway. This is the first time that the USDOT has approved such a plan. In addition, the final hurdle was overcome when

the legislature passed HJR 9 expanding the Tollway’s jurisdiction to include the Elgin-O’Hare Expressway.

While Move Illinois is off to a good start, we need to keep looking toward the future and the investments needed to sustain and improve our lives. One of the largest issues facing the Northeast Illinois area is the Circle Interchange. Originally constructed in the late 1950s, this interchange has not had a major rehabilitation since then. The Illinois Department of Transportation (IDOT) has identified this interchange as an area of need and they are in the planning and design phases for this project.

According to IDOT, “the Circle Interchange is a vital hub for local, regional and national freight traffic.” The Circle Interchange has also been identified by the American Transportation Research Institute and the Federal Highway Administration as “the slowest and most congested highway freight

bottleneck in the nation with more than 300,000 vehicles per day...”

Obviously the Circle Interchange was never designed to handle that kind of traffic. This project is long overdue and will be vital to the continued growth and prosperity of our region.

IDOT has funding in place for the planning and design phases of this project. The construction phase of this project is not funded currently. I would encourage all to visit the project website at [www.circleinterchange.org](http://www.circleinterchange.org) to learn more about the project and to be involved in the process.

Public involvement is critical to the process and is encouraged. This project is a huge part of the local, regional and national progress of Northeast Illinois. ■

**While Move Illinois is off to a good start, we need to keep looking toward the future and the investments needed to sustain and improve our lives.**



# Nathan Reichert

## COMPLIANCE MONITOR



**"I enjoy helping educate leaders about the advantages of awarding work to responsible contractors"**

Every day when Nathan Reichert wakes up, his first thoughts are about how he can make a positive impact on the marketplace as the III FFC's Iowa Monitor.

"It is rewarding to help build market share for contractors and keep members on the job site, not on the hall's call list," Reichert said. "I grew up in a construction family and I understand first-hand how important steady work flow is to maintaining successful contractors and keeping great employees."

Reichert brings this firsthand perspective about the construction business with him as he delivers the message that responsible contractors make better public works projects and build greater civic pride.

"Working with civic leaders is a large part of my work," said Reichert. "I enjoy helping educate leaders about the advantages of awarding work to responsible contractors."

Nathan is no stranger to working with civic leaders from City Hall to the State Capitol. Prior to joining the III FFC, Reichert represented Muscatine, Iowa in the Iowa Statehouse. As a community leader who helps set budgets, establish priorities and keeps the State of Iowa moving, Reichert brings an empathetic understanding to the issues facing communities.

Helping local decision makers understand how to deliver the greatest rate of return for every tax dollar is a key. Reichert works with local City Council's, School Boards and County Supervisors to make them aware that they can choose to elevate their local construction industry and stop the race to the bottom.

"I can easily relate with the pressures that local leaders face," said Reichert. "It helps me explain how tax payers can receive the highest quality of workmanship, safety and quality from responsible contractors and their workers."

A graduate of the University of Iowa School of Business with an MBA, Reichert continues his academic work as an adjunct

Professor of Economics at Muscatine Community College.

"My business education brings a skill set that helps me analyze and understand trends that shape the market place," he explained. "There are huge opportunities for responsible bidders in Iowa. Productivity growth driven by an educated, well-trained workforce will continue to create successful companies. The Local 150 training facility is one of the greatest educational assets available for workforce development in the Midwest. Companies who have access to

employees with superior training and cutting edge technology will realize productivity gains."

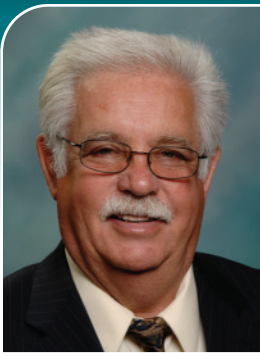
Enlightening local leaders about the economic and civic impact a highly trained and professional workforce makes is often a key to successfully explaining the positive impacts responsible contractors bring in addition to successful projects.

"Our contractors and members help lift every civic organization in town," said Reichert. "If it is donating time to the local church, coaching the Little League or helping raise dollars for community groups our members and contractors truly make a great impact."

Nathan Reichert remains heavily involved in his local community of Muscatine Iowa. Continuing to be very politically active at the State and Local level. He volunteers at his church as a liturgist, coaches Youth Baseball and helps lead his son's Cub Scout and Boy Scout troops. Living on a 100-year old family farm with his wife and four kids allows for the barn to be full of his children's 4-H projects.

"Right now we have Cattle, Sheep and a brand new puppy, who will all go to the fair this summer," he revealed. "I have told the kids they can only add one species a year. I guess next year they will try to bring home chickens, goats or who knows what."

As an III FFC monitor in Iowa, Nathan helps spread the word about responsible contracting and tirelessly gives back to his community as a leader, volunteer and activist. ■



Tom Frailey  
SUPERVISOR

## FOCUS ON Indiana

# The Illiana Expressway

**A driving force to the regional economy**

The Illiana Expressway was originally a local movement in the late 1990s to create a new corridor for freight mobility and commercial traffic. The movement finally culminated in June 2010 in which a Memorandum of Understanding was signed between then Indiana Governor Mitch Daniels and Illinois Governor Pat Quinn. Both states established legislation implementing the planning.

The Illiana Expressway is crucial to the area. Northwest Indiana and the northeast Illinois region are essentially the crossroads of America and are therefore heavily utilized by three modes of transportation: roadways, rail, and air.

The region is a national link to transportation and commerce, which creates heavy use of our highways. In the role as a commerce hub, the region is seeing the emergence of large inland ports for intermodal transfer and logistics. The distribution in and out of these ports is spread across the region's highways and local roads.

The region is also experiencing substantial growth in population and employment. Population in the Illiana study area is projected to grow by 175% and employment will increase 225%, creating high growth in work trips in the study area and on regional roads. As these travel demands increase, the existing transportation network is unable to support the demand.

Based on technical analysis, including growth trends, current and projected traffic, and stakeholder input, the needs to be addressed by the project are improving regional mobility, alleviating local system congestion, improving local system mobility, and providing efficient movement of freight in the study area.

The study area is located in southern Will County



and northern Kankakee County in Illinois and southern Lake County in Indiana. The area is generally located between I-65 on the east, I-55 on the west and bordered by US 30 to the north and northern Kankakee County on the south.

The purpose of the Illiana Expressway is to provide a transportation solution that would improve regional mobility, address local and parallel corridor travel deficiencies, and complete regional transportation and economic development goals.

**The proposed Illiana Expressway is the economic engine that will usher a new era into the region.**

The Illiana Expressway has many benefits to the local community, as well as on a regional and national level. It will improve regional mobility, travel

times, and access to jobs by addressing growing east-west regional and national traffic demand that is required to traverse the region, regardless of the trip origin or destination. It will help alleviate local system congestion that we all can relate to and improve local system mobility. It will also accommodate market demands for the increasing freight logistics transportation.

The Indiana Department of Transportation ("INDOT") is charged with analyzing the no-action alternative that is allowed in the National Environmental Policy Act ("NEPA") process. NEPA is a federal law that requires federally funded projects to





evaluate a range of alternatives – including doing nothing, known as “No Build” – and the impacts of those alternatives on the environment.

It also requires agencies proposing a project to consider input from the public before making a final recommendation. This represents a baseline for comparison against the working alignments within the corridors carried forward. The No-Action Alternative actually consists of transportation improvements to existing transportation facilities in the study area that are expected to be constructed by the year 2040 and does not include any improvements as part of the Illiana Corridor, but does include fiscally constrained long-range plans in the region by various planning entities.

The proposed Illiana Expressway is the economic engine that will usher a new era into the region. It will be the intermodal transfer route of choice and will generate immeasurable business opportunities and jobs that will flourish in this now untapped market. The upside to this project is limitless and will propel the region for decades to come.

## Transportation needs score big as Indiana General Assembly Adjourns

The 2013 Session of the Indiana General Assembly adjourned with a bang for transportation. While the legislature approved a tax cut, Indiana will maintain a surplus while increasing transportation funding.

House Bill 1001 (Budget Bill) ends the funding of the Indiana State Police and the Bureau of Motor Vehicles from the motor vehicle highway account beginning on July 1, 2013. The end of this diversion will free an estimated \$140 million annually in new road funding that will be shared by the Indiana Department of Transportation (“INDOT”) and local governments (53 percent to INDOT and 47% to local governments).

The approved Budget Bill directs one percent of state sales tax to the motor vehicle highway account beginning on July 1, 2013. The sales tax direction will create approximately \$75 million per year in new road funding, also shared by INDOT and local governments with the same allocations that the end of diversions will provide.

In total, House Bill 1001 will provide an additional \$215 million each year to INDOT, counties, and municipalities. The increase in funding is comparable to a 7-cent increase in the Indiana state gas tax. County governments are expected to see a total increase of about \$68 million per year. Lake County is estimated to see a \$2.5 million increase in funding over the next year and LaPorte County is estimated to see an additional \$1.08 million in funding in that same time.

In addition to the Budget Bill, there were many other bills passed in the 2013 Session that will prove fruitful for Indiana’s infrastructure. House Bill 1324 imposes an alternative fuels tax that will generate approximately \$1 million in additional revenue. House Bill 1067 establishes the Federal Fund Exchange Program which allows counties and municipalities that receive funds from the Federal Surface Transportation Program to exchange the Federal funds for state funds at a rate of 75-cents for each \$1 of Federal funds received. The Program is expected to reduce project administration costs.

The additional infrastructure funding that these bills will provide will help improve roadways and transportation systems across the state of Indiana for years to come.



**In addition to the Budget Bill, there were many other bills passed in the 2013 Session that will prove fruitful for Indiana’s infrastructure.**



John Freitag  
SUPERVISOR

## FOCUS ON Iowa

**Misclassification  
of workers  
threatens Iowa's  
economy, its  
businesses and  
its most  
important  
resource – its  
workers.**



## Update on Iowa's Misclassification Task Force

**M**isclassification of workers as “independent contractors,” instead of “employees,” is a growing problem in Iowa and across the nation. Iowa Workforce Development recently provided an update of their enforcement efforts regarding the misclassification of workers.

By far the largest industry affected by worker misclassification is the Construction Industry with 52 employers underpaying 824 employees resulting in unreported wages totaling \$11,494,696.21. Misclassification of workers threatens Iowa's economy, its businesses and its most important resource – its workers. When employers misclassify workers:

- They avoid paying unemployment tax on wages and fail to withhold state and federal income taxes
- They fail to withhold and pay Social Security and Medicare taxes
- They might avoid workers compensation coverage
- They might fail to follow wage, contractor registration, or other employment and labor laws
- They underbid honest, law-abiding businesses that pay all taxes owed

Every unit of government should be aware of this

### ENFORCEMENT

#### Statistical breakdown of misclassified workers

(for calendar years 2012 through May 2013)

▶ 91 employers misclassified workers	2,021
▶ Total unreported wages	\$21,447,170.31
▶ Total contribution due	\$941,114.29
▶ Total interest due	\$199,359.99
▶ Total penalty due	\$94,542.12

practice because you are on the front line to detect such fraud. When this cheating occurs, honest employers lose their opportunity to participate in the public works arena, which weakens the local economy. To report misclassification, visit [www.iowaworkforce.org/misclassification/report.htm](http://www.iowaworkforce.org/misclassification/report.htm) or call the Iowa Workforce Development Misclassification Unit at (515) 281-3191 or (800) JOB-IOWA (800-562-4692).

The III FFC would like to commend Iowa's Misclassification Task Force for their continued effort to prevent and eliminate this practice and for their commitment to the honest employers and employees of the State of Iowa.



## DAVIS-BACON AND RELATED ACTS

# REGISTERED APPRENTICESHIP PROGRAMS ARE DAVIS-BACON FRINGE BENEFITS

In Davis-Bacon Act and Related Act contracts, contractors and subcontractors must pay their laborers and mechanics no less than the locally prevailing wages and fringe benefits. Fringe benefits are contributions irrevocably made to a trustee or third party pursuant to a bona fide fringe benefit fund plan or program and the rate of costs incurred in providing those bona fide fringe benefits.

Examples of such bona fide fringe benefits are life insurance, health insurance, pension, vacation, holiday and sick leave programs. Additionally, contributions made to training programs under the Registered Apprenticeship system overseen by the U.S. Department of Labor (“USDOL”) are considered contributions pursuant to a bona fide fringe benefit fund plan.

The Registered Apprenticeship system connects job seekers looking to learn new skills with employers looking for qualified workers. The USDOL Registered Apprenticeship system was established in 1937 under the Fitzgerald Act and consisted mainly of manufacturing, construction and utilities industries. Registered Apprenticeship now includes 29,000 programs that impact 250,000 employers and 450,000 apprentices.

Employers, employer associations, and joint labor-management organizations (“JATC”), are collectively known as “sponsors.” Sponsors provide apprentices with paid on-the-job training along with classroom instruction in a given industry or trade.

The USDOL has developed extensive regulations that provide a framework to support the Registered Apprenticeship system, codified at Title 29 CFR, part 29. On October 29, 2008, the USDOL promulgated changes to these rules taking effect on

December 29, 2008. These changes were the result of the recommendations of the Secretary of Labor’s Advisory Committee on Apprenticeship and the need for a more flexible National Apprenticeship system. Changes include incorporating technology-based learning, additional pathways to receive certification as an apprentice and establishing timeframes for registration policies. Perhaps the most noteworthy change, however, applies to state-run apprentice programs.

The Office of Apprenticeship is the Federal agency within the USDOL that oversees the Registered Apprenticeship program (previously known as the Bureau of Apprenticeship and Training or “BAT”). The Office of Apprenticeship ensures that regulations are complied with and approves Apprenticeship programs across the country in accordance with relevant regulations. However, a state government may take responsibility and accountability for Registered Apprenticeship programs within its own state by seeking recognition with the Office of Apprenticeship of a State Apprenticeship Council (“SAC”).

Prior to the regulation changes, SACs could seek recognition as the entity in charge of that state’s apprenticeship programs. However, a change was in order because SACs are often comprised of independent, appointed individuals who may not be answerable to the state government agency that actually operates the daily functions of registered

apprenticeship for Federal purposes in that state. Further, SACs often have limited involvement in the full time operations of the state’s registered apprenticeship operations thus impeding the USDOL’s relationship with the SAC.



**The Registered Apprenticeship system is a powerful tool for preparing American workers for a competitive workforce.**

See **DBRA** on page 15

## Contractor Spotlight



# 50 years of Excellence for G.E. Marshall, Inc.

**G**.E. Marshall, Inc. is a family business in the truest sense of the word. Three generations and 14 members of the Marshall family are all part of a company that has claimed its stake as a leading excavation contractor, and one that continues to impact the excavating industry in northern Indiana today.

The owners of G.E. Marshall, Inc., a business started 53 years ago by its namesake, Glen E. Marshall and his four sons Ross, Clint, Frank, and Roger.

After Glen's death in 2003, they took the reins of running the family business. Today they are all partners who are involved in the management and day-to-day operations of the company. Also working for G.E. Marshall, Inc. is Glen's daughter-in-law Roberta Marshall (Executive Administrative), sister-in-law Marie Marshall (Accountant), granddaughter Jamie Marshall (Office Administrator), and grandsons Adam Marshall, Daniel Marshall, and Louis Walker (Operating Engineers). Younger third generation Marshalls work after school in the shop and office, learning from the ground up.

G.E. Marshall, Inc. made its debut into this industry with humble beginnings. In 1955, Glen E. Marshall married his wife Karen in Valparaiso, Indiana. Five years later, Glen started the company as a result of his frustration in finding a contractor to dig basements for the houses he was building at the time. He bought a wheel tractor



**Safety comes first in this business and G.E. Marshall, Inc. takes pride in its deep commitment to it.**

and an old dump truck and started doing his own excavating. That proved to be a good move as his business started to grow and diversify and has continued to do so ever since. Over the next 50 years, Glen and his sons built a tradition of excellence in site work that made his company a top local contractor.

G. E. Marshall, Inc. is still headquartered at the same Valparaiso, Indiana location where their father started the company. Over the years, they outgrew the original space and have

obtained a 20+ acre yard across the street in addition to added office and shop space. The company has 75 employees on average and draws from several of the Union trades including the International Union of Operating Engineers (Local 150), International Teamsters Union (Local 142, 135 and 354), and Laborer's Union (Local 41 and 81).

The company's equipment fleet consists of over 250 pieces of all types of earth-moving equipment. Established in 2006, M5 Inc., G. E. Marshall Inc.'s trucking subsidiary, performs a wide variety of transportation services related to site work. M5, Inc. is a Federal Motor Carrier Safety Administration ("FMCSA") interstate carrier. Its extensive fleet includes semi tractor-trailers, quad-axle and tri-axle dump trucks, water and service trucks, and a wide-ranging array of pick-up trucks.

Recently, Ross, Clint, Frank, and Roger discussed the importance



# Iowa League of Cities Annual Conference & Exhibit

The III FFC will once again participate in the Iowa League of Cities Annual Conference & Exhibit. This year's conference will be September 25-27 at the Grand River Center in Dubuque.

The League's Annual Conference & Exhibit is the largest event in the state geared specifically toward the needs of Iowa's elected and appointed municipal officials. The conference includes workshops, an exhibit hall, and unique networking opportunities. Due to its broad appeal, the conference is attended by more than 500 officials each year.

This year, the III FFC will operate Booth 79 in the exhibit hall and will be presenting information concerning the importance of responsible bidding on public improvement projects. This concept allows elected officials to define what it means to be a "responsible bidder" in their community. By doing so, they establish objective criteria to determine who should be awarded the project and not simply be pressured to provide the award to the lowest bidder. As many of us have learned, the lowest bidder is not always a responsible bidder.

This is a great event and we encourage all elected and appointed municipal officials to attend. Please stop by Booth 79 to learn more about the responsible bidding concept. To sign up for the conference please visit the League's web site at:

[www.iowaleague.org/Pages/Home.aspx](http://www.iowaleague.org/Pages/Home.aspx)



Founder Glen E. Marshall with sons in 1990. Pictured from left to right: Roger, Ross, Frank, Glen, and Clint.

of key areas of the business that made it possible for the company to grow and continue to be successful over the years. They attribute much of the success to the ability to obtain and keep the finest employees in the industry. Another key factor is the company's stance on safety. Safety comes first in this business and G.E. Marshall, Inc. takes pride in its deep commitment to it. They execute best practices to see to it that their employees go home every night injury free.

Five decades of experience give them their competitive advantage in understanding the particular needs of project sites. They handle every stage and aspect of site preparation including demolishing existing structures, excavating for foundations, grading the land, and installing underground utilities. G.E. Marshall, Inc. has performed site preparation for every type of project including heavy industrial excavation, commercial site preparation, state highway grading and infrastructure, medical complexes, schools/universities, and residential development and infrastructure.

G. E. Marshall Inc. is a success story for all of the right reasons. It has become a leading industry contractor with strong union ties that has been providing service to the community for the past half century. They have grown far beyond their humble beginnings and are now poised to continue to grow and maintain their reputation as one of the premier excavation and site preparation companies in the Indiana-Illinois-Michigan tri-state area.

The company's history and success speaks for itself. Nearly 25 years ago, Glen was quoted as stating "Many small companies don't continue after the owner is gone, but I'm trying to do everything right so the next generation can go on where I left off."

Glen, the company founder, would be so proud. ■



Marci Kunstek (right) of the III FFC works closely with Ross Marshall.

**The III FFC exhibits or sponsors numerous events throughout the year. Upcoming events include:**

## ILLINOIS

**Municipal Clerks of Illinois—Sept. 25, 2013**

**Illinois Municipal League—Oct. 17-19, 2013**

**Township Officials of Illinois—Nov. 10-12, 2013**

## IOWA

**Iowa League of Cities—Sept. 25-27, 2013**

## INDIANA

**Indiana Association of County Commissioners—  
Dec. 3-5, 2013**

## A HIDDEN TREASURE WITH A RESPONSIBLE ATTITUDE



## LAPORTE COUNTY, INDIANA

BY MARCELLA KUNSTEK

**A**s you enter LaPorte County, you'll find yourself quickly falling in love with the beautiful downtown areas in Michigan City and the City of LaPorte.

But LaPorte County is also home to many smaller and equally lovely towns that will make your heart skip a beat such as Kingsbury, Kingsford Heights, Lacrosse, Long Beach, Michiana Shores, Potawatamie Park, Trail Creek, Wanatah and Westville. And don't forget LaPorte County's most magnificent natural resource – the Beaches of Lake Michigan.

While LaPorte County is overflowing with charm, there is always something exciting going on. It is the home of the Great Lakes Super Boat Race Grand Prix held on Lake Michigan in August. The race is one of the greatest shows of speed and fun, with boats zooming the lake at nearly 150 mph thrilling the spectators at Washington Park Beach in Michigan City, Indiana.

LaPorte County is also home to some of the best shopping in Northwest Indiana, including the centrally located Lighthouse Pre-

mium Outlet Mall. Whether you attend the Great Lakes Super Boat Race Grand Prix or visit the mall, don't miss an evening of fun at the Blue Chip Casino and Spa also located along the lakeshore.

After my many visits to the communities in LaPorte County, I have also enjoyed the opportunity to meet the LaPorte County Commissioners including President Willie Milsap, Commissioner Dave Decker and Commissioner Dr. Vidya Kora. I quickly discovered that the Commissioners are diligent in overseeing construction projects throughout the County.

The Kingsbury Intermodal Project is an example of how the Commissioners work with private developers to ensure local contractors are hired to perform work on projects. In particular, the Commissioners made an agreement with the developer to finance a rail spur project, subject to specific conditions. Some of those specific conditions included the use of local labor and local contractors, as well as the use of the most recent wage determination in the county for public works projects.





*LaPorte County Commissioners (left to right): President Willie Milsap, Dr. Vidya Kora, and David L. Decker*

This past May, the LaPorte County Commissioners adopted a Responsible Bidder Ordinance (“RBO”). The community can now be assured that it hires only responsible companies. By passing an RBO, the County will know that public works projects are completed safely, on time, and on budget.

“As elected officials, we are obligated to research and utilize any tool available that will enhance our resident’s quality of life,” said LaPorte County Commissioner President Willie Milsap. “This RBO is a tool that our community needs, so we will pull this out of the toolbox and use it to the fullest.”

Simple things like ensuring contractors have the proper business registrations, evidence of past compliance with environmental, labor, and safety laws, evidence of relevant insurance coverage, and prevailing wage compliance, and evidence of apprenticeship and training participation can go a long way in assuring the financial and structural success of all public construction projects. A responsible contractor will provide more taxpayer value than a contractor who is cutting corners in the areas of training, labor, or safety.

After discussing the Responsible Ordinance with the Commissioners, it became clear that they collectively wanted to encourage and promote employment in their community that suffered a 12 percent unemployment rate in January 2013.

With this information, the III FFC introduced an RBO to the Commissioners. The LaPorte County Commissioners were very interested in the Ordinance, which included language giving local contractors a 5 percent credit toward a bid (up to \$50,000).

The III FFC commends the LaPorte County Commissioners for their decision to pass an RBO as this speaks volumes to the taxpayers, businesses, and the residents of LaPorte County.

The III FFC would like to invite and encourage any public body with the same concerns to please contact the III FFC. ■

## **DBRA** *continued from page 11*

In an effort to correct these issues and achieve consistency within the National Apprenticeship System, the regulations now require that state apprenticeship programs be governed by a state government agency. This state government agency, known as a State Apprenticeship Agency (“SAA”), is now the only entity that may seek approval of state Apprenticeship programs through the Office of Apprenticeship.

The new regulations do not completely dispense with SACs however. The USDOL recognizes the value that SACs provide for the promotion and establishment of apprenticeship programs. SAC members are often closely associated with apprenticeship program sponsors and can directly link apprentices and program sponsors. Members of SACs continue to be stakeholders, whose active participation is essential and encouraged. Currently, SACs operate under the direction of SAAs and states seeking recognition with the USDOL are required to establish a SAC for advisory and regulatory purposes.

The Registered Apprenticeship system is a powerful tool in preparing American workers for a competitive workforce. Recent changes to Registered Apprenticeship regulations help facilitate an educated and technologically advanced workforce in many industries across the country. ■



*III FFC and IUOE, Local 150 partner with Indiana legislators at a 2013 Legislative Reception in Indianapolis (Left to right: Mark Kara; James McNally; Porter County, Indiana Commissioner Nancy Adams; Troy Butler; Marc Poulos; Tom Lanham; David Fagan; Marcella Kunstek)*

# Successful projects Are built with teamwork.

**It's really quite simple.** Successful projects happen when Labor and Management share the same priorities. And when the highest priority is having a team of safe, well-trained workers on the jobsite, those projects are completed on time and on budget.

So who keeps everyone on target? We do.

**We're the Indiana, Illinois, Iowa  
Foundation for Fair Contracting.**

We bring Labor and Management together to assist public bodies and contractors with OSHA, contract compliance and other contracting matters, while striving to secure work for responsible contractors.

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learn more.**



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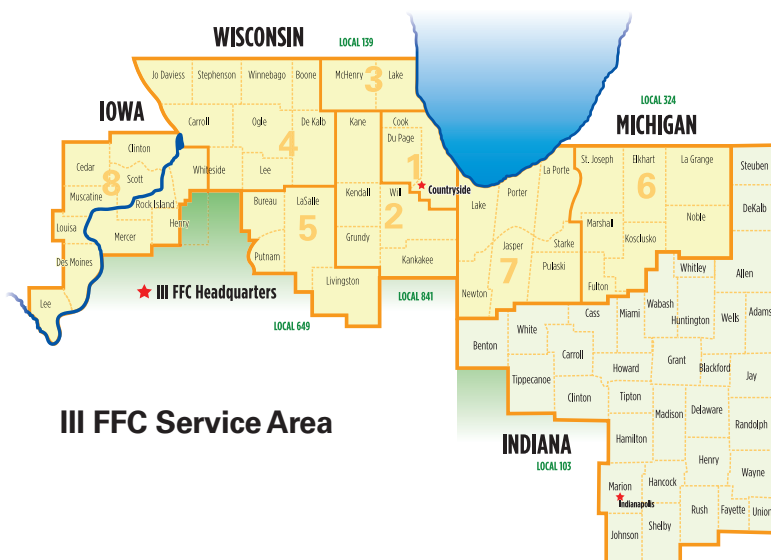
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**III FFC Service Area**