



Minutes
CISCO Legislative Committee
Monday, January 14, 2013
Concrete Contractors Association Office, Oak Brook, IL.
Start Time 7:30AM

CISCO Executive Director John Brining welcomed everyone to the meeting. Evan Williams asked for a review of the Minutes from the November 19, 2012 Legislative Committee Meeting. Being that no changes were necessary, a motion was made and seconded to accept the Minutes as presented. The motion was approved.

Discussion Items

Special Guest – The meeting began with the introduction of Greg Bales, Suburban Outreach Coordinator from the office of U.S. Senator Dick Durbin. Greg discussed some matters of national attention such as the passage of the 2-year Surface Transportation Bill that includes work for the construction industry: \$4.1 billion for IL highways; \$1.5 billion for mass transit purposes and \$500 million for use for projects of “national and regional significance.” It is this \$500 million that could be the source for the \$300 million that is needed to complete the Tollway’s Western Access project.

Greg added that in the Illinois Lame Duck Session that a \$785 million IDOT supplemental re-appropriations bill was being considered but never came up for a vote.

Marc Poulos commented on both Western Access and IDOT supplemental bill. He mentioned that the Federal Highway Administration was still debating approval of the \$300 million for the Western Access to O’Hare plan due to a technical interpretation of tollway lanes that were part of the reconstruction plan from IL 20 to Rohlwing Road. He also said that the IDOT re-appropriations bill should be one of the Legislative Committee’s top priorities for 2013. IDOT is requesting a \$785 million total supplemental appropriation for FY2013. Of this request, Marc said, \$675 million is a new appropriation that will be allocated toward additional projects, \$71 million is restoration of appropriations cut in FY12, and \$39.7 million is to capture new federal dollars awarded from winning competitive grants from the U.S.DOT. (See last page attachment for more detail).

Greg Bales went on to add that Sen. Durbin was pushing for passage of the Marketplace Fairness Act, which pertains to brick and mortar stores and Internet Sale Tax legislation that will enable states to collect sales tax for Internet sales.

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CONSTRUCTION INDUSTRY SERVICE CORPORATION

Lame Duck Session – Discussion shifted to an overview of the recently completed Lame Duck Session and the consensus was that it was a rather ineffective session. The best news, of course, was the passage of HB 3636 in the House, which moves the bill to Governor Quinn's desk for his signature in the next 60 days. Gary was asked to send out the links that contained sample letters that employer associations, building trades and contractors could draft and send to the Governor's office to lobby for his signature. The links were emailed the next day.

Jim O'Connor mentioned that labor made a big difference when they got involved. Tim Leahy praised Rep. Kelly Burke, who proved to be a persistent sponsor who never gave up. Mark Maher said that it took a lot of education to counteract the banking industry lobbying efforts, and Evan thanked everyone, both labor and contractors, for working together.

SB3573/Illinois Water Systems Viability Act – Tim Leahy updated the group, and said that while the bill successfully passed the Senate, it was never called for a vote in committee or on the floor in the House. Tim said that they will push this bill through again in 2013. The bill contains strong PLA and RBO language. The IL EPA says that 96% of water utilities are in code, but the 4% that are not affects 400,000 people throughout the state. The need is so great it will require all hands on deck. It will require both the private & public sectors. Below are useful links which highlight the dramatic need for investing into water & wastewater infrastructure and the **jobs it creates!**

<http://www.waterforjobs.org/>

<http://www.nawc.org/our-industry/private-water-solutions.aspx><http://www.waterisyourbusiness.org/state-profiles/>

<http://www.infrasturcturereportcard.org/>

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Leucadia – Tom Villanova updated the group saying that folks from Leucadia met with the Governor's staff in order to get reassurances that he won't veto this bill again. Tom said it was hard to tell if Leucadia's management would push for the bill again in the Spring session or let it die. He said a lot may depend on how active the opponents are such as the Sierra Club. He said that since they were successful in closing Fisk and Crawford that they seem to have set their sights on the issue of fracking.

Gaming – Tom said that this bill has legs for the Spring Session or sooner. This will result in approximately \$500 million in construction. He said that the Thompson center has been rumored as being the sight for the Chicago casino, but other sources are strongly urging that this is the wrong location for gaming in the city. Tom also said that Navy Pier is not an option, but his idea is a site at 700 S. Wells.

Workers Comp Insurance/CBWC Pilot Program – Marc Poulos updated the group saying standard contract language has been developed that can be used as the Operating Engineers 150, the Laborer's Midwest Region and the Ironworkers will be part of the CBWC Pilot Program. Marc said the program will be getting off the ground in the next 6 months. He mentioned a

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January 22 workshop that will provide participants with a look into how the program will operate. Marc said that several workshops will be held throughout the state in 2013 to educate the masses on what the Pilot Program entails, as well as the likelihood that this will become a multi-trade program as it expands. He said that ICIC, AGCI and other groups have been receptive to the plan.

Pension Reform – Evan spoke about the numerous proposals and counter proposals that were discussed and didn't go anywhere. Tom mentioned that the constitutionality aspect of the plan

was going to be critical, which is why the Senate has passed a plan that they feel provides enough options and would pass the constitutionality test. Evan said the downgrade of the bond rating might be the "crisis" that triggers action in the General Assembly. Jim O'Connor said that some kind of a hybrid between defined benefit and defined contribution is being debated as well.

Clean Water Funding Initiative/ Illinois Pollution Control Board – No movement has occurred on these two issues.

IDOL Interpretation of Prevailing Wage Act – Jim McGlynn said that we need a definitive determination from IDOL regarding the pension/welfare contribution for journeymen and apprentices. Tom said that we should invite Joe Costigan to our next meeting, and John said that he would ask Joe as he will be attending our Annual Meeting on January 25th.

Good of the Committee

John mentioned CISCO's Annual Meeting on Friday, January 25 and flyers were distributed.

The next meeting date will be Monday, March 4 at 7:30 am. There being no other business to come before the Committee, the meeting was adjourned at 9:15 am.

Respectfully Submitted,

Gary Karafiat, Public Relations Director, CISCO

In Attendance: CISCO, Legislative Committee Meeting – Monday, May 7, 2012

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|------------------|---------------------------------------|
| 1. John Brining | Executive Director, CISCO |
| 2. Gary Karafiat | Public Relations Director, CISCO |
| 3. Evan Williams | Mechanical Contractors Association |
| 4. Tom Villanova | Chicago & Cook County Building Trades |
| 5. Jim O'Connor | MCAGC |
| 6. Cathy Kirin | RCEC |
| 7. Tim Taylor | ECA |
| 8. Greg Bales | Senator Durbin's Office |
| 9. Tim Leahy | American Water |
| 10. Carol Lord | MARBA |
| 11. Marc Poulos | III-FFC |
| 12. Bruce Creen | ECA |
| 13. Mark Maher | CRCC |
| 14. Bill Habel | IBEW 701 |
| 15. Jim McGlynn | NEIL - ECA |
| 16. Lynn Karner | Lake County Building Trades |

Illinois Department of Transportation

RATIONALE FOR PROPOSED SUPPLEMENTAL APPROPRIATION

IDOT is requesting a \$785 million total supplemental appropriation for FY2013. Of this request, \$675 million is a new appropriation that will be allocated towards additional projects, \$71 million is restoration of appropriations cut in FY12, and \$39.7 million is to capture new federal dollars awarded from winning competitive grants from the U.S. DOT:

\$675 million breakdown is as follows:

- **\$400 million of new projects to increase the FY 2013-18 MYP made possible by the following:**
 - **\$175 million increase in federal funds for FFY2013 from new MAP-21 allocations**
The new federal transportation bill, Moving Ahead for Progress in the 21st Century (MAP-21), gave Illinois an additional \$175 million in federal funds.
 - **\$110 million reduction in Road Fund contributions to other State agencies**
The General Assembly appropriated or authorized smaller than requested Road Fund amounts to CMS for FY13 for the following:
 - Contribution for Group Insurance expected to be appropriated at \$125.0M, reduced from \$176.4M
 - Contribution for Workers' Compensation expected to be \$21.0m reduced from \$35.0M
 - Contribution for Professional Services reduced to \$3.0M from \$5.2M
 - **\$50 million in unanticipated additional net resources reported in FY2012**
While Motor Fuel Tax receipts were down by \$5M from estimates in FY2012, Motor Vehicle Registration Fee receipts were up by \$55M from estimates in FY2012.
 - **\$65 million additional due to slower rate of local program spending**
In early July, a review of spending from Road Fund appropriations found that the local portion of the Highway program has spent more slowly than assumed; this slower spending allows additional State and local projects to be programmed. To illustrate – it's as if we had \$1 million programmed each year in a 6 year MYP, and after 2 years we are only obligating \$500,000. That allows us to obligate an additional \$500,000 each year with the payments spreading out longer.
NOTE: These projects will be added to FY13 Program if they can be let by the end of FY13. In order to qualify for a letting the project must have its engineering phase completed and, if eligible, federal authorization to proceed.
- **\$275 million acceleration in State programs into FY2013**
The combination of factors above (increase in cash and slower spending than expected) supports accelerating \$275 million out of FY2014-18 and into FY2013.

\$71 million Tran B Bond Fund restoration:

- **\$71,052,199** from the Series B Bond Fund to restore the removal of appropriations by the GA in FY12 for South Suburban Airport land acquisitions. This amount represents money appropriated in prior fiscal years, but has not been spent and is needed to ensure timely acquisitions to move the project forward quickly. The General Assembly authorized the sale of bonds to support the restored appropriation in January of 2011.

The remaining new \$39.7 million Road Fund Supplemental is as follows:

- **\$13,453,048** from the Road Fund to capture federal dollars for 13 discretionary projects awarded to IDOT. This includes \$10.37 million in federal funds for State projects and \$3.08 million for local projects.
- **\$770,066** from the Road Fund for the 20 percent local match required to capture federal dollars for the local projects included in the line above. The State match for the other \$10.37 million in projects will come from existing appropriations.
- **\$10,440,000** from the Road Fund for federal TIGER IV award to IDOT for a CREATE project to relieve rail congestion in the City of Chicago. Work will be completed at the 35th St. and 36th St. bridges and, between 16th Street and Archer Avenue.
- **\$15,000,000** from the Road Fund for consultant services for financial and legal issues concerning the potential funding of the Illiana Expressway as a formal Public Private Partnership. Expert instruction will help IDOT safeguard the State's interest in the project.