

General Contractors Association of Pennsylvania

Written Testimony for The Senate Veterans Affairs & Emergency Preparedness Committee & The Senate Economic & Recreational Development Committee

Submitted by Jon O'Brien, GCAP Executive Director

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Thank you, Chairmen Thomas Killion and Mike Regan and Chairwomen Lindsay Williams and Pam Iovino, as well as all the members of the Senate Economic & Recreational Development Committee and the Veterans Affairs & Emergency Preparedness Committee for inviting the General Contractors Association of Pennsylvania (GCAP) to testify today. We face some challenging times during the COVID-19 pandemic and it's reassuring to know your Committees are willing to talk about how our Commonwealth can safely return to work. Maybe I'm biased, but few industries are as prepared as the construction industry when it comes to protecting workers and I look forward to today's panel discussion.

Established in 1953, GCAP is a statewide, united group of union construction employers that establish positions and recommendations from the union contractor's point of view. GCAP is an organization that represents the memberships of the General Building Contractors Association (based in Philadelphia); the Keystone Contractors Association (based in Harrisburg); and,

the Master Builders' Association of Western Pennsylvania (based in Pittsburgh). Collectively, GCAP is the voice for over 700 construction companies based throughout the Commonwealth of Pennsylvania.

The association members of GCAP were founded to serve as management's collective bargaining agents in labor relations. GCAP association members negotiate with such trades as: Carpenters, Laborers, Operating Engineers, Cement Masons, Drywall Finishers, Plasterers, and Millwrights. Along with labor relations, GCAP association members have evolved over the years to provide additional services to union contractors, like; safety, education & training, career development, community service, government relations, etc.

Concerning where we are today, the Coronavirus has forced firms to change the way we operate to maintain that commitment to safety. This explains why the U.S. Department of Homeland Security's Cybersecurity & Infrastructure Security Administration has identified construction as one of the sectors it encourages state and local officials to allow to continue operating. Construction firms have created sophisticated new safety plans designed to make sure their crews can continue to operate in a way that protects them and the public.

Please allow me to provide the GCAP timeline from late afternoon on Thursday, March 19 until today's hearing. On March 19, when Governor Wolf enacted his Executive Order to shutter all non-life-sustaining businesses, business owners and employees statewide entered into a world of confusion. Since I serve as the Executive Director for two construction associations – GCAP and KCA, I received

hundreds of calls, texts, and emails Thursday evening and that continued all day Friday and Saturday. On Sunday, time was dedicated to deciding how we should react. Our first reaction was twofold: let's advocate for construction to resume activities like every other state and let's develop a COVID-19 safety plan. GCAP was contacted by dozens of construction associations who wanted us to work with them to lobby the Administration, plus we had conversations with many building trades unions. We ultimately decided late on Sunday, March 22, that a good first step was for GCAP and the Pennsylvania Building & Construction Trades Council to send a letter to Governor Wolf. However, first thing Monday morning, as our labor-management letter was about to be sent, both sides had second thoughts.

GCAP ultimately decided to shift all of our attention on making sure our workers are safe. The Healthcare Emergency Repairs projects were allowed to continue, plus the Administration was creating a construction project waiver process, so we wanted to make sure all workers were safe on the active projects. We felt by demonstrating that construction can safely resume that the entire industry will open faster.

GCAP is extremely proud of our [COVID-19 Response Plan for Construction](#) (see attachment). This safety plan emphasized social distancing, which is important, but it is so much more. This plan incorporated COVID-19 awareness training, disinfecting jobsites, increasing hand washing stations, etc. This plan was distributed to the over 700 construction companies of GCAP. We also produced a Social Distancing Officer position document (see attachment). Additionally, we

encouraged companies to conduct regular awareness trainings. The KCA promoted three COVID-19 Safety Toolbox Talks (see attachments – [COVID-19 The Basics](#); [COVID-19 Worksite Safety](#); and [COVID-19 Coping with Pandemic Stress](#)). Plus, to date the KCA has hosted four virtual COVID-19 Safety Toolbox Talks.

Despite not originally intending to advocate to legislate a construction reopening, we were very disappointed with how the waiver process approved by the Administration was being implemented by the Department of Community & Economic Development. This process was inconsistent to say the least from the get-go and I worry that it may end companies. Yes, you heard that correctly, I pray that we do not lose any construction companies as a result of this waiver process. I heard numerous examples of similar companies (i.e. competitors) submit for a business exemption waiver to only have one company get the waiver; as a result the best employees from the company who did not receive the waiver are tempted to leave for the other company and shared clients can only go to the company who received the waiver.

Also, the communication from DCED to the construction industry was very little help. The email address setup to field concerns and answer questions sent general responses and kept referring people to their FAQ webpage. The automated responses were no help. When contractors did get a response, they received approvals and denials, plus many received vague responses and they weren't sure if they were approved or not. And to be clear, I'm just mentioning "when" contractors did receive a response. I've heard so many stories about contractors who, as of this week, still haven't heard anything at all. From the

nonresponsive stories I've heard, many contractors told me that their clients are done waiting and want the construction team to return to work until a response is received. It's quite the conundrum – should a contractor listen to its client who's keeping their workers employed or wait on the government and risk potentially losing this client for future projects? Bureaucrats don't always understand the real-life consequences of their actions and inactions

This construction project waiver process is a nightmare for client relations. I heard from numerous contractors who said they felt inferior and are worried about the ramifications regarding this waiver process because they did not receive a waiver, yet the same client has multiple projects and other contractors did receive a waiver. GCAP represents contractors of all sizes from \$800 Million a year of volume down to the smallest of contractors with a few people on staff. Time after time, I heard from the small companies who were denied waivers, while the much larger contractors who work for the same client received a waiver. There is a serious concern from the small business community that the way this waiver process was run could likely have a major negative long-term impact.

I have numerous examples about the project waiver process that I look forward to sharing during the panel discussion, but I want to make clear that today's GCAP testimony is not intended to blame any political party or state agency about how our Commonwealth or the construction industry responded to COVID-19. No one expected anything like this pandemic. The most important takeaway is that the construction industry is ready, willing and able to safely operate under any

conditions. The public has counted on us to improve our quality of life by constructing our buildings, homes and roadways. And now the public is counting on us to continue improving our quality of life while preventing the spread of the Coronavirus.

Thank you for allowing GCAP to present our opinion today. In closing, GCAP wants to thank all of you for making sure construction workers remain healthy and safe during these challenging times – we look forward to working with you.

Respectfully Submitted,

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