

FIRST EDITION | 2015-2016

# THE METAL PRESS

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**SMACNA**  
**GREATER CHICAGO**





**GOING GREEN** | Energy efficiency continues to drive the direction of our industry

# ENERGY EFFICIENCY



Energy efficiency is becoming less a futuristic abstraction and more an everyday reality for our member contractors as Congress continues to push

through legislation mandating changes to energy output, energy benchmarking, and building systems.

As a recent example, President Obama signed into law the SMACNA-endorsed Energy Efficiency Improvement Act of 2015 in April. The bill establishes a voluntary program that landlords and tenants can opt into in order to improve energy efficiency and performance for their residential building. It also requires all federally leased buildings to boost their energy efficient “benchmarking” and meet certain energy efficiency standards. By incentivizing new technologies and

mandating certain standards, the bill should drive new business for SMACNA Greater Chicago’s member contractors.

In other news, SMACNA continues to endorse a bipartisan bill called The Streamlining Energy Efficiency for Schools Act of 2015. The House unanimously voted this piece of legislation through last year. The bill seeks to create a centralized clearinghouse through which to disseminate information on available federal programs and financing options, with the goal to help initiate and develop projects for schools involving energy efficiency, distributed generation, and energy retrofiting.

Also on the horizon is the Power Efficiency and Resiliency Act (POWER Act), which seeks to widen the net of investment tax credits (ITC), awarding industrial energy efficiency systems the same status as other energy efficient technologies such as solar power, fuel cells, and small wind turbines. This

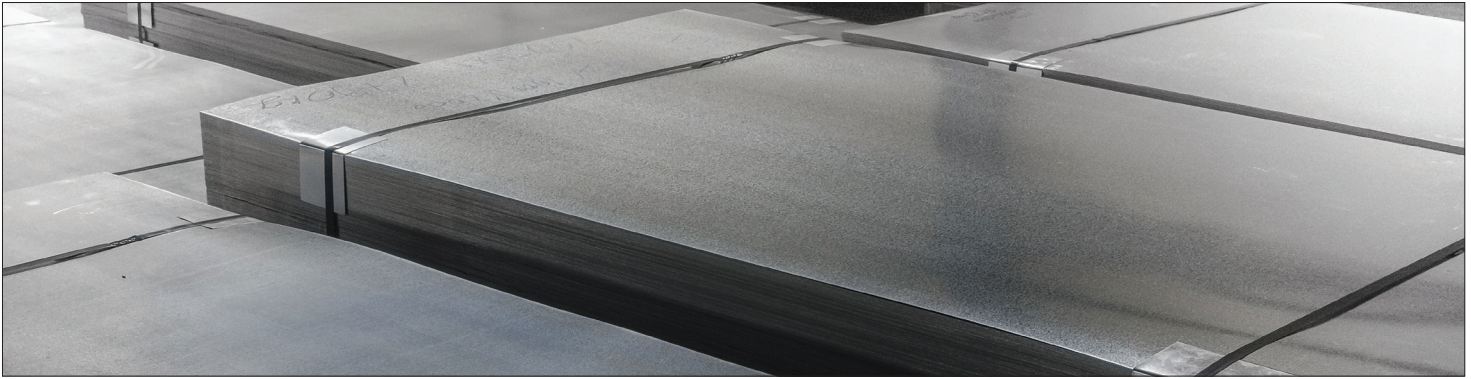
means that combined heat and power (CHP) and waste heat to power (WHP) would benefit from a 30 percent investment tax credit.

The bill also seeks to remove size and capacity restrictions, therefore making CHP installations of all sizes eligible for the credit. The bill would extend the credit, which is scheduled to expire in December 2016, to December 2018.

Overall, energy efficiency continues to drive the direction of the industry, spurring growth and determining where new money is spent and how projects are designed.

As SMACNA continues to lobby for energy efficiency bills, contractor members can look forward to new projects that involve upgrading older systems and installing newer, more efficient systems.





**NEW MEMBER**  
Welcome, Federated Insurance!

## NEW MEMBER WELCOME

SMACNA Greater Chicago welcomes our newest Associate Member, Federated Insurance. Their offices are located at 121 East Park Square in Owatonna, MN. We welcome them and look forward to their participation in this great association!

**FEDERATED INSURANCE**  
**121 E PARK SQUARE**  
**OWATONNA, MN 55060-0328**  
**PHONE: 800-533-0472**  
**WEB: FEDERATEDINSURANCE.COM**



**CEI® CLASSES**  
Upcoming classes from the CEI®

## KEEP MOVING FORWARD

Check out the new Fall/Winter 2015-2016 seminar catalog from the Construction Education Institute® (CEI) and sign up for classes. Take advantage of the wealth of knowledge these classes offer. This year, there are new courses that will bring you up-to-date on technology and help you to keep moving your company, and our industry, forward. Through our partnership with CEI, SMACNA Greater Chicago members and their employees will be reimbursed for registration fees upon completion of the course(s).



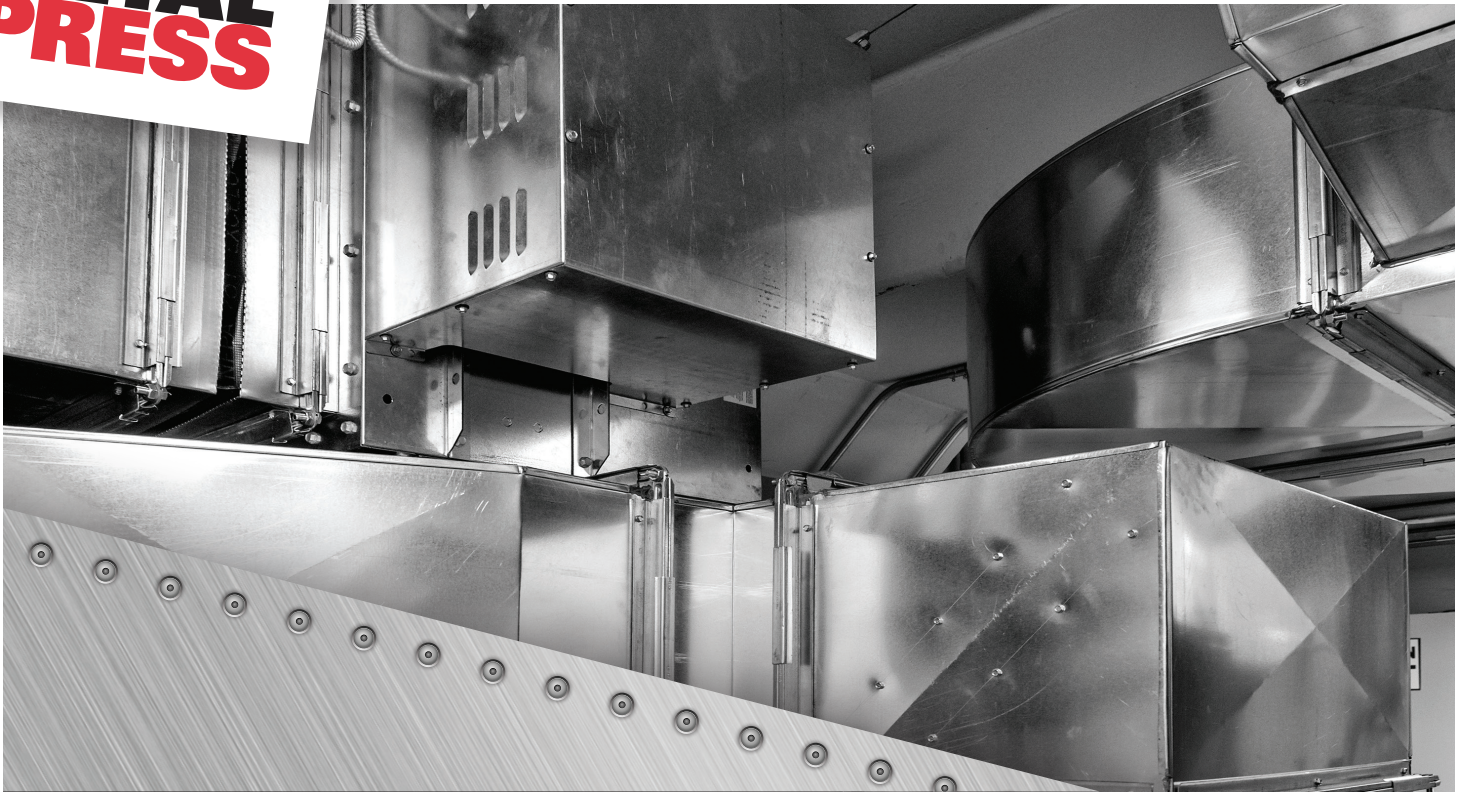
**SAVE THE DATE**  
Annual Holiday Party and Dance

## IT'S NEVER TOO EARLY TO PLAN

Mark your calendars for SMACNA Greater Chicago's Holiday Dinner and Dance on December 12th, 2015. This year's event will be held at The Metropolitan Club on the 67th floor of the Willis Tower, located at 233 S. Wacker Drive in Chicago.







**MEMBER SPOTLIGHT** | With Catherine Tojaga, CEO CT Mechanical

# MEMBER SPOTLIGHT: CT MECHANICAL



As far as companies go, CT Mechanical is still in its infancy. Yet since 2008, the commercial HVAC construction and service firm has exploded into a full-blown

enterprise with \$18 million in sales—growing 513% in just five years. The firm, with a team of 38 employees, works primarily with general contractors and end-users to make modifications to existing systems, though they also install mechanical systems in new developments.

Catherine Tojaga, a mechanical engineer by training, says that the building blocks of her company's success are honesty, collaboration, and

customer service. But she doesn't take all of the credit for CT Mechanical's overnight success. She accedes to her team as the real driving force behind her good fortunes. According to Tojaga, this was all part of the plan. She says she carefully curated a team with the strength and knowledge to identify and fix potential issues before they even become problems. Proactive solutions have thus come to define the company's philosophy.

Of course, the fact that the company's structure and philosophy have been so carefully designed comes as little surprise; Tojaga began her career in design before transitioning into construction so she could "test the theories and actually get things done and see the results."

Tojaga was gifted in math and science from an early age, recalling that

she has always enjoyed the stability of numbers and formulas. She says she chose engineering for the same reason.

Crain's Chicago Business recognized CT Mechanical on its "Fast Fifty" list—an annual compilation of the Chicagoland companies that have achieved the most impressive growth over a five-year period.

Tojaga, as you can imagine, is grateful for the award. But the award means more to her than mere recognition, as rewarding as such acknowledgement is; it also signifies a personal and professional milestone. Her initial goal was to reach \$15 to \$16 million in revenue. CT Mechanical has already exceeded these expectations, and Tojaga finds great satisfaction in the stability of her business's financial prosperity.



AWARD WINNER | International Test &amp; Balance, Inc.

# SECOND PLACE GOES TO INTERNATIONAL TEST AND BALANCE, INC.

A huge CONGRATULATIONS to International Test & Balance, Inc. for winning second place in the 2015 SMACNA Safety Excellence Award Program!

They received the award for their outstanding safety and health record, which earned them a spot in the 50,001-

100,000 man-hour category. SMACNA Greater Chicago contractor members such as International Test & Balance, Inc. exemplify the importance of jobsite safety. Abiding by safety standards is imperative for employee health and productivity, and we are pleased to see our members embracing positive safety cultures.



Congratulations on an excellent safety record, International Test & Balance, Inc.

SMART | New appointments within the organization

## SMART VOTE

### NEW APPOINTMENTS



Joseph Sellers Jr. officially stepped into his new role as SMART's General President on May 1st, 2015. Former President Joe Nigro retired on April 30th to focus full-time on his health. As the current presidential term is not set to expire until 2019, SMART's General Executive Committee (GEC) unanimously voted for former General Secretary-Treasurer Joseph Sellers Jr. to fill Nigro's empty seat until SMART's next election.

Sellers is the former Business Manager of Local 19 in Philadelphia and has served as General Secretary-Treasurer since 2011.

The GEC also voted to appoint Richard McClees, former SMART Chief of Staff, to Sellers' now vacant position as General Secretary-Treasurer until the 2019 election. McClees has been with the national SMART staff for a number of years, serving under both General Presidents Sullivan and Nigro. Prior to joining SMART, he was the Business

Manager for Local 206 in San Diego.

SMART recruited another San Diego-based business manager, Joe Powell, to serve on the national staff. Powell left Local 206 in January to serve as SMART's new Assistant to the General President.

In other SMART staffing news, Charlie Mulcahy is now the Chief International Representative and the Director of Craft Services.

Brad Plueger, from California, is now the Senior International Representative for Field Operations and the Assistant Director of Jurisdiction, supervising all of the international representatives and acting as SMART's go-to consultant for panel-level grievances.

**SMACNA**  
GREATER CHICAGO





**HAPPENINGS** | 2015 Annual Golf Outing was held on August 10th, 2015

# SMACNA GREATER CHICAGO'S ANNUAL GOLF OUTING RECAP



SMACNA Greater Chicago's Annual Golf Outing was held on August 10th at the beautiful Midlothian Country Club. Lunch began at 11 a.m. with a

noon shotgun start, and a wrap-up of the day with a 6 p.m. dinner. Prizes for Longest Drive, Closest to the Pin, Longest Putt, Low Net, and Low Gross were awarded.

We'd like to thank all of our event and hole sponsors for helping us make this event possible. Your generosity is greatly appreciated.

It was a great day of fun and camaraderie. Don't miss out on the 2016 annual golf outing!

## LOW GROSS

Jim Kennedy

## LOW NET

Phil Sundeen

## LONGEST DRIVE

Kenny Walz

## LONGEST DRIVE

Jesse Miller

## CLOSEST TO THE PIN

Randy Guerrero

## CLOSEST TO THE PIN

John D'Angelo

## LONGEST PUTT

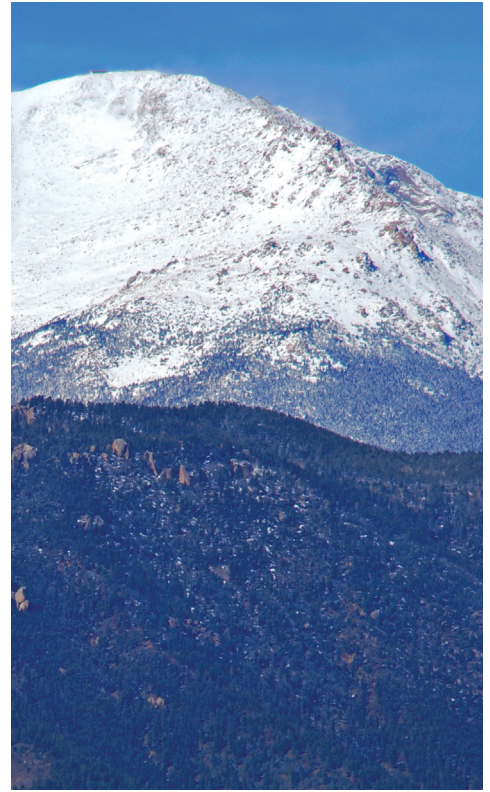
Will Dale

## THANK YOU, SPONSORS!



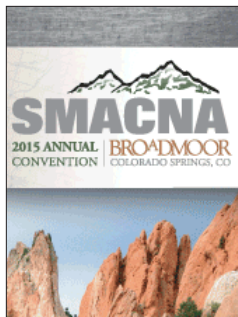
Dahlman Sheet Metal Co.
Ductmate Industries, Inc.
Federated Insurance
GHC Mechanical
Insulation Plus
Ken Repple
Pro Fastening Systems, Inc.
Tal-Mar Custom Metal
Vent Products Co., Inc.





**ANNUAL CONVENTION** | Join us in Colorado Springs, Colorado

# PLAN TO ATTEND SMACNA'S 72<sup>ND</sup> ANNUAL CONVENTION



SMACNA's 72nd Annual Convention will be held at The Broadmoor in Colorado Springs, from September 27th to September 30th. A five-star

hotel and resort, the Broadmoor offers five-star accommodations including luxurious rooms, two new restaurants, a new activity center, new bowling lanes, and more.

Since first opening its doors in 1918, The Broadmoor has offered guests a unique way to experience the beauty of the American West. From the summit of Pikes Peak to upscale shopping, Colorado Springs offers an abundance of natural beauty as well as a variety of

attractions, art galleries and activities for guests of all ages.

While enjoying the breathtaking scenery and opulent historical accommodations, members will also have the opportunity to attend an impressive line-up of 20+ educational sessions, which were carefully-selected to meet the unique requirements of sheet metal and air conditioning businessmen and women.

The newly created Women in Construction Leadership Steering Council will meet for the first time during the convention. This is a great opportunity for businesswomen to receive guidance on leadership, labor concerns and technical issues through professional development, education and networking.

Attendees can also look forward to the College of Fellows golf outing, SMAC PAC event, world-class entertainment

and, as always, SMACNA's premier educational programs.

Navy SEAL Robert O'Neill—a key player in the mission to take down Osama Bin Laden—will be the keynote speaker. Jim Brewer, the comedian from Saturday Night Live who created the "Goat Boy" character, will help kick off the night with a bit of laughter. And REO Speedwagon, the platinum-album winning rock band, will close out the night with one of their lively rock concerts.

Don't miss out on the opportunity to hear from the best contractors in the industry and enjoy some top-notch entertainment! Online registration is open!







STATE OF THE INDUSTRY | Looking towards the economic future

# STATE OF THE INDUSTRY AND ECONOMIC OUTLOOK

## AN INDUSTRY IN BLOOM

Winters are rough. Everything seems to slow and contract as the air grows icy and the ground freezes over. So it is not unexpected to see some disappointing figures emerge with the frost. Work slows down, inclement weather delays projects, and the numbers dip. Some economic measures, including industrial output, retail sales and job numbers, were stagnant in the first few months this year.

But, as the earth has thawed, so have the markets. Now, like all of Chicago's dense green parks, the Chicago construction industry is prospering, with jobs and wages on the rise. This is hardly a surprise, though, considering the overall numbers. In fact, things have been looking up for a while now—not just in Chicago, but across the nation.

## THE DARK TIMES ARE OVER

Financial forecasters claim that the bearish days of the recession are safely behind us. And judging from the bulk of economic data, they are right on the money. Recent data paints a picture of a robust, thriving economy, a picture in sharp contrast to the grim days of market meltdowns and sluggish growth.

The stock market has rebounded. Unemployment is down. Wages are up. Consumers are buying. Companies are expanding. And, most importantly, building and construction is, well, on the rise.

Job growth—a go-to measure for economic health—is looking better than ever. April alone saw 223,000 new jobs added to the national economy. And in 2014, unemployment fell in all 50 states for the first time in 30 years.

According to the U.S. Department of Labor, this isn't merely a growth spurt; private sector employment has been

increasing at a fairly steady rate for 62 consecutive months—ballooning to 12.3 million jobs during what economists have called a record-breaking streak.

And in case you have yet to notice, this prosperity has not skipped the construction industry. For all of the turf wars, labor disputes, and legislative battles shaking the city this year, the construction industry has remained solid, a bulwark of growth in Chicago's economy.

Last year closed out with much stronger figures than expected for the nonresidential building construction market, a promising sign for the HVAC industry, which draws much of its work from new residential and non-residential construction.

According to the Associated General Contractors of America, construction firms added 45,000 jobs in April and 280,000 in the past year. And in May, construction industry



unemployment fell to its lowest level in nine years.

Illinois' construction market, in particular, saw the addition of 16,600 jobs, up 8.4 percent between April 2014 and April 2015. According to Crain's Chicago business, this growth is the result of new residential and commercial developments—mostly apartment towers and office buildings—as well as a booming industrial sector and an influx of large public works projects.

### BUMPS IN THE ROAD

Unfortunately, as the fate of the economy often hinges on politics, it is always uncertain when we might hit the next proverbial pothole. Chicago suffered a recent setback when Moody's, the credit rating agency, downgraded its credit score to junk level, leaving the city scrambling to foot the bill for up to \$2.2 billion in accelerated debt payments.

Moody's decision came in response to the recent Illinois Supreme Court decision on the Multiemployer Pension Reform. Illinois Justices balked at the proposal, unanimously voting it unconstitutional, placing pension reform negotiations back in square one.

As for other possible bumps in the road, the skilled labor shortage

continues to loom heavy over the construction industry. While the demand for skilled tradesmen has increased along with the uptick in new construction, the supply of skilled workers continues to trend down.

Many workers, unable to find work, left the industry for good during the Great Recession. Many others are now aging out, an alarming succession given that there are not enough skilled workers to replace them. According to the Plumbing, Heating, and Cooling Contractors of America Association, for every four workers who leave the industry, only one enters.

How these issues will shake out is unclear, but it's fair to assume that a lower credit rating, which makes the City of Chicago a riskier-looking borrower, will not have immediate or substantial consequences for the Chicago HVAC and construction industry, which draws much of its income from installations in new residential and non-residential commercial structures.

As for the mounting shortage of skilled trades workers, there is no clear solution, but there are some promising developments on the horizon. Unions are reviving their apprenticeship programs, doubling down on recruitment efforts, and expanding

their class sizes. Last year, Sheet Metal Workers Local 73 accepted 60 apprentices in their first class since 2009. By training a larger number of students and getting them into the field, the industry could see some resolution of the labor shortage in the not-so-distant future.

### LOOKING TOWARDS THE FUTURE

The demand for energy-efficient HVAC units will continue to increase now that President Obama has signed into law the Energy Efficiency Improvement Act of 2015. The Act will help to revive some of the tax credit programs, previously discontinued in 2013, that incentivize HVAC system upgrades.

According to Navigant Research, coupled with the demand for higher-efficiency buildings, the demand for energy-efficient HVAC systems will drive revenue growth in the U.S. market from \$17.2 billion in 2013 to \$33.2 by 2020.

With increasing demand for energy-efficient systems and with sustained output of residential and non-residential construction, the future looks bright. For now, optimism prevails.

**SCHOLARSHIP RECIPIENT** | Madeline Magoncia

## MARTY & VIC COMFORTE ENDOWED SCHOLARSHIP WINNER

The Marty & Vic Comforte Endowed Scholarship—funded through the support of SMACNA Greater Chicago and administered by the SMACNA College of Fellows—has selected Madeline Magoncia to receive this highly honored scholarship for the 2015-2016 academic year.

The scholarship was established to provide educational aid for students

affiliated with SMACNA Greater Chicago and also to recognize the Comforte's contributions and dedication to the sheet metal industry.

Madeline Magoncia is currently attending the University of Missouri—Columbia. She is the granddaughter of Richard John, past president of the former SMACNA Chicago. The \$3,000 scholarship is awarded for up to

four years of undergraduate study to cover the cost of tuition, books, supplies and other educational expenses.

On behalf of all of the members of SMACNA Greater Chicago, congrats and best wishes to Madeline in her educational pursuits!

**SMACNA**  
GREATER CHICAGO





**NOMINATED**  
Hank Artlip

## HANK ARTLIP: NEW DIRECTOR

Congratulations to Hank Artlip of Hank Artlip & Sons, Inc. his nomination for the position of Director on SMACNA's Board of Directors. Confirmation will take place on September 30th during the 2015 Annual Meeting. The position is a four-year term that expires at the end of the Convention in 2019.

SMACNA Greater Chicago congratulates Hank on this prestigious nomination!

### SMACNA APPOINTMENTS

Who is taking lead in these important areas of our organization?

## SMACNA COMMITTEE AND TASK FORCE APPOINTMENTS

Below is a list of all of the committees and task forces that work together to continue to ensure that SMACNA leads the way in our industry. The men that

have been appointed to these leadership positions take great pride in continuing to advance one of the best sheet metal organizations in the country.

#### ARCHITECTURAL SHEET METAL COUNCIL STEERING COMMITTEE

Ken Wiesbrook, Wiesbrook Sheet Metal, Inc.

#### HVAC CONTRACTORS COUNCIL STEERING COMMITTEE

Mike Obrochta, OB Industries, Inc.

#### HVAC DUCT CONSTRUCTION STANDARDS TASK FORCE

Jerry Manta, F.E. Moran, Inc.

#### ITI LAGGING AND DUCT WRAP TASK FORCE

Jerry Manta, F.E. Moran, Inc.

#### NEMI/NEMIC METAL WALL PANEL INSTALLER CERTIFICATION TASK FORCE

Ken Wiesbrook, Wiesbrook Sheet Metal, Inc.

#### SAFETY AND HEALTH COMMITTEE

Jason Galoozis, F.E. Moran, Inc.

#### SMACNA/SMART BEST PRACTICES MARKET EXPANSION TASK FORCE

Tony Adolfs, SMACNA Greater Chicago



**OSHA COMPLIANCE** | Confined Space Compliance date has been extended to October 2, 2015.

# SUCCESS! OSHA EXTENDS CONFINED SPACE COMPLIANCE DATE

OSHA recently extended the compliance date for its new regulation on "Confined Spaces in Construction" to Oct. 2, 2015.

SMACNA joined a coalition of trade associations to request an extension of OSHA's earlier compliance date to give companies more time to revise safety programs and provide training.

OSHA published its new regulation for "Confined Spaces in Construction" in early May with an initial compliance date of Aug. 3.

To learn more, read OSHA's new response memorandum on SMACNA's Safety Web page. OSHA has extended the date of full compliance to **10-2-15**.

For questions about the new standard, please contact Mike McCullion, SMACNA director of safety and health (mmccullion@smacna.org / (703) 995-4027).

**EDUCATION** | Visit SMACNA national's online store for educational materials

## STAY SMART, SAFE AND POSITIVE



SMACNA National's online store offers a variety of education materials. As leaders in the industry, we encourage our

SMACNA Greater Chicago members to maintain their edge in the industry and to perform at their best.

The adjacent list includes the most up-to-date technical manuals and guides available for SMACNA Greater Chicago members to stay-up-to-date on industry standards and to use as reference.

### NEW FREE SMACNA MANUALS

- **GUIDELINES FOR CHANGE ORDERS**
- **ARCHITECTURAL SHEET METAL QUALITY ASSURANCE**
- **PHENOLIC DUCT CONSTRUCTION STANDARDS**

GET THEM AT | [www.SMACNA.org](http://www.SMACNA.org)

**ELECTED** | John P. Harmon

# JOHN P. HARMON ELECTED TO SMACNA COLLEGE OF FELLOWS



prestigious SMACNA College of Fellows.

In honor of John Harmons' service to SMACNA and the sheet metal industry—both at the local and national level—Harmon has been elected as a Fellow to the

Harmon will be formally inducted during the SMACNA President's Lunch on Wednesday, September 30th, 2015 at SMACNA's National Convention held in Colorado Springs, CO. Harmon will receive his College of Fellows medallion and lapel pin at that time, officially honoring his many contributions and time spent serving SMACNA and the industry as a whole.

On behalf of all SMACNA Greater

Chicago members, we would like to extend him a well-deserved congratulations and a hearty thank you for his invaluable service over these many years!







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