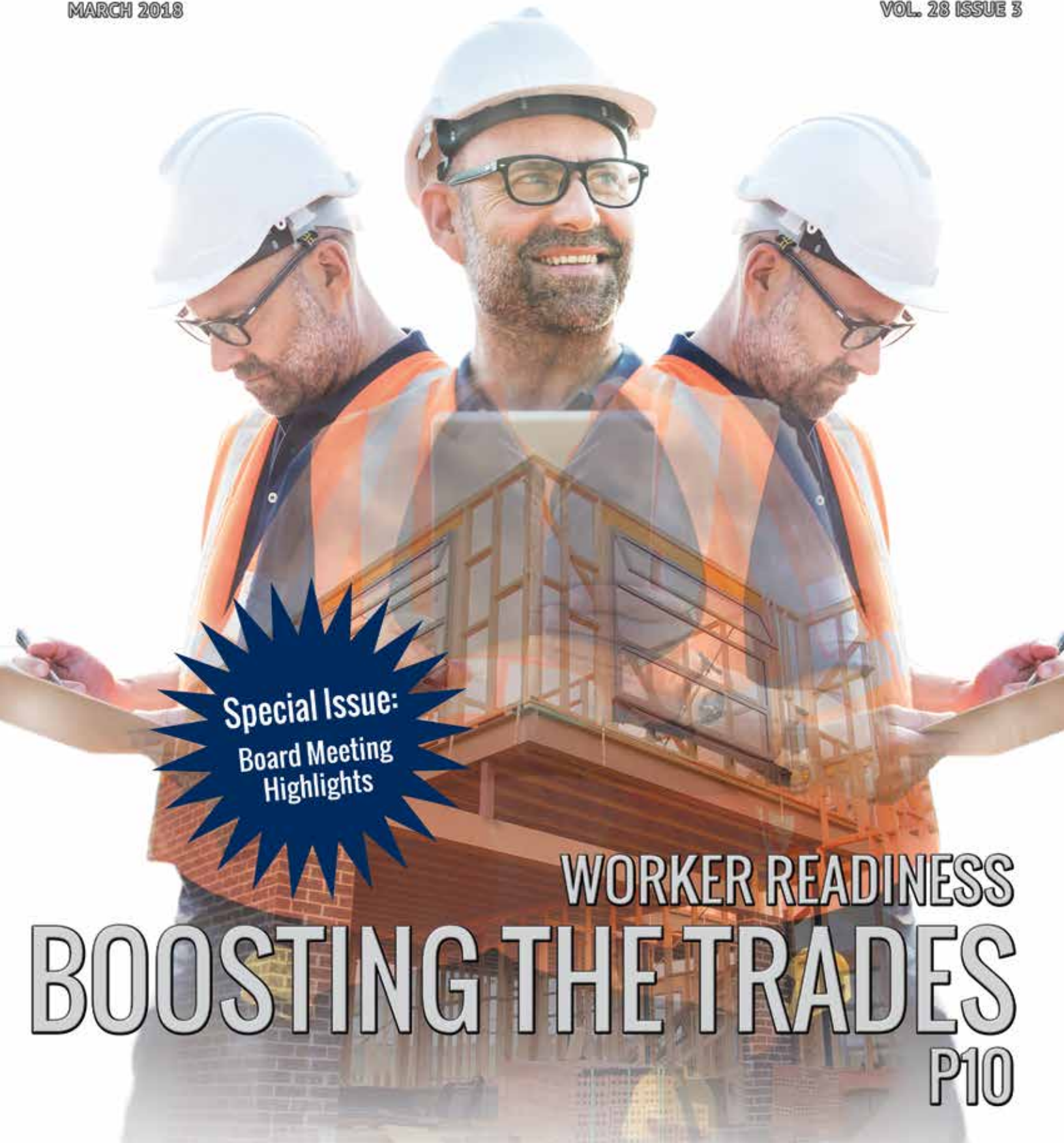


THE MAGAZINE OF THE BUILDING INDUSTRY ASSOCIATION OF WASHINGTON

BUILDING INSIGHT

MARCH 2018

VOL. 28 ISSUE 3



Special Issue:
Board Meeting
Highlights

WORKER READINESS

BOOSTING THE TRADES

P10

INVEST IN YOUR FUTURE

EXPAND YOUR SKILLS

BIAW OFFERS ABUNDANCE OF CONTINUING EDUCATION OPPORTUNITIES THROUGHOUT THE YEAR

In the decades I've been with BIAW's Education Program, I've worked with thousands of members and heard many reasons why they attend (and don't attend) continuing education classes through BIAW.



// JAN ROHILA

**ADMINISTRATIVE
SERVICES DIRECTOR**

I've heard BIAW members say, "Your classes helped with *(you fill in the blank)* problem I was wrestling with," and I've heard the other side: "I can't get away from my business right now."

While there are many valid reasons for not attending a class, I'd like to share some thoughts for you to consider on why you (and your employees) should attend a class or two:

and yield positive results for your business.

A HEAP OF CLASSES IN 2018

Below are some of BIAW's upcoming classes for March and April. If you haven't attended a class, or it's been some time, I hope you'll take a moment to scan through and pick a few you'd like to attend in 2018. You can preview the entire education calendar for 2018 and register for any class at BIAW.com. Select *Education* under the *BIAW Programs* tab and then click on *Current Course Schedule* at the bottom of the page.

Please feel free to contact me with any questions at (360) 352-7800, ext. 101 or janr@biaw.com.

BECOME A LIFELONG LEARNER

I've heard it said that there are two kinds of home building business owners: life long learners and those that continue to do things the same way. It's clear to me that industry regulations are constantly changing and the pace of marketing and technology have also increased. Learning about a new code or regulation or finding a way to tackle a problem you couldn't solve on your own helps you continually adjust to market conditions as well as improve your company, staff and management skills. That can only continue to make you more prepared for what's ahead—and hopefully more profitable—down the road.

INVEST IN IMPROVEMENT

In addition to attending classes themselves, members also bring or send their employees to certain classes. By doing so, they create a culture where their employees are constantly learning. Not everyone may be able to have their employees take that much time away from the job, but even sending a few at a time can demonstrate an investment in your employees—

BIAW EDUCATION CLASSES in MARCH & APRIL

MARCH

14	Certified Erosion & Sediment Control Lead (CESCL)	Burlington
16	CESCL <i>Recertification</i>	Burlington
16	Project Management	Olympia
20	Certified New Home Sale Professional	Bellevue
21	OSHA-10	Kennewick
22	I-1433: Paid Sick Leave & Minimum Wage	Bremerton
28	CAPS 1: Marketing & Communicating	Spokane
29	CAPS 2: Design Concepts for Livable Homes	Spokane
29	EPA Certified Lead <i>Initial</i>	Yakima
29	EPA Certified Lead <i>Refresher</i>	Yakima
30	CAPS 3: Details & Solutions for Livable Homes	Spokane

APRIL

11	EPA Certified Lead <i>Initial</i>	Burlington
11	EPA Certified Lead <i>Refresher</i>	Burlington
12	12 Steps to Designing and Building Zero Energy Homes	Bellevue
18	CAPS 1: Marketing & Communicating	Pt. Hadlock
18	How to Profit Using the WSU Alt. Worksheet	Bellingham
19	CAPS 2: Design Concepts for Livable Homes	Pt. Hadlock
19	Hazard Communications/Globally Harmonized Systems	Tacoma
20	CAPS 3: Details & Solutions for Livable Homes	Pt. Hadlock
24	CESCL	Bellevue
26	CESCL <i>Recertification</i>	Bellevue
26	Get Paid For Your Work! Managing the Difficult Customer	Vancouver

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Will burdensome housing regs kill the goose that laid the golden egg?

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On the Cover: BIAW's efforts to increase home building construction and trades training programs in high schools and technical skills training centers are beginning to pay off.

Who We Are

The Building Industry Association of Washington is the state's largest trade association and represents nearly 8,000 member companies in the home building industry. Known as the "Champions of Affordable Housing," BIAW is dedicated to ensuring and enhancing the vitality of the building industry for the benefit of its members and the housing needs of citizens.

2018 SENIOR OFFICERS

President
Kevin Russell, MCGP
North Peninsula Building Association

First Vice President
Rick Hjelm, CGR
MBA of Pierce County

Second Vice President
Debbi Boyd
Olympia Master Builders

Treasurer
Sherry Schwab, CAPS, CGR
MBA of King & Snohomish Counties

Secretary
Chris Lockhart
MBA of Pierce County

Immediate Past President
Ted Clifton, CGB, MCGP
Skagit/Island Counties Builders Association

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CONTACT THE EDITORIAL STAFF

Want to submit an article for publication? Have a story tip or suggestion? For consideration, please email jenniferh@biaw.com.

CAMPAIGN SEASON ON HORIZON

SESSION ADJOURNS

HIGHLIGHT OF LEGISLATIVE SESSION WAS BIAW'S SUCCESSFUL FIX TO COURT'S *HIRST* RULING

The session adjourned *sine die* on Thursday, March 8. Overall, with the new majority in the state Senate, home builders had a fairly successful year. There was an attempt at last minute legislative she-nanigans, but BIAW successfully put the kibosh on the hijinks. Legislators returned home to begin campaigning. All of the state's House seats are on the 2018 ballot and half of the Senate's.



// JAN HIMEBAUGH

GOVERNMENT
AFFAIRS DIRECTOR**HIRST FIX ACCOMPLISHED**

First and foremost, at the beginning of the legislative session, BIAW was instrumental in finally seeing the Hirst fix over the finish line and then signed into law. It was a long slog, and BIAW's advocacy team worked the entire 2017 sessions (one regular session and three special sessions) as well as throughout the short interim to help get a solution to the household well crisis to the Governor's desk in the first two weeks of the 2018 session. Thanks to BIAW members' consistent pressure and the strong coalition of private and public sector stakeholders, this monumental legislation passed with broad bipartisan support.

BUILDING CODE COUNCIL REFORMS

BIAW also garnered some success with the State Building Code Council (SBCC). For years, BIAW has long advocated at the SBCC and with the Legislature for significant reforms to their process. Fortunately, home builders' voices were heard this past year, and with the hiring of a new managing director at the SBCC, HB 1622 passed.

HB 1622 does increase the building permit fee by \$2 on residential permits. However, it also significantly reforms the SBCC.

First, it does this by clarifying that council members appointed to represent particular private industries need to remain employed in the private sector and can no longer qualify if they work in a different industry or the public sector. The Governor must then appoint from the

private sector three nominees submitted by the trade association that represents that industry. The membership clarification is vitally and historically important to BIAW. Additionally, the bill places SBCC under oversight of the Department of Enterprise Services. It also plainly adds that the SBCC's code adoption is significant legislative rulemaking, which requires a higher bar of analysis.

HARMFUL BILLS BLOCKED

Other successful items BIAW blocked included:

■ **Stopping harmful legislation that would have expanded condo warranties to virtually all common interest ownership properties and extended the tolling of liability on defect claims**

The bill, HB 2475, would have done all that and more. BIAW, with support of members in both caucuses in the House, helped prevent this bill from coming to the floor. However, the death of that bill meant the death of a good condo warranty bill, HB 2831, which would have required a vote of the condo unit owners before litigation on a defect claim.

■ **Winnowing down the requirements in SB 6109**

This bill, which passed the Legislature, created statewide adoption of the wildland-urban interface code (WUI). However, it expressly only allows the SBCC to adopt four requirements after the Department of Natural Resources completes mapping of the state. These minimal requirements relate to materials used for decking, siding, and roofing and require local adoption of driveway turnouts or turnarounds based on local conditions. Thankfully, because of the work of BIAW, the SBCC cannot adopt the full WUI, which has significantly onerous requirements and really is a land use code. BIAW's advocacy team worked hard to make the requirements in this bill minimal and rational.

■ **Stopping the carbon tax; capital gains income tax; and a B&O surcharge of 6% on gross receipts of over \$1 million**

As the Legislature moved toward adjournment, final budget deals were still being made and BIAW continued to work hard against damage to the industry.

REGULATED SCARCITY

WILL BURDENSOME HOUSING REGS KILL THE GOOSE THAT LAID THE GOLDEN EGG?



// ART CASTLE

EXECUTIVE
VICE PRESIDENT

This article focuses on the Central Puget Sound region, but the principles are the same in nearly every Growth Management Act (GMA) regulated urban market—just not to the same degree—YET.

The recent *Seattle Times* article titled, “New home-price highs: \$777,000 in Seattle, \$950,000 on the Eastside,” shows the runaway housing prices occurring in the Central Puget Sound—caused mainly by what I call regulated scarcity.

GOVERNMENT-CREATED HOME APPRECIATION

Regulated scarcity is when state and local government comprehensive plans, land use, zoning and other popular regulations and requirements inhibit the marketplace’s ability to provide homes near where jobs are created. This lack of supply of new housing choices creates scarcity of supply and thus significant artificial appreciation in home values and prices—limiting opportunities for middle income families.

Paraphrasing a few highlights from the *Times* article, it talks about how Seattle now has a \$777,000 median single-family home price, \$20,000 above the previous record set just last month. On the Eastside of King County, the median single-family home price set a new record of \$950,000, a figure \$12,000 higher than the previous record set just two months ago. Snohomish County’s median single-family home price increased by 17.6% to \$485,000, more than \$30,000 higher than the previous record last fall. Pierce County’s median single-family home price jumped 16.1% to \$325,000, \$5,000 above the previous record from two months ago. And in Kitsap County, prices rose 17.5% to \$329,000.

While local wages have begun rising, in some cases significantly, home prices are still increasing faster—much faster. In the last six years, the cost of buying a home has doubled and is 50% over the last decade’s pre-recession prices.

Guess it’s great if you already own a home, but what if *your* middle class family needs a home in the region? And when will these spiraling prices slow down? Can middle class families keep up?

OUTRAGEOUS TAX POLICIES

Another article from last summer in Silicon Valley’s *Mercury News*, shows the dilemma Seattle, the Central Puget Sound, and most urban areas in Washington are facing due to the crazy tax and land use development policies being adopted.

The article ranked the top 150 Bay-area public technology companies by performance. You might have noticed Seattle and other areas in Washington are not lacking in technology companies, both publicly-traded and start-ups.

In the chart below, take a look at the “sales per employee” column for firms in the tech sector. These companies generally sell intellectual property rather than tradition-

See **SCARCITY** on page 14//

Silicon Valley Performance - Top 150 Companies, Summary

	Number of Companies	Change	Sales (B)	1-year change	Net profit (B)	1-year change	Market capitalization (B)	1-year change	Employees	1-year change	Sales per employee	1-year change
Consumer info. tech.	9	-2	\$233	-9%	\$47	-15%	\$820	21%	140,363	-1%	\$1,662,252	-8%
Enterprise info. tech.	46	4	\$217	1%	\$18	19%	\$585	24%	707,340	1%	\$306,291	0%
Web-centric, social media	13	-1	\$159	20%	\$37	112%	\$1,207	17%	148,248	5%	\$1,070,732	15%
Chip-making equip.	29	-1	\$110	7%	\$17	7%	\$421	39%	209,199	-5%	\$527,566	12%
Networking, telecom.	26	-2	\$74	0%	\$11	-3%	\$271	19%	143,544	3%	\$518,170	-3%
Health, medical, bio-tech	1	1	\$45	-5%	\$14	-30%	\$169	-11%	48,205	9%	\$927,272	-14%
Clean technology	6	1	\$11	64%	-\$1	23%	\$49	33%	42,793	5%	\$261,681	56%
Total	150		\$849	2%	\$142	7%	\$3,522	20%	1,439,692	1%	\$589,951	1%

Source: Bloomberg financial markets, individual company reports and filings with the Securities and Exchange Commission.

LEGISLATIVE RECEPTION HIGHLIGHTS//

BIAW members and guests gathered in anticipation to visit with legislators and elected officials during BIAW's annual legislative reception. However, as it sometimes goes, lawmakers were called into action and reported to the capitol floor on the day of the event and could not attend. Nonetheless, "the show did go on." Reception attendees were treated to an interactive Flippin' Fees display, which highlighted a variety of regulatory fees on home construction throughout the state. Overall, nearly 125 members and guests enjoyed the evening visiting with association leadership and staff.



ENROLLMENT CONTINUES

TAKE THE HASSLE OUT

GET STARTED WITH R.O.I.I.® SELECT BY SUBMITTING AN INQUIRY CARD TODAY

R.O.I.I.® Select, BIAW's group retro program, is accepting applications for the July 2018-2019 plan year (July 1, 2018 through June 30, 2019). If you're not familiar with the valuable services R.O.I.I.® Select has to offer, keep reading to find out why nearly 2,000 companies have chosen R.O.I.I.® Select to help them take the hassle out of their workers' comp affairs.

WHAT IS RETRO?

Retro is a safety incentive program with a simple goal: eliminate injuries through improvements in work place safety and preventive strategies. However, if an employee is injured, help them get better quicker with a successful return to work experience. Do this and your business can earn a refund.



WE ARE THE OLDEST AND LARGEST CONSTRUCTION RETRO GROUP IN THE STATE

R.O.I.I.® SELECT has returned over \$500 million in refunds to companies since 1982.



TRANSPARENCY AND AFFORDABILITY

In our 32 year history, not one R.O.I.I.® SELECT participant has ever paid a penny of additional premium (penalty), a claim many retro programs cannot make.



MEMBERS CAN RECEIVE A REFUND

If the group and participant have a positive claim performance, they receive a refund.



WE ARE A ONE-STOP-SHOP FOR ALL YOUR WORKERS' COMP NEEDS

You won't find any other retro program that offers all the services at no additional cost.

ENROLLMENT

MAY 18

deadline to submit
your application

EXPERTS YOU CAN COUNT ON



COMMITMENT
AND DEDICATION



NO SURPRISE FEES

SEND IN THIS
FORM
AND FIND OUT HOW!

GET STARTED WITH R.O.I.I.® SELECT

Here's the next step:

Send in this form so we can review your premium and loss information to see if R.O.I.I.® SELECT might be a good fit for your company.



PERFORMANCE IS THE KEY TO SUCCESS

WE ARE COMMITTED TO SAFETY AND CONTROLLING COSTS

R.O.I.I.® SELECT's strict enrollment criteria and innovative approach to workers' comp ensures maximum group performance.



Members of the Building Industry Association of Clark County and participants of R.O.I.I.® Select proudly show off their refund checks.

DON'T JUST TAKE OUR WORD FOR IT

“ R.O.I.I.® SELECT has proven to be one of the best investments I made for my company. We have enjoyed great returns on our L&I premium because of our commitment to safety. I recommend it to everyone that is eligible. ”

— Ben Burton, Owner, Arrow Insulation

PARTICIPANTS
ON AVERAGE RECEIVE A
37% REFUND
OF THEIR
WORKERS' COMP
PREMIUMS

37%



WHAT'S INCLUDED?

YOU WON'T FIND ANY OTHER RETRO PROGRAM THAT OFFERS ALL THESE SERVICES AT NO ADDITIONAL COST.



OUTCOME BASED
CLAIMS ASSISTANCE



SAFETY SERVICES



RISK MANAGEMENT SERVICES



RETURN TO WORK

TRADES TRAINING TAKING SHAPE

FILLING THE DEMAND

BIAW MEMBERS URGED TO LEND EXPERTISE TO INSPIRE STUDENTS ENTERING THE TRADES

This year, the momentum continues on efforts to build a training pipeline for high-demand industries like the home building industry.

Along with several partners, BIAW has been working on these efforts for several years and has seen the tide



The hope is industry experts, like our members, will also get involved in classrooms and offer ‘labs’ to build students’ skills faster.

turn in a positive way. Policy leaders, lawmakers, educators and business groups are now focusing on opportunities to educate and train youth and young adults in residential construction as well as other industries.

“We’re seeing a shift from limited interest in these kind of programs to state recommendations and funding efforts that introduce Washington’s students in middle, high school and early college to residential and construction trades,” said BIAW Administrative Services Director Jan Rohila.

“The hope is industry experts, like our members, will also get involved in classrooms and offer ‘labs’ to build students’ skills faster. Their involvement will make a vast difference in how quickly youth are prepared for future jobs in the home building and construction industries.”

PREPARING NEXT GENERATION

This year, the Washington Policy Academy on Work-Based Learning represented by BIAW as well as a number of business and education partners entered the second phase of a massive effort to roll out career training and education recommendations throughout the state. The group held a meeting in February to discuss the next phase of the roll out.

The second phase is a continuation of nearly two years of work by the policy academy to bring a cohesive career training and education program to Washington state’s education system. The policy academy arose out of the need for students to have alternative choices in addition to the traditional four-year college degree. BIAW was selected to a task force that worked on finding best practices across the nation and to draft recommendations that would work in our state to prepare and train students. The task force’s recommendations were announced during the Governor’s Summit on Career Connected Learn-

ing held at Microsoft in May of last year. BIAW was present during the summit, as well as business, education and policy leaders.

As a member of the policy group, BIAW will continue to participate in the next phase of planning.



EXPANDING TRADES PROGRAMS

With a stronger focus on career education and training, skills centers and technical colleges are also seeing a resurgence in interest in building and expanding these programs.

Two such construction programs are the Sno-Isle TECH Skills Center Construction Trades Program and the Construction Center of Excellence at Renton Technical College. BIAW has been working with them, among other centers, on training needs as an advisory board member. Recently, in anticipation of the growing demand,

See **DEMAND** on page 13 //

SKILLS CENTERS VITAL TO OUR INDUSTRY

NEXT GEN WORKERS

HANDS-ON, TECHNICAL TRAINING SCHOOLS OFFER YOUNG ADULTS INDUSTRY SKILLS

Skills centers are part of Washington's high school network for students between the ages of 16 and 21 or in grades 11 or 12. They offer advanced career and technical education (CTE) and training as part of the public education system at no cost to teens and young adults.

Why are skills centers important? They introduce young people to the profession and help supply the home building industry with new talent that has learned skills to get started in construction.

FUTURE WORKFORCE DEVELOPMENT

When a student attends a skills center program, they not only engage in hands-on, academic and technical programming, they learn employment readiness skills, college preparedness, and leadership skills. At skills centers, students participate in extended time blocks, where they not only learn the theory of a subject, but also get relevant, hands-on experience as well.

There are 20 skills centers in the state of Washington and they teach a variety of programs to students, including construction technology, construction trades, and electrical and carpentry skills.

WHAT THIS MEANS TO YOU

At several skills centers, members of the home building industry can talk to students about construction as a guest speaker and offer certain training or tours of jobsites so they learn about the day-to-day work in the profession. The upside? It's possible the time spent sharing your expertise could lead to future workers knowing about you and eventually working for your business.

Are you interested?

Contact your local skills centers about how you can get involved.

WASHINGTON SKILLS CENTERS

Below are the current skills centers in the state. Contact a center in your area to get involved and help teach the next generation of workers about a possible career in the home building and related trades industry.

Cascadia Tech Academy* Vancouver

CascadiaTechnicalAcademy.org
Dr. Mark Mansell
Mark.Mansell@evergreenps.org

Columbia Basin Technical Skills Center*

900 East Yonezawa Blvd.
Moses Lakes, WA 98837
CBTech.mlsl161.org
Christine Armstrong

New Market Skills Center* | Olympia

NewMarketSkills.org
Colleen Bonner
colleen.bonner@newmarketskills.org

New Market Skills Center*

Twin Harbor | Aberdeen
asd5.org/thsc
Lynn Green
lgreen@asd5.org

New Tech Skills Center* Spokane

www.spokaneschools.org/Domain/678
Karene Duffy
KareneD@spokane-schools.org

Spokane Valley Tech Spokane Valley

SokaneValleyTech.org/pages/Spokane_Valley_Tech
Scott Oakshott
soakshott@cvsd.org

Northwest Career and Technical Academy Mt. Vernon | Anacortes | Bellingham

NWTech.k12.wa.us
Lynette Brower
lbrower@nwtech.k12.wa.us

Pierce County Skills Center* | Puyallup

BethelSD.org/pcsc
Michelle Ledbetter
mledbetter@bethelsd.org

Puget Sound Skills Center* | Burien

HighlineSchools.org/pssc
Todd Moorehead
todd.moorhead@highlineschools.org

Sea-Tech Skills Center*

525 Campus Loop
Walla Walla, WA 99362
MySeaTech.org
Dennis Matson

Seattle Skills Center* Seattle

SkillsCenter.Seattle-Schools.org
Daniel Golosman
dpgolosman@seattle-schools.org

Sno-Isle TECH Skills Center* | Everett

SnolsleTech.com
Maggie Bagwell
bagwellmm@mukilteo.wednet.edu

Tri-Tech Skills Center* Kennewick

TriTech.ksd.org
Paul Randall
paul.randall@ksd.org

Washington Network for Innovative Careers* Kirkland

11605 - 132nd Avenue
NE #A108
Kirkland, WA 98034
WaNIC.lwsd.org

Wenatchee Valley Technical Skills Center* Wenatchee

WenatcheeSchools.org/wvtsc
Peter Jelsing
elsing.p@wenatchee-schools.org

West Sound Technical Skills Center* Bremerton

BremertonSchools.org/wstsc
Loretta Robinett
loretta.robinett@bremer-tonschools.org

Yakima Valley Technical Skills Center* Yakima

YVTech.us/programs
Craig Dwight
dwright.craig@yakima-schools.org

Yakima Valley Technical Skills Center

347 Barnard Blvd.
Sunnyside, WA 98944

*center offers construction-related programs

CULTIVATE A SAFETY CULTURE

PROACTIVE ACTIONS

SIMPLE STEPS EMPLOYERS CAN TAKE TO REDUCE SAFETY VIOLATIONS, FINES

As of January this year, Washington state employers live in a new day and age. For the first time, an employer



// BOB WHITE

**R.O.I.I.® SELECT
SAFETY SERVICES
DIRECTOR**

in our state is facing manslaughter charges for a workplace fatality. The federal safety compliance agency known as OSHA (Occupation Safety and Health Administration) has already headed in this direction for companies

working on certain federal property. Recently, the Washington state Department of Labor & Industries (L&I)

director warned it will follow suit and pursue similar charges of Washington employers for workplace fatalities. Employers can expect higher fines and possible jail time for negligent employers who ignore safety rules.

Visit the article at www.lni.wa.gov/News/2018/pr180108a.asp.

MAKING A STATEMENT

As the noted article states, L&I is trying to “make a clear statement about the responsibility of companies to keep workers safe on the job, and the serious consequences if they knowingly don’t.” L&I has begun to turn up the heat on workplace safety violators, and those who are wise will take heed. We have seen employers virtually “fined” out of business, and we don’t wish to see this fate fall on any of our member employers or have them face possible criminal charges.

MINIMIZE YOUR RISKS

With increased levels of L&I scrutiny, it’s important to put in place measures to not only protect your employees but yourself as well. With L&I processing approximately 90,000 injury claims every year. Accidents and unforeseeable things happen, but safety measures can minimize your risk and lower the odds. Below are some suggestions as what you can do as an employer.



SAFETY MEASURES TO

GET UP TO SPEED with safety regulations

There’s no need to navigate these waters alone—take advantage of L&I’s free consultation services. An L&I consultant can visit your business and help make sure you are in compliance (this service is included in your workers’ comp premiums). The consultant cannot write fines or share information with L&I’s compliance staff. However, you do have to correct any violations they note.

Using L&I’s consultation services also removes your company from L&I’s random inspection list for a year and the consultant’s report can be used as evidence you made a “good faith effort” to keep a safe workplace.

For more information on these services, visit www.lni.wa.gov/Safety/Consultation/

HAVE CANDID TALKS with your employees during safety and other company meetings

Explain the consequences of violating safety rules and how unsafe behavior can affect the company and fellow employees. Creating a little peer pressure and self-enforcement among crews when you can’t be everywhere at once can help minimize your risk.



REDUCE YOUR RISK

INSTALL SAFETY HABITS through repetition

Think about it—most safety compliance fines and injuries occur simply because employees didn't stop to consider safety or just forgot to put on that hard hat.

Safe behavior must become habit.

Daily repetition over a period of time is a tactic many employers use to create habits in their workforce. Often employers have short daily "huddles" before the day starts to reinforce safety habits. These short meetings can also be used for "stretch and flex" warm ups for employees and to strategize the day's tasks ahead.

PUT MEASURES IN PLACE for unpreventable employee misconduct

An *affirmative defense* can be used when an employer has satisfied all the requirements necessary for the company's defense and an employee chose to disobey safety rules and work in an unsafe manner.

For more information on this, visit www.lni.wa.gov/IPUB/417-254-000.pdf.

DEMAND from page 10 //

representatives from the centers spoke at BIAW's winter board meeting. The representatives are recruiting "industry experts" to advise and participate in their programs as well as to help students learn about the real world of construction. (These are just two centers that have a need. See the listing of skills centers on page 11 to volunteer your expertise.)

HOW BIAW MEMBERS CAN HELP

Shana Peschek, director of the Construction Center of Excellence, wants to get out the word about the CorePlus program. She defines "core" skills as those required by all sectors and "plus" skills as those that apply to a single sector such as metal fabricating, machining, composites and construction. CorePlus brings the two skills together to help students learn to build airplanes, boats, buildings—and their career futures.

Peschek is looking for construction leaders across the state to serve on advisory councils, come into the classroom, or become a training partner. If you are interested, please contact Shana Peschek at speschek@rtc.edu.



Shana Peschek

The Sno-Isle TECH Skills Center construction trades program is designed to provide students with



Maggie Bagwell

the skills necessary for entry-level jobs. The focus of the program is to help students develop professionalism, to build highly-employable skills, and learn about areas of focus in the industry, including about job site safety. Maggie Bagwell, director of Sno-Isle TECH Skills Center, says students learn using hands-on activities, project-based learning, field trips, and from guest speakers—all of which must meet rigorous academic and industry standards. Recently, Bagwell announced the Sno-Isle TECH Skills Center will be expanding into a true pre-apprenticeship program for the construction industry.

As part of development of the program, Sno-Isle TECH Skills Center is looking for industry partners to provide input and serve on a focus group. The work of the focus group will likely be done via email and web conference, and is expected to span about 12 months. If you are interested in participating, please contact Maggie Bagwell at bagwellmm@mukilteo.wednet.

BIAW

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Stay up to date and follow us on Facebook, Twitter, and LinkedIn.

WINTER BOARD HAPPENINGS//



WINTER BOARD MEETING HIGHLIGHTS

[A] (l to r) During the education committee, special guest speakers Jen Stutz, instructor of the Construction Trades program for the Sno-Isle TECH Skills Center, and Maggie Bagwell, director of Sno-Isle TECH Skills Center, ask BIAW members to get involved with the center's workforce development programs which trains students in the construction trades. **[B]** NAHB Area 15 Chair Eugene Graf, BIAW Treasurer Sherry Schwab and MBA of King and Snohomish County member Michael Nykreim take a break in the action during the general membership luncheon for a quick photo. **[C]** BIAW President Kevin Russell addresses members and guests during the winter board of directors' meeting. **[D]** BIAW Education Chair Aaron Marvin (l) stands with representatives from local associations who earned education checks for their partnership with BIAW's education program for classes held in 2017. **[E]** Home Builders Association of Tri-Cities member Duane LaPierre visits the Delta Faucet Company representative, one of several vendors who participated in BIAW's annual accessible housing trade show held during the winter board meeting. **[F]** Jeff Harvey, president of Enterprise Washington, addresses members and guests during the membership luncheon.

//////////////////// SCARCITY from page 6 //

ally manufactured products. The dollar amounts range from \$1,662,252 down to \$261,681. These are staggering amounts.

This is the dilemma Seattle and the Puget Sound region, as well as other areas of Washington, are facing. Large, publicly-traded companies often don't mind regulations or taxes as it often protects them from competitors and tends to limit new entries into their marketplace. In a phrase, *they can afford it*.

But what is most striking: these tech companies pay their workers exorbitant salaries (and continue to increase them) *because they can*. This is great, but then these well-compensated, technology-sector employees begin to act like their employers—they don't mind the regulations and taxes because *they can afford it*.

I find this economic dynamic unconscionable. Not because the tech employees are well compensated—I believe they deserve it. But what of the butcher, the baker and the candlestick maker? Or the carpenter, electrician, teacher or worker in the hospitality sector, for example.

They and their families are becoming the victims in this economic dynamic. Forced to live farther and farther away from where they work. Priced out of owning their own homes and living in communities where they work. And not being able to own the goose that lays the golden egg.

DIMINISHED DWELLINGS

In January 2018, sales of existing houses came in at a seasonally-adjusted annual rate of 5.38 million. That's 3.2% lower than December 2018 and 4.8% lower than December 2017, the steepest year-over-year decline since August 2014.

Year-over-year inventory declined for the 32nd straight month, and at 1.52 million, is the lowest January level since record keeping started in 1999.

Add a good job market and favorable demographics and the market will remain tight.

*Elliott Eisenberg, Ph. D.
GraphsandLaughs, LLC, Econ70.com*

MARKET DATA at-a-glance

BUILDING PERMITS DECEMBER

	SINGLE FAMILY	MULTI 2017	DEC 2017	YTD 2017	DEC 2016	YTD 2016
Benton	64	24	88	1,277	50	1,125
Chelan	8	2	10	341	10	314
Clallam	11	0	11	203	11	166
Clark	225	177	402	4,238	269	3,249
Cowlitz	15	0	15	205	11	166
Douglas	11	0	11	179	8	163
Franklin	46	4	50	572	35	435
Grant	18	0	18	385	11	607
Grays Harbor	15	0	15	224	8	173
Island	21	0	21	397	28	344
Jefferson	13	0	13	175	10	238
King	345	1,191	1,536	18,701	1,949	17,743
Kitsap	74	0	74	1,094	65	1,060
Kittitas	11	8	19	520	15	316
Klickitat	1	0	1	82	3	89
Lewis	13	8	21	210	22	199
Lincoln	1	0	1	41	0	45
Mason	12	0	12	193	10	157
Okanogan	1	0	1	112	3	121
Pacific	4	0	4	76	4	66
Pierce	231	51	282	4,968	244	3865
San Juan	6	0	6	115	8	127
Skagit	29	0	29	501	26	384
Skamania	3	0	3	55	2	38
Snohomish	193	156	349	3,702	204	3,908
Spokane	95	41	136	3,525	121	3,544
Stevens	6	0	6	131	1	103
Thurston	72	0	72	1,036	384	2,035
Walla Walla	4	0	4	101	9	156
Whatcom	62	10	72	1,242	78	1,138
Whitman	3	10	13	216	0	176
Yakima	35	10	45	480	18	446
TOTALS	1,649	1,692	3,341	45,336	3,620	42,932

*Only counties reporting are represented in state totals. For archived listings, click on Member Resources tab at BIAW.com. Source: U.S. Census Bureau

SINGLE FAMILY AND CONDOS | MARKET ACTIVITY SUMMARY NORTHWEST MULTIPLE LISTING SERVICE | DECEMBER 2017

	LISTINGS			PENDING SALES		CLOSED SALES		MEDIAN SALE PRICE	% CHANGE MEDIAN PRICE*	MONTHS OF INVENTORY
	TOTAL NEW '17	NEW & ACTIVE ACTIVE '17	% CHG vs. '16*	DEC '17	% CHANGE vs. NOV '16*	CLOSED DEC	% CHANGE, CLOSED vs. DEC '16*			
Chelan	38	176	-4%	57	50%	47	-35%	\$275,000	-11%	3.74
Clallam	52	217	3%	81	-4%	96	9%	\$294,500	19%	2.26
Clark	24	80	67%	48	41%	51	-4%	\$340,000	31%	1.57
Cowlitz	71	219	18%	112	23%	129	12%	\$220,000	11%	1.70
Douglas	30	104	73%	34	70%	20	-20%	\$294,500	-7%	5.20
Ferry	3	41	-28%	4	-33%	5	150%	\$85,000	11%	8.20
Grant	46	252	-15%	55	-7%	69	13%	\$192,610	10%	3.65
Grays Harbor	70	336	-22%	110	25%	103	37%	\$199,000	11%	3.26
Island	83	279	-18%	129	5%	142	4%	\$324,500	8%	1.96
Jefferson	21	159	-22%	43	19%	53	13%	\$362,000	23%	3.00
King	1,165	1,374	-31%	1,850	-11%	2,681	-1%	\$585,000	16%	0.51
Kitsap	207	397	-40%	353	7%	409	-11%	\$315,000	13%	0.97
Kittitas	39	140	-28%	61	13%	69	-5%	\$280,000	8%	2.03
Lewis	64	274	5%	79	-2%	92	14%	\$190,000	9%	2.98
Mason	55	229	-28%	86	-3%	81	-17%	\$230,000	4%	2.83
Okanogan	18	216	-14%	27	-7%	32	3%	\$207,000	41%	6.75
Pacific	31	188	-1%	35	6%	34	-35%	\$177,450	8%	5.53
Pierce	872	1,500	-15%	1,248	4%	1,356	2%	\$314,995	12%	1.11
San Juan	18	164	-18%	19	-27%	32	7%	\$487,500	25%	5.13
Skagit	80	308	-10%	142	-24%	156	-10%	\$307,500	9%	1.97
Snohomish	614	709	-30%	1,009	-9%	1,242	8%	\$425,000	12%	0.57
Thurston	247	490	-30%	325	-4%	425	-1%	\$283,000	3%	1.15
Whatcom	174	542	-4%	252	5%	271	-1%	\$342,000	8%	2.00
Others	31	159	42%	39	129%	47	104%	\$176,000	11%	3.38
TOTALS	4,053	8,553	-19%	6,198	-3%	7,642	1%	\$383,000	11%	1.12

*Percentages rounded up. Source: Northwest Multiple Listing Service

RECRUITERS HONORED



Building Industry Association of Washington
111 21st Avenue SW | Olympia, WA 98501
(360) 352-7800 | BIAW.com | [f](#) [t](#)



Luellen Smith of Rhino Wine Cellars in Seattle is known for being an all around go-getter with a passion for recruiting and engaging with members. Her energy and enthusiasm for bringing in new members led to her receiving BIAW's 2017 Top Spike during the BIAW Winter board of directors meeting in Olympia. This is the second consecutive year Smith has won the top recruiter's award.

Smith, a member of the MBA of King and Snohomish Counties, recruited 55 members to BIAW and has a total of 369 Spike credits.

"It's an honor to be named BIAW Top Spike for the second time. Myra Williams was my mentor and I want to follow in her footsteps," said Smith.

As part of her recognition as BIAW's top recruiter, Smith received a commemorative plaque, customized laptop tote, logo-embazoned cardigan sweater and her name engraved on the Omar Brown Top Spike trophy.

Congratulations, Luellen!



(l to r) BIAW Secretary Chris Lockhart and Second Vice President Debbi Boyd present awards to recipients and representatives of the 2017 Spike Contest Category winners during BIAW's winter board of directors' meeting in Olympia last month.

BIAW SPIKE CONTEST 2017 TOP RECRUITERS

Luellen Smith was named the 2017 overall top Spike recruiter and recipient of the Omar Brown Award with 55 new members recruited.

CATEGORY	AWARD WINNER	MEMBERS RECRUITED
1,000+	Kevin Kartak	38
500 - 999.5	Steve Cory	26
250 - 499.5	Luellen Smith	55
100 - 249.5	Erica Ridout	26
50 - 99.5	Aaron Marvin	12
24 - 49.5	Nichole Banegas	22
6.5 - 24.5	Rebecca Rohman	13

BIAW Seeks Candidates for Executive Vice President Position

BIAW is conducting a search for the Executive Vice President (EVP) position. BIAW, the largest trade association in the state, represents nearly 8,000 members in the home building industry. Karras Consulting, an executive search firm, will lead the recruitment.

The EVP serves as chief administrative officer and makes decisions cooperatively with senior officers, executive committee, and board of directors. The successful candidate will lead a team of over 35 professional staff as well as contract lobbyists, attorneys and other consultants.

To find the entire job recruitment notice and process, go to BIAW.com.

The search comes on the heels of current Executive Vice President Art Castle's recent announcement of his upcoming retirement. Castle has served in this position for the past seven years.



REMODELING PROJECTS WANTED

Excellence in Remodeling awards competition is open

BIAW's annual Remodeling in Excellence Awards (EIR) competition is now open for submissions. This annual competition is designed to recognize outstanding projects across the state, and have been completed by BIAW members during the previous year.

BIAW's expert judges will evaluate projects based on quality, design expertise, materials chosen, and creativity.

Winning entries will be announced during the EIR reception held in conjunction with the BIAW summer board meeting scheduled for Wednesday, June 20 at the Red Lion Hotel in Pasco.

For more information, contact Al Audette at BIAW at (360) 352-7800, ext. 105.

Submission deadline is April 27, 2018.

