

URCA Viewpoint

WEBSITE: WWW.URCA.ORG

NEWS AND VIEWS FOR THE UNION ROOFER

VOLUME 13, ISSUE 1, Summer 2015

CAL-OSHA Targets Roofing Job Sites

CAL-OSHA is increasing its oversight of roofing operations. The agency will be conducting targeted inspections of roofing jobsites throughout the State until the end of the year. It is highly recommended that URCA members ensure that their Illness Prevention Programs meet the required standards.

Although the Program characterizes this new initiative as a "safety awareness program," the actual name of the initiative is the "Roofing Maximum

CAL-OSHA inspectors to be on the hunt for violators

Enforcement Program." Accordingly, URCA member companies can expect CAL-OSHA inspectors to be on the hunt for violators and issuing citations rather than educating contractors on "best available" safety practices in roofing operations.

Continued, back page

California Subcontractors Legislative Conference

The third annual California Subcontractors Legislative Conference was held on April 21, 2015 at the Sheraton Grand Hotel in Sacramento. The goal of the conference was to inform subcontractors, suppliers and industry service providers of the important issues impacting the subcontractors' ability to do business in the State.

Assembly member Das Williams was presented an appreciation award plaque for authoring AB 1705, a bill which was chaptered into law at the end of the 2014 legislative session. AB 1705 was a "clean up" bill to SB 293, which was enacted in 2011. SB 293 mandated that retention proceeds were not to exceed 5% on public works projects unless the project public agency deemed

the project to be "substantially complex." Unfortunately, many public entities, particularly school districts, started to adopt resolutions in all public construction projects declaring them to be substantially com-



(on right) Conference panel member, Dave Stefko of Eberhard Contracting, Inc. addresses the legislative delegation.

plex. In essence, this was inconsistent with the intent of the law.

AB 1705 clearly defined what a "substantially complex" project is as it relates to retention proceeds in public works projects. If a public entity deems a project to be substantially complex, the bill requires

Continued, page 3



Jacobs Medical Hospital, La Jolla, CA Photo Courtesy Best Contracting, Inc.



Ronald D. Johnston, Ph.D.
Executive Director



Greg Steinhauer-Recipient of 2015 Q Award with Ron Johnston. Full story in next issue of ViewPoint.

On June 24th, Governor Jerry Brown signed a new \$167.6 billion budget, which went into effect July 1, 2015. Much of the State Legislature's time during this legislative session has been devoted to finalizing the budget, as well as legislation devoted to "water conservation" and mandated immunization for school age children.

This concentration of effort on the aforementioned, along with the fact that over 2,400 bills were introduced during this legislative session has overwhelmed the Legislature creating a backlog of bills that are not moving forward in an expeditious manner.

As a result, bills that are not directly related to the budget, water conservation and immunization have taken a backseat in terms of priority and many bills have or will be pulled by legislators as the session moves forward.

That being said, URCA has targeted four bills that will have a positive or negative impact on the construction industry in general and the roofing industry specifically:

AB 846 (Gallagher) OPPOSE: This bill would authorize a court to dismiss an action to enforce a mechanic's lien for want of prosecution if a plaintiff does not make a good faith effort to effect service within 6 months after commencement of the action.

URCA, along with several other subcontractor associations, vehemently opposed this bill on the basis that it would "chip away" at subcontractors' lien rights. Through the lobbying efforts of industry, as well as the support of Assembly Member Scott Wilk (R) Valencia, the bill was pulled by the author.

AB 852 (Burke) SUPPORT: This bill expands the definition of "public works" to include any construction, alteration, demolition, installation or repair work done under private contract on a "general acute care hospital" project, as defined, when the project is paid for, in whole or part, with proceeds of conduit revenue bonds that are issued on or after January 1, 2016. On April 27th, this bill passed out of the Assembly Floor by a vote of 55 to 24 and it was sent to the Senate where the Rules Committee placed the bill in the Labor and Industrial Relations (L & IR) Committee for hearing. On June 24, the bill was passed out of L & IR by a vote of 4 to 1 and was sent to the Senate Appropriations Committee. Most likely, the bill will not be heard by this committee until after the summer legislative recess, which begins on July 17th and reconvenes on August 17th.

AB 1315 (Alejo) SUPPORT: This bill would prohibit a public entity, charter city, or charter county from delegating to a contractor the development of a plan used to prevent or reduce water pollution or runoff on a public works project. Also, the bill would prohibit a public entity from requiring a contractor on a public works project contract that includes compliance with a plan, to assume responsibility for the completeness and accuracy of a plan developed by the entity. On April 30th, the bill passed out of the Assembly Committee on Local Government by a vote of 9-0. The bill now resides in the suspense file of the Assembly Appropriations Committee.

AB 1347 (Chiu) SUPPORT: This bill would establish, for contracts entered into on or after January 1, 2016, a claim resolution process applicable to all public entity contracts. The bill would define a claim a separate demand by the contractor for one or more of: a time extension for relief of damages or penalties for delay, payment of money or damages arising from work done pursuant to the contract, or payment of an amount disputed by the local agency. Among other provisions, the bill would require a public entity, upon receipt of a claim sent by registered mail, to review it and, within 30 days, provide a written statement addressing what parts of the claim are disputed and what parts are undisputed. The bill would require any payment due on an undisputed portion of the claim to be processed with 7 to 30 days. The bill would provide an alternative procedure if the public entity fails to issue the written statement and would require that the claim to be deemed approved in its entirety. The bill would require disputed parts of the claim to be subject to non-binding mediation. The bill would provide that unpaid claim amounts accrue interest at a statutorily prescribed rate.

On June 3rd, the bill passed out of the Assembly floor by a vote of 76-0 and was sent to the Senate Rules Committee, which placed the bill for hearing in the Judiciary Committee. On June 30th, the bill unanimously passed out of that committee and is now in the Appropriations Committee for review. No hearing date has been scheduled.

I will keep all members apprised of future developments.

Ron Johnston



Conference Continued

that details explaining the basis of the finding be included within the bid documents and, more specifically, requires that any finding by a public agency that a project is substantially complex describe why the project is a UNIQUE project that is not regularly, customarily or routinely performed by the public agency or licensed contractor.

The plaque was presented to Mr.



Delegation of contractors attending the California Subcontractors Legislative Conference in Sacramento, CA. Included in the Statewide group are URCA's Dave Stefko, and Ron Johnston.

Williams by Brett Eckles, President of the American Subcontractors Association of California (ASAC).

Following the award presentation, a panel discussion regarding Controlled Insurance Programs (OCIP's & CCIP's) was led by ASAC Government Relations Chairman, Dan McClennon. Jay Wilson of DPR Construction represented the general contractors; Greg Magda of Alliant Insurance Services provided the audience with the insurance carrier and owner perspective and URCA's Dave Stefko, Chief Operating Officer of Eberhard spoke on behalf of the subcontractor community.

Most importantly, attendees had the opportunity to visit their respective senators and assembly members after an educational session

was held on how to lobby three very important bills that were introduced this session and could have profound impact on the construction industry. Talking points were provided for:

AB 1347 Timely payment to Contractors for extra and Changed Work:

SUPPORT REASONS:

1. Payments to subcontractors for

2. Prevents shifting to contractors surprise unpaid extra work to design water management plans.

3. Prevents a shift in liability onto contractors for design errors.

4. Subcontractors do not ordinarily carry errors and omissions insurance; this bill would keep them from having to pay high insurance premiums that potentially increase project costs.

AB 846 Changes the timing of court action on Mechanics Liens: OPPOSE REASONS:

1. No demonstrable need to change this complicated law.

2. Any owner may alleviate a delay in service of a lien action by simply filing an answer to the complaint.

3. Project owners can remove liens by recording lien release bonds.

4. Courts already have "case management" procedures to weed out stale claims.



URCA Board Honors Dave Chapman



L to R- Ernie Glasgow, Dave Chapman, and Ron Johnston.

At its meeting held on March 17th, the URCA Board honored Mr. Dave Chapman of Chapman Coast Roof for his longstanding service as a member of the Board of Directors. Mr. Chapman was presented with a Recognition of Outstanding Service plaque as well as a new golf club in appreciation for his service to the Association.

changed or extra work are frequently late, deferred, or denied.

2. Public entities claim they cannot timely meet to approve payments.

3. Public entities claim to have no written record of changes that they requested.

4. Expedites claim communications and payments to subcontractors.

5. Requires timely payment for undisputed work performed.

6. Lays out a process for claim resolution...nonbonding mediation.

7. Unpaid claims accrue interest.

AB 1315 Responsibility for Water Pollution and Runoff designs for their Projects:

SUPPORT REASONS:

1. Reaffirms the duty of public entities to provide complete designs for their projects.

CAL-OSHA Continued

According to the DIR Roofing Compliance Working Group, more than half of the roofing contractors inspected during the period 2012-2014 were cited

evaluating roofing contractors' written Heat Illness Prevention programs. The CAL-OSHA Standards Board recently approved major revisions to Heat

Illness Prevention regulations. It is strongly advised that URCA member companies make the updating of their written prevention programs a paramount priority.



Roofers are subject to triple digit temperatures.

for "serious violations by CAL-OSHA. This clearly underscores the argument that roofing is a "target rich environment."

Also, it should be noted that under the new initiative, roofing contractors can expect CAL-OSHA inspectors to be even more demanding in requesting and then



ELECTED

BOARD OF DIRECTORS & OFFICERS
OFFICERS OF THE BOARD OF DIRECTORS FOR
2013-2015 TERM

- ERNIE GLASGOW* (LETNER ROOFING)**
- DAVE CHAPMAN (CHAPMAN COAST ROOFING)**
- DAVE STEFKO (EBERHARD)**
- SEAN TABA (BEST CONTRACTING SERVICES)**
- MARK TROYER** (TROYER CONTRACTING)**
- GREG BANKS (SAN MARINO ROOF Co.)**
- BILL PETERS (VANCE & ASSOCIATES)**

***CHAIRMAN, **SECRETARY-TREASURER**

The mission of the Union Roofing Contractors Association is to promote quality construction utilizing highly trained and skilled employees. The URCA is dedicated to the highest standards of professional integrity.

Union Roofing Contractors Association
2914 E. Katella Ave., Suite 202
Orange, CA 92867
(714) 628-3916 Fax (714) 628-3927
Website: URCA.org