

# URCA Viewpoint

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NEWS AND VIEWS FOR THE UNION ROOFER

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## Another Fine Evening With RCI



URCA was proud to help support the Roofing Consultants Institute Southern California Chapter's Annual Meeting and Toys for Tots Holiday Party.

## Marriott Courtyard and Residence Inn L.A. LIVE Recipient of 2015 Q Award

The Alliance for Quality Construction (AQC) has presented the 2015 Q Award to 901 Olympic Boulevard, L.C. for its newly built Marriott Courtyard & Residence Inn Los Angeles L.A. LIVE. The presentation event was held on June 16, 2015 at the Los Angeles Marriott site. Accepting the award was Gregory Steinhauer, president of American Life, Inc., and managing general partner of 901 Olympic Boulevard, L.C.

The sellout event featured speakers and attendees from government and the construction industry, including Kevin James President of L.A. Board of Public Works, Matt Szabo L.A. Board of Public Works Commissioner, Jan Perry General

Manager of Economic and Workforce Development Department, Ron Miller Executive Secretary of Los Angeles/Orange



The Annual Q Award is given to an outstanding union built project completed in the previous year. URCA member contractors and their craftspeople have provided their expertise to most of the annual recipients.

Counties Building and Construction Trades Council, Jesse Leon Director of External Affairs for Los Angeles (L.A.) City Councilman Jose Huizar, Dr. Ron Johnston Executive Vice President of URCA, and Gregory Steinhauer.

*Continued, page 3*



Marriott Courtyard & Residence Inn Los Angeles at L.A. LIVE.



**Ronald D. Johnston, Ph.D.**  
Executive Vice President



Greg Steinhauer-Recipient of 2015 Q Award with Ron Johnston.



RCI Members Moira Howmann and Szymon Zienkiewicz during the Toys for Tots Holiday Party.

Approximately 2,700 bills were introduced by the legislature in calendar year 2015 for the 2015-2016 legislative session. In the end, approximately one-third or 941 of these bills reached the Governor's desk for his signature or veto. 808 were signed by the Governor and 133 were vetoed. The following is a list of bills that were closely monitored by our Association and will have an impact on the subcontractor community.

**AB 566 (O'Donnell):** This bill would mandate all school districts of over 2,500 students to require any person, firm or corporation that constructs a public school building, whether utilizing the Private Public Partnership (PPP) or competitive bidding process, to comply with specified prequalification requirements, including a standardized prequalification questionnaire and financial statement, regardless of the funding source for a public project. This law sunsets on December 31, 2018 and is repealed unless extended. By January 2019, at least 60 percent of the skilled journeymen on the job, whether for the prime contractor or subcontractors at every tier, must be graduates of an approved apprenticeship program. This part has no expiration. This bill was signed by the Governor and chaptered into law by the Secretary of State on August 17, 2015.

**AB 852 (Burke):** This bill expands the definition of "public works" for prevailing wage purposes to also include any construction, alteration demolition, installation or repair work done under a private contract on a project for a "general acute care hospital", when the project is paid for, in whole or in part, with the proceeds of conduit revenue bonds issued on or after January 1, 2016. General acute care hospitals with a maximum of 76 beds would be exempt. This bill was signed by the Governor and chaptered into law by the Secretary of State on October 10, 2015.

**AB 1347 (Chiu):** This bill would establish a claim resolution process applicable to all claims by prime contractors and subcontractors in connection with public works. The bill would define a claim as a separate demand by the contractor for one or more of the following: a time extension for relief of damages or penalties for delay, payment of money or dam-

ages arising from work done pursuant to the contract for a public works project, or payment of an amount disputed by the public entity. Citing no procedural improvement to the existing prompt payment laws regarding public projects, the Governor vetoed the bill on October 11, 2015. However, he did order state departments to work with industry partners in order to create a prompt payment process. Early in the process, URCA strongly supported this bill because it would have expedited the "change order" process and expedited payment for work done outside the scope of the contract. However, the sponsors and author of the bill agreed to amend it five times before it was presented to the floors of both legislative houses. In essence, the amendments "watered down" the bill to make it completely ineffective. Indeed, the final version would have increased the number of steps and possibly timely payment, potentially costing subcontractors more and, most importantly, impair subcontractors' rights to pursue litigation due to the time frames included within.

**SB 560 (Monning):** This bill requires the CSLB to submit contractors' personal information to the Employment Development Department. It authorizes the CSLB's enforcement division to enforce the obligation to secure a valid and current workers' compensation policy. The enforcement division is entitled to free access to work sites and may issue "tickets-notices" to appear in court for failing to have proof of workers' compensation insurance on site. Additionally, this law makes it a misdemeanor crime to falsely certify exemption from workers' compensation requirements or to employ a worker without having workers' compensation insurance in place.

In collaboration with the American Subcontractors Association of California (ASAC), URCA priorities for the 2016 legislative session include the following:

- Introduce a "clean up" language bill to SB 474 (Evans), which became law on January 1, 2013. This bill eradicated Type 1 provisions in public works projects. This was a major victory for the subcontractor community. However, there is unintended ambiguous language within the law that could potentially weaken its intent.

*Continued, page 4*

## Q Award Continued

The presentation ceremonies began this 13th annual event with an exciting five-minute video reviewing the past Q Award recipients. Many of the past recipients are some of Southern California's most iconic structures including Our Lady of the Angeles Cathedral, the Walt Disney Concert Hall, Nokia Theatre at L.A. LIVE, the Getty Villa, and more.

project is an important part of our city's tourism and convention industries. It's a property we have needed for many, many years and quality construction is an absolute must for our city and our residents."

Leading the construction of the 23-story hotel with its 393 spacious guest rooms and suites was SODO Builders (Seattle, WA), GBD

ed to be LEED Certified Silver. The combined double branded hotel includes 10,800 square feet of meeting space, a theatre/library in the lobby, a 24-hour business center, a 24-hour state-of-the-art gym, third floor pool deck, a bar/café, and a hotel store. Advanced technology of the building includes a distributed antenna system (DAS) for enhanced cellular reception, Samsung smart TVs in every room, fully integrated wireless connectivity with Samsung TVs and smart devices, and a state-of-the-art wireless Internet system.

Equity for the project was provided through the Regional Center Management Los Angeles, a USCIS-designated EB-5 regional center managed by American Life. According to CEO Henry Liebman, the forward-thinking EB-5 financing program provides green cards for foreign nationals who invest a minimum of \$500,000 for job-creating projects in Targeted Employment Areas, and was financed by 333 immigrant investors from 14 different countries. The project also received a small loan from Washington Capital Management, Seattle, WA.

URCA Executive Vice President Ron Johnston was in attendance at this year's Q Award presentation. "Our member contractors have been hired to provide roofing and waterproofing services to most of the annual Q Award recipient structures. This is a testament to the quality and professionalism of URCA member contractors and their craftspeople, said Dr. Johnston.

Upon receiving the Q Award, Mr. Steinhauer said, "These projects cannot be built well or in a timely manner without the skills, professionalism and dedication that your [union] members bring. The Building

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*The 2015 Q Award was a sold out event and attended by construction and government officials. URCA was represented by Ron Johnston-Exec VP, along with Jesse Coronado and Jesus Ramirez of Letner Roofing Co.*

Ron Miller provided insight into the Marriott's decision to build its structure with union crafts workers. Speaking to the many attendees representing the various building trades, Miller said, "When this project broke in 2012, the Great Recession had stalled many of our projects. Times were tough. They're looking up now, but we can't rest on our laurels. We have to keep moving ahead and build new projects in LA. and with the unions and the contractors in this room, you guys are the bunch to make it happen."

LA Board of Public Works President Kevin James said, "This

Architects (Portland, OR).

URCA member contractor Letner Roofing Company provided both the subterranean waterproofing as well as the expert roofing. As with all iconic structures, engineering, design and application is like a symphony of many professionals working in concert with each other. The result is another Q Award worthy project.

A special aspect of the Marriott Courtyard and Residence Inn Los Angeles L.A. LIVE is its footprint of 35,000 square feet whereas the structure was completed at 371,000 square feet. The building is expect-



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**Q Award Continued**

Trades unions in L.A. have been terrific to work with, and we look forward to our next project with you.”

AQC Chair, Pam Ackrich said, “We are incredibly proud of not only the Marriott Courtyard and Residence Inn Los Angeles L.A. LIVE, but all of the selected past recipients. While touring any one of these properties, one can visually experience the quality craftsmanship provided by our union contractors and their craftspeople.”

After the presentation ceremonies, all of the attendees enjoyed a wonderful catered lunch provided by the Marriott Courtyard and Residence Inn Los Angeles L.A. LIVE. For more information on the annual Q Award, please visit the AQC website at [www.allianceqc.org](http://www.allianceqc.org).

**Exec VP Message Continued**

• Pursuant to the Governor’s veto message regarding AB 1347, URCA will work closely with state departments and other interested industry partners to create a “prompt payment” process.

• Keep a “watchful eye” on AB 846 (Gallagher), which was vehemently opposed by URCA and ASAC and was ultimately pulled by the author. Nevertheless, in as much as it is a two year bill, it could be reintroduced during the 2016 session. 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 six months, as opposed to the current timeframe of two years, after commencement of the action.



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**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.**

