



Los Angeles Painting & Finishing Contractors Association

August/September 2012

1106 Colorado Blvd., Los Angeles, California 90041 Phone: (323)258-8136 Fax: (323)258-2279 Website: www.lapfca.org

LAP&FCA Membership Meeting On September 11 At Beckham Grill Everything You Want To Know About The Impending Merger

Looking ahead to Negotiating a New Agreement - What do you think?

LAP&FCA's Don Vulich of Endurance Painting, will bring you up to date on the impending merger of apprenticeship trust funds (paint, drywall, glazing, flooring) under one roof and in a yet to be determined expanded apprenticeship school.

Is this a good move? Hear both the positives and negatives of the planned merger and judge for yourself.

Don recently visited the DC#16 Northern California Training Trust Fund School in San Leandro to see firsthand the school which has been touted a success for bringing the aforementioned four trades together.

Don, as lead negotiator for LAP&FCA will also field questions/suggestions and any input from members on what they would like to see in a new Agreement which would make you

more competitive in this struggling economy.

Negotiating a new Agreement will begin after the first of the year (current Agreement expires at the end of June 2013.)

As always, your membership meeting will be held at the convenient Beckham Grill in Pasadena from 11:30 a.m. to 1:00 p.m.



Harold Gidish (H&E Equipment Svc's), Allie Corey (Colors In View), Yolanda Jones (Glidden Professional), Roger Rivas, and Gene Steen (BehrPro Paints) presented their latest products at July 10 Membership Meeting.

INDEX

Presidents Corner	2
Calendar	3
Legislative News	4-5
2013 PDCA Awards	7
INFOLINE	7
New LAP&FCA Member	8





President's Corner

When you are a member of LAP&FCA, you really are not only a member of a progressive association that offers a plethora of benefits to its members but a member of an association that considers you family for life which is clearly demonstrated by those past members who can still be seen at various chapter events.

David Jaffe is one such member who attended the Day At The Races in April at Santa Anita Park and will be at the annual Dodger Event on August 4. David was owner and vice-president of Williams Painting & Wallcovering for a number of years while being a member of the Los Angeles PDCA Chapter until his retirement. We believe you will find the following article on the life of David and Bena Jaffe of interest so we hope you enjoy it.

Since 2007, David and Bena Jaffe have been dedicated enthusiastic students in the Active Older Adult Physical Fitness Program through LAUSD Van Nuys Education and Career Center. World travelers who greatly value cultural diversity, they've collected ethnic art from various countries including

Africa, Mexico, Central and South America. This high energy couple for 62 years have exemplified the passion for adventure and courage to live life to it's fullest.

David rose to the rank of Colonel in the U.S. Army during World War II. As part of a team, between 1941-43 he helped construct and maintain airports in Latin America and later the airfields in England. He and other engineers, selected for a special mission, rebuilt the bombed out French seaport of Le Havre as a port of entry for troops and cargo. After the war he worked at the U.S. Pentagon. As a civilian, in 1953 he became Vice President of his own company (Williams Painting & Wallcovering) focusing on the restoration of such landmarks such as the Huntington-Library Museum, Wilshire Blvd. Temple, LAX Airport Restaurant Tower, and Herald- Examiner Building.

His wife Bena was born in New York and raised in Boyle Heights East Los Angeles. Bena studied at UCLA and graduated from UC Berkeley. In the 1940's she worked five years on Wall Street for an international corporation as a Multilingual Translator and Assistant to the CEO.



David Jaffe (center) with friends at LAP&FCA Day At The Races

Around 1950 she began substitute teaching and later became an LAUSD Tenured Teacher. She was passionate about her students and work as a linguist, translator, teacher and chair of various linguistic programs. The culmination of Bena's life work was her writing and publishing of a series of four books in French, Spanish, German, and mixed languages titled, "Fun With Foreign Words". Bena recently passed away at the age of 92.

If you are attending the LAP&FCA Dodger Event on August 4, be sure to say "Hi" to David, truly a LA Chapter Member for Life!

CALENDAR

WHEN

WHAT

WHERE

September 11 11:30 a.m.	Chapter Membership Meeting	Beckham Grill Pasadena
September 11 10:45 a.m.	Associates Meeting	Beckham Grill
September 11 1:30 p.m.	Board of Directors Meeting	Chapter Office
October 28-31	Finishing Industry Forum	Caesar's Palace Las Vegas
December 8	LAP&FCA Holiday Event Election of 2013-2014 Board	Pasadena Hilton
January 20-23	PDCC 109th Convention	Santa Barbara Fess Parker's DoubleTree Resort
March 3-6	PDCA Expo	St. Louis Hyatt Regency
May 1-3	Quality Construction Alliance Legislative Conference	Washington DC Renaissance Hotel
May 29-June 1	FCA 2013 Annual Leadership Council	Philadelphia, PA



LEGISLATIVE NEWS



STATE

Pre-Qualification Bill for School Construction Passes Assembly

AB1565 (Fuentes D-Arleta) which would require pre-qualification of contractors on school construction projects, passed the Assembly on May 30 (53 Yes 22 No), on a party line vote with Democrats in support and Republicans opposed. The bill co-sponsored by the State Building Trades, the California Chapter of the National Electrical Contractors Association and the California Legislative Conference of the Plumbing, Heating and Piping Industry, moved to Senate Appropriations Committee with its next hearing scheduled for August 6.

The bill is intended to ensure that limited school construction dollars are spent by hiring reputable contractors delivering quality, on-time and on-budget work. The need for the bill arose when increasingly unqualified and unscrupulous contractors won bids with low-ball offers, and then proved unable to meet project standards and quality, while committing prevailing wage violations. Pre-qualifying contractors increases on-time and on-budget project delivery and mitigates many other risks and allows bids to be won by the lowest-bidding qualified contractor.

AB1565 would:

- Facilities Program (state bonds) to pre-qualify all contractors on modernization and new

Politics, it seems to me, for years, or all too long, has been concerned with right or left instead of right or wrong.

*Richard Armour,
American poet and author*

construction projects.

- Establish a pre-qualification questionnaire and a rating system that, at a minimum, are substantially similar to standard forms developed by the Department of Industrial Relations (DIR) pursuant to current law adding uniformity across the state.
- Provides school districts with the option of developing a district questionnaire rating system meeting the requirements in (2) or using the DIR standard questionnaire and rating system.
- Applies to projects above \$1 million

Source: Building Trades Bulletin May 30, 2012 and Official California Legislative Information Web page, July 22, 2012.

Long Beach Harbor Commission Approves PLAs on Two Projects

On July 3, the Port of Long Beach Harbor Commission approved project labor agreements covering the Gerald Desmond Bridge Replacement Project and the North Middle Harbor Development Project. The votes to approve PLAs reached with the Los Angeles-Orange Counties Building and Construction Trades Council were both 5-0.

California High Court Upholds Charter City Exemption to

Prevailing Wage Requirements

Vista, CA, a charter city, is not required to pay prevailing wages on its public construction projects, the California Supreme Court held July 2 (State Bldg. & Construction Trades Council of CA v. Vista CA.)

In a 5-2 decision the state supreme court held that "the wage levels of contract workers constructing locally funded public works are a municipal affair (that is exempt from state regulation), and that these wage levels are not a statewide concern (that is subject to state legislative control)." The court said "no statewide concern has been presented justifying the state's regulation of the wages that charter cities require their contractors to pay to workers hired to construct locally funded public works."

Vista Became Charter City in 2007

The city of Vista, located in northern San Diego County, passed a city charter voter initiative in 2007. Shortly thereafter, it drafted an ordinance exempting it from paying state prevailing wages on city funded projects. The State Building and Construction Trades Council of California unsuccessfully challenged the ordinance in state superior court, arguing that prevailing wages on municipal projects are a statewide issue because of their impact on regional pay rates. The construction trades council appealed the case to the California Court of Appeal, but found its arguments rejected at that level as well.

The state supreme court granted its petition for review in 2010.

Source: Bloomberg BNA Construction Labor Report, July 14, 2012

FEDERAL

FCA Legislative Update

In the Congress

As Congress returned after the Independence Day recess, items on the legislative agenda included another House vote on repealing the healthcare reform law and small business tax legislation. The Senate voted on a motion to proceed to the Small Business and Tax Relief Act (S 2237), which would provide tax credits to small firms. The measure would create a 10 percent income tax credit for employers who grow their payroll in 2012, either through new jobs or wage increases. The credit would be capped at \$500,000 per employer. The measure would also extend 100 percent bonus depreciation on qualified capital expenditures through 2012 for all employers in an effort to encourage investment. A Republican alternative (HR 9) would give a 20 percent deduction to every small business with fewer than 500 employees but would limit the value of the deduction to 50 percent of W-2 wages.

House Votes to Fully Repeal Healthcare Reform Law

On July 11 the House voted 244-185 to fully repeal the healthcare reform law. No Republicans opposed the bill and six Democrats crossed the aisle to vote in favor of the repeal. This was the 31st vote on legislation that would repeal or defund parts of the Affordable Care Act. The Senate, with Democrats holding the majority, is also expected to vote along party lines and will ignore the House vote as it has on previous related votes.

BNAs Midyear Economic Outlook Indicates U.S. Economy Will Continue Expanding

Bloomberg BNA's midyear Economic Outlook indicated that the U.S. economy will continue to expand over the next

year, despite risks from the European sovereign debt crisis and the "fiscal cliff" confronting the federal government.

Senator Makes 5000th Consecutive Vote

Senator Susan Collins (R-Maine) has gone to great lengths to preserve her unbroken voting streak in Washington and has never missed a vote since taking office in January 1997, a record that evokes comparisons to the "iron man" of the Baltimore Orioles baseball fame, Cal Ripken Jr., who holds the world record by playing in 2,632 consecutive games during his outstanding career.

Further Legislative News More States Requiring Businesses to Use Federal E-Verify System

The U.S. Supreme Court's June 2012 decision affirming the federal government's role in regulating immigration may be encouraging states to require employers to use the federal E-Verify system - and to levy more penalties against employers that do not follow such requirements. Pennsylvania Gov. Tom Corbett (R) signed SB637 into law on July 5, requiring all subcontractors and contractors working on state and local public construction projects to use the federal E-Verify system to verify

employment eligibility and requiring them to certify compliance with state immigration regulations to public agencies.

In Congress, Rep. Rob Woodall (R-GA) introduced legislation in the House (HR 6112) July 12 that would require federal contractors and employers who receive any federal benefits, such as grants and loans, to use E-Verify to screen both new hires and existing employees for work authorization. "With more than 12 million Americans looking for work, it is critical to ensure efficient government spending and protect hard-earned taxpayer dollars," Woodall said. "But looking for the lowest bid or most efficient contract can never include hiring non-legal workers at the expense of American labor," he said.

"Woodall said he is not a fan of federal mandates, but if you choose to receive federal dollars, then you must also choose to play by the rules," he said.

Source: Bloomberg BNA Construction Labor Report, 7-19-2012



LAP&FCA Vice President David McLean (Summit Painting) and Board Member Bruce Morrow (Morrow Painting) enjoying July 10 Membership Meeting at Beckham Grill.

AFL-CIO to Launch National Campaign Focused on "American Second Bill of Rights"

by Susan R. Hobbs - article appeared in Bloomberg BNA 7-19-2012

On July 12 the AFL-CIO outlined its strategy for the 2012 political campaign with a focus on its "American Second Bill of Rights" and a greater on-the-ground effort to educate the electorate on issues of importance for workers, union leaders announced.

In advance of the Democratic and Republican parties' national conventions, organized labor will launch its campaign at a "workers Stand for America" rally August 11 in Philadelphia, where 30,000 people are expected to attend.

"We are building a structure to get the president (Obama) re-elected. We unequivocally support him and his re-election efforts. We will be supporting our friends, whether they are running at the Senate, House, or the state level. We will be doing everything we can to get out the vote, to educate our members, to mobilize them and get them to the polls. We will be using the vast majority of our resources for just that purpose," Trumka (Richard Trumka president AFL-CIO) said.

At the public event in Philadelphia, chosen as the site where the original Bill of Rights was drafted, unions will begin to ask for support for a "Second Bill of Rights" that embodies many of

the concepts discussed by President Franklin Roosevelt in his final inaugural address as a workers' bill of rights. The broad based statement has five planks, including the right to full employment and a living wage, the right to full participation in the electoral process, the right to a voice at work, the right to a quality education, and the right to a secure, healthy future.

AFL-CIO also will make a push to get the "Second Bill of Rights" incorporated into the platforms of both the Democratic Party and the Republican Party.

Although the labor movement has expressed displeasure that the Democratic National Convention is being held in Charlotte, which has no unionized hotels and is in a right-to-work state, Trumka said the location is not the reason organized labor is shifting its focus this year. Trumka said labor will have a bigger on-the-ground election campaign effort than in the past. AFL-CIO has a goal of 400,000 volunteers on the ground throughout the election for the various races. "You will see an effort on the ground that is bigger and broader than in the past," he said. Union efforts also will go deeper into state house and senate races - but those efforts are not a replacement of the effort at the presidential level, which will receive top priority, Trumka said.

Although the labor movement plans a considerably less high-profile presence at the Democratic National Convention September 3-6 in Charlotte, N.C., than at other recent Democratic national

conventions, unions are no less committed to dedicating resources to the re-election of President Obama, Richard Trumka, president of the AFL-CIO said.

SBA Issues Final Rule to Streamline Surety Bond Guarantee Program

Small construction contractors will have improved access to bonds beginning August 15 under the U.S. Small Business Administration's Surety Bond Guarantee Program, thanks to a new, streamlined application process. The SBA issued a final rule on July 16 to implement its "Quick Bond Guarantee Application and Agreement." the rule simplifies the SBG program paperwork for construction contracts of \$250,000 or less, combining two existing forms., the SBA Form 994 (Application for Surety Bond Guarantee Assistance) and the SBA Form 990 (Surety Bond Agreement), and eliminating an obsolete reference to SBA Form 994C. In addition, SBA will not require the principal to complete and submit two other forms for these small contract amounts. SBA Form 994F (Schedule of Work in Process) and SBA Form 413 (personal Financial Statement).

Source: asatoday, 7-20-2012

Editorial Committee

Executive Director: Greg Quinn

Chapter President: Steve Edgar

Published by J.Q. Printing

LAP FCA Chapter News is printed bi-monthly by the Los Angeles Painting and Finishing Contractors Association Inc., 1106 Colorado Blvd. Los Angeles, CA 90041 (323)258-8136

While this newsletter is designed to provide accurate information and authoritative information on the subjects covered, the Association is not engaged in rendering legal, accounting or other professional or technical services. Accordingly, the Association cannot warrant the accuracy of the information contained in the newsletter and disclaims any and all liability, which may result from publication of, or reliance on the information provided herein. If legal advice or other expert assistance or advice is required, the services of a competent professional person should be sought.

2013 PDCA Awards

It is never too soon to prepare for the 2013 Annual Awards to be presented during the PDCA Expo in St. Louis March 3-6, 2013. Now is the perfect time to begin documenting award winning projects to be an eligible recipient of 2013 Picture It Painted Professionally (PIPP) award.

Follow the criteria below and get started today. All entries will be judged on the following four (4) criteria:

- Depiction of project through submitted digital photographs (a minimum of 10, maximum of 20, before and after photos)
- Narrative which corresponds to the numbered pictures (including commentary from the customer that the project met or exceeded expectations as well as includes specific reference to applicable PDCA Standards and Craftsmanship Operating Procedures)
- Complexity of the project depicted through the narrative and digital photographs
- Overall aesthetic appeal and craftsmanship through the narrative and digital photographs.

For additional information contact Libby Loomis at lloomis@pdca.org or 800-332-7322 x 222.

A Wake-Up Call About Online Fraud

Advances in online technology have revolutionized how we do business. Multimillion-dollar deals can be transacted with trading partners in seconds with just a laptop and the click of a mouse-boosting speed, efficiency, and profits for organizations. But businesses aren't the only ones leveraging technology to boost profits. Criminals are using technology to commit fraud.

Treasury managers need to beware, "Whenever you access the Internet through a computer or mobile device, you run the risk of exposing your organization's systems to scams or unauthorized downloads," says Bob Justus, senior vice president and chief information security officer at Union Bank. "You may not realize your systems have been compromised until money is missing from your account or intellectual property has been stolen.

Criminal Methods

"Online fraudsters have become extremely adept at stealing confidential information - like passwords, personal IDs, and token codes - and using them for engineering and malware."

Continued on Page 8

INFOLINE

Behr Paint Corp. Joins LAP&FCA New Associate Member

[Behr Paint Corp.](#)

Contact: Gene Steen
4401 W. Kling St. - Apt. 31
Burbank, CA 91505
Phone: 818-220-1546

Elite Painting Wins E Mail Survey Raffle

All of those LAP&FCA contractor members who responded to a recent survey requesting they provide their email address to help the chapter provide better service to them, were entered into a raffle for 4 tickets to the August 4 LAP&FCA Dodger Event. The winner, at a drawing held July 10, was Elite Painting & W/C. from Bakersfield, CA. Congratulations to Dave Wilkerson and Elite Painting!

A.E. Robert Friedman PDCA Scholarship

Applications are currently being accepted for the A.E. Robert Friedman PDCA Scholarship. A.E. Robert Friedman served as legal counsel for PDCA for many years and was a strong supporter of education. At the time of his passing, a request was made by his family to establish an on-going scholarship program in his honor. An A.E. Robert Friedman Scholarship is open to any high school senior or college age student seeking to further their education. Applications must have an active PDCA member sponsor them through a nomination letter submitted to PDCA Headquarters. For more information, please visit www.pdca.org/governance/scholarships or call PDCA 800-332-7322.

William A. Randall Passes

William "Bill" Randall, father-in-law of Tim McAnany (LAC PDCA Past President 1991-1992 - Randall-McAnany Painting) recently passed away in Marina Del Rey at the age of 87. Services were held in Culver City on June 28. Internment at Holy Cross Cemetery/Mausoleum.



Jessenia Flores of ATPA won tickets to a Dodger game (donated by Kevin Mayer of Sherwin-Williams) at July 10 Membership Meeting.

Continued from Page 7

Social engineering manipulates people into making transactions or divulging confidential information by impersonating a trustworthy source in an e-mail (phishing), a highly targeted e-mail (spear phishing), or a text message (smishing). The fake e-mails or texts are sent to specific recipients from spoofed addresses that look completely legitimate.

Justus cites this example: "one organization suffered a significant loss when a criminal broke into the e-mail network of one of its vendors in China. The fraudster impersonated the vendor, skillfully imitating the tone and language of previous e-mails, and instructed the organization to send future wires to a new account at a different bank. Because the request appeared to be coming from a trusted source they had done business with for years, the organization complied and unwittingly wired a large sum directly into the fraudster's account."

The Malware Threat

Malware is malicious software installed on a computer without the owner's knowledge. It is programmed to record keystrokes, re-direct the browser, or display fake Web sites to impersonate a business in online banking transactions. Computers can easily become infected with malware through documents attached to e-mails links contained in e-mails; infected search engine results;



Richard Bratincevic of Morgan Stanley Smith Barney, won official Dodger T-shirt at July 10 Membership Meeting at Beckham Grill.

and links, videos, and documents posted on legitimate networking sites like Face book or LinkedIn. A growing trend is for criminals to combine social engineering and malware to gather the credentials they need to perpetrate online banking fraud.

A Growing Problem

Financial institutions like Union Bank have increased their efforts to create more awareness around the potential dangers of online fraud--as well as the solutions available. Adds Richard Swartz, senior vice president and unit manager, Product Management: "Many customers are unaware of how serious the problem is, and how they can protect themselves with security applications like Prevx Safe Online. In today's fast moving-moving cyber world, it's imperative that organizations take action to protect their systems now--before a costly loss of assets or intellectual property occurs." Here are six security guiding principles you can't afford not to implement:

- (1) *Keep malware and antivirus programs up-to-date.* Make sure your organization's firewalls, servers, and systems are regularly updated with anti-virus, malware detection, and anti-spam software.
- (2) *Be careful what you open or download.* Ignore phony e-mails or text messages asking you to update your information, activate an account, or verify your identity.
- (3) *Never open e-mails or download files from unknown sources.*
- (4) *Make dual controls mandatory.* Require a second approval to make online commercial payment transactions or changes to the administration of online entitlements.
- (5) *Use a dedicated computer for online banking.* For all of your monetary transactions, dedicate one computer that's not enabled for e-mail or Web browsing.
- (6) *Restrict Web Sites.* Visit only secure, trusted https Web addresses and block access to

Web sites that aren't necessary for your business.

(7) *Monitor accounts and set up alerts.* Check accounts daily for suspicious activity and set up text or e-mail notifications for every electronic debit made from your accounts.

Source: Smart News Labor-Management Second Quarter 2012 Published by Union Bank

New LAP&FCA Associate Member

Founded in 1947, Behr Process Corporation is a trusted name in quality and durability among homeowners and professional tradesmen. As a leading manufacturer of paints, decorative finishes, primers, stains and surface preparation products - including the newly released BEHR PREMIUM PLUS, Self-Priming, Zero VOC Interior Paint and BEHR PREMIUM PLUS ULTRA Interior Stain-Blocking Paint & Primer in One - Behr is committed to setting the highest industry standards and delivering superior products that utilize the latest technological advancements for optimum performance.

The company's professional products and services program, *BehrPro*, serves today's professional painters and contractors with top performing paints and service tools designed to increase business efficiency and reduce costs. The program offers a suite of tools and support offerings including factory tinting, color services, and volume pricing to help professionals better manage residential and commercial projects.

In 2012, *BehrPro* launched its second nationwide mobile tour, which stops at 500 Home Depot stores to allow local painters and contractors to learn about new products and services, engage with local Behr Reps, and to showcase the company's cost-effective and time-efficient solutions for professional painters and contractors. Find out when the BehrPro Experience Tour will be stopping at a Home Depot store near you by visiting www.behrproexperience.com

For more details about BehrPro, contact Gene Steen at 818-220-1546