



**Los Angeles Painting & Finishing Contractors Association**

June/July 2013

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

## LAP&FCA MEMBERSHIP MEETING

TUESDAY JULY 9, 2013

11:30 A.M. to 1:00 P.M.

### New Commercial Market Recovery Agreement

#### Grant Mitchell

Business Manager DC 36 since 1996, will speak on how you can use this Agreement to become more competitive when bidding.

Grant will field questions along with Management Negotiator, Don Vulich.

#### Beckham Grill

77 W/ Walnut Street in Pasadena, CA 91103

Associates Meeting 10:50 A.M. to 11:30 A.M.

Social: 11:30 A.M. to 12 Noon

Lunch at 12 Noon followed by Program



LAP&FCA at State Capitol on April 24!

Left to right: Greg Quinn, J.R. Grzeskowiak, Nancy Grzeskowiak, Chief of Staff for State Senator Carol Liu, Suzanne Reed. Don Vulich, Jon Claypool, and Tom Unsell also attended the California Subcontractors Legislative Conference.

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# President's Corner

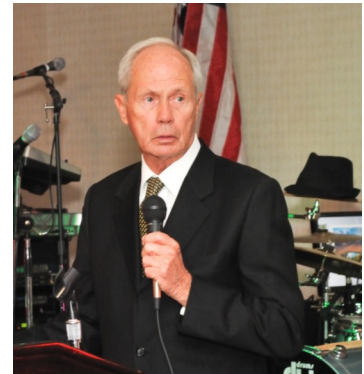
Your chapter, LAP&FCA, has been involved in a number of different areas since my last article and I'd like to tell you about some of them. We all know that legislative issues/bills can have a tremendous impact on your business in either a positive or negative way. That's why your chapter has always been involved in this area by being an active participant at the state and national level. On April 24, chapter members like yourself, took time out of their busy schedules and took part in the California Subcontractors Legislative Conference in Sacramento. You have to remember that not all painting contractor associations get involved, as LAP&FCA was the only Southern California association to do so. Don Vulich, Tom Unsell, Jon Claypool, J.R. and Nancy Grzeskowiak, along with Chapter Executive Director Greg Quinn went to our State Capitol and put in a non-stop day ending in the afternoon by letting their legislators know where we stand on particular bills. You can read about them in the Legislative Section of this newsletter.

One week after this conference the Quality Construction National Issues Conference was held in Washington DC May 1-3 and Don Vulich and Greg Quinn made the long trek to our nation's capitol to represent you and other professional painting contractors. Yes, LAP&FCA was the only Southern California painting contractor association represented.

The end of May saw many of your board members pack their bags once again and represent you at the FCA

International Leadership Conference in Philadelphia. This is a great way to meet fellow contractors throughout America and Canada while spending a few days gaining knowledge that might just improve the way we do business. The FCA Conference ended at noon on Saturday June 1st and we could have made the trip home on this day but all of us from LAP&FCA (Rob Stewart, Terry Osburn, Don Vulich, Tom Unsell, Jon Claypool and Greg Quinn) thought it best to stay over and show our support and respect for the IUPAT retiring General President, Jimmy Williams, by attending his going away celebration. By now, I don't have to tell you that LAP&FCA was the only Southern California painting contractor association represented.

We congratulate and wish the new IUPAT General President, Ken Rigmaiden, the very best as he assumes this important position during troubling times for unions nationally and for the union contractors he represents. A little information about Ken Rigmaiden. After graduating from California State University in San Jose in 1977, he immediately enrolled in the floor covering apprenticeship training program of Local Union 12. In 1986, he was elected business representative for Local Union 12 and focused his career on labor relations. In 1993 as business manager for LU 12, he participated in the first region-wide collective bargaining agreement for Northern California. Later as a general representative, his duties included labor management relations, contract administration, grievance and arbitration, organizing, education and training in 18 western states. In 2002, he was elevated to the position of executive vice president of the IUPAT. In March 2013 he was



Rob Stewart

unanimously elected by the IUPAT General Executive Board to succeed Jimmy Williams as General President. He and his wife Kenya have been married over thirty years and have two adult children.

Locally, we are pleased that we have been meeting and have formed a strong bond with fellow union painting contractor associations in Southern California (Orange County FCA/PDCA, San Diego, Ventura, Sta. Barbara, SLO) forming an Alliance of four with LAP&FCA. On the other hand, we are displeased and amazed that the sole remaining union painting contractor association in Southern California (FCASC) chose to bargain alone and not to join the alliance. I know, your obvious question is Why? It doesn't make sense to me, your board, or to alliance members as we are here to represent management as a whole, not to represent the interests of a few.

# CALENDAR

## WHEN

## WHAT

## WHERE

July 9 11:30 a.m.	LAP&FCA Member Meeting	Beckham Grill Pasadena
July 9 10:45 a.m.	Associates Meeting	Beckham Grill
July 9 1:30 p.m.	Board of Directors Meeting	Beckham Grill
July 15-16	PDCC Mid-Year Board Mtg.	Lake Tahoe MontBleu Resort&Casino
August 10	LAP&FCA Dodger Event	Dodger Stadium
September 10	LAP&FCA Member Meeting	Beckham Grill Pasadena
December 8-11	Finishing Industry Forum	Mirage Las Vegas
December 14	LAP&FCA Holiday Event	Pechanga Resort & Casino
April 23-26 2014	FCA International Leadership Council	Phoenix AZ
April 29-May 1	QCA National Issues Conference	Washington DC



# LEGISLATIVE NEWS



## STATE

### **Build For Success - California Subcontractors Legislative Conference April 24, 2013 in Sacramento**

LAP&FCA once again had a strong presence at the conference with Don Vulich (Endurance Painting), Jon Claypool (CL Industrial Coatings), Tom Unsell (National Coating & Lining) J.R. and Nancy Grzeskowiak (The Blakely Co.) and Chapter Executive Director Greg Quinn attending.

The day-long event kept everyone "on the go" with an early breakfast followed by an overview of bills to be addressed when attendees would later visit their respective legislators at the State Capitol in the afternoon.

In a follow-up letter to legislators from LAP&FCA Executive Director Greg Quinn, he emphasized the following three bills supported by the conference: [SB261 \(Monning D-17\) Contractors use of License - Support](#)

There are four key reasons why this bill must pass:

- (1) Protect Licensed Contractors
- (2) Stop illegal activity at the local level
- (3) Knock out the underground economy
- (4) Stop unlicensed activity

Currently, first-conviction penalties for contracting without a license include up to six months in jail and/or up to \$5,000 in fines; subsequent convictions bring harsher penalties. However,

Do not mind anything that anyone else tells you about anyone else,  
Judge everyone and everything for yourself

*Henry James, American Expatriate Writer*

during the time it takes for a prosecutor to build a case, a person can continue to engage in unlawful conduct for some time, and harm consumers and compete unfairly with licensed contractors. SB261 would address this problem by allowing CSLB to pursue more timely administrative remedies for such violations and more quickly stop illegal conduct.

[AB164 \(Wieckowski D-25\) Infrastructure Financing - Support](#)  
Provides assurance that Public-Private Partnership (PPP) construction projects will be completed and construction trades and labor will be paid. It would require the developer to provide performance and payment bonds for PPP projects like any other federal or California public works job.

[SB616 \(Wright D-35\) Sponsored by LAUSD - Oppose as it now reads](#)  
Removing the bonding requirement on projects \$25,000 to \$1,000,000 puts small and emerging subcontractors at risk if the General Contractor fails.

**Home Depot Agrees to Pay \$8 Million to Settle Air Quality Violations**  
Home Depot has agreed to pay \$8 million to settle a suit alleging that it

violated regional air quality standards for selling to Southern California consumers tens of thousands of gallons of non-compliant paint and other coatings that contained illegal levels of smog-forming volatile organic compounds.

In early April, Home Depot signed a settlement agreement with SCAQMD (South Coast Air Quality Management District), as well as the Los Angeles Attorney's Office and the district attorney's of Orange, Riverside and San Bernardino counties. Of the \$8 million, \$1.98 million will be paid to SCAQMD with the remaining \$6.02 million paid to Los Angeles and the three counties. The agreement settles the lawsuit filed in June 2011 against the nation's largest home improvement chain for violating SCAQMD Rule 1113 governing architectural coatings as well as violations of state law prohibiting unfair competition and false and misleading advertising.  
Source: SCAQMD Advisor, May 2013

### **Eric Garcetti Elected Mayor of Los Angeles**

Eric Garcetti won the race to be the 42nd mayor of Los Angeles and will succeed Antonio Villaraigosa, who was unable to run again because of term limits. Garcetti takes office July 1.

### [Five Things to know about the new Mayor](#)

(1) Garcetti is the first person of Jewish faith to be elected to the mayor's post. His mother is of Russian-Jewish descent and his father, former Los Angeles County district attorney

Gil Garcetti, is Mexican-American of Spanish and Italian descent. At 42, Garcetti is the youngest Los Angeles mayor in more than a century.

#### Obama supporter

He was an early backer of Barack Obama's presidential bid and campaigned for him in Iowa in 2008. The mayor's job is non-partisan, but Garcetti is a Democrat as was his predecessor.

#### Actor

Garcetti is a card-carrying member of SAG-AFTRA, the union that represents actors. He played himself on the soap opera All My Children, and a mayor on The Closer.

#### Rhodes Scholar

The mayor-elect studied at the London School of Economics and Oxford University.

#### Military Service

His eight-year commitment to the Navy as a reservist in the intelligence service runs through the end of this year.

Source: USA today, June 9, 2013

## FEDERAL

### **Quality Construction Alliance 2013 National Issues Conference**

This year's annual conference was held in Washington DC May 1-3 and LAP&FCAs Don Vulich of Endurance Painting and Chapter Executive Director Greg Quinn attended. The QCA is an alliance of leading national union contractor associations, including FCA International. FCAs Legislative Advocate Michael Oscar prepped FCA attendees on a number of bills and assisted them on any questions they had.

When Don, Greg and other FCA attendees visited their respective legislators in the Senate and House on Capitol Hill, they asked for support on these key issues:

#### Pension Reform (Multiemployer Pension)

Support the National Coordinating Committee for Multiemployer Plans' Retirement Security Review Commission

report, which would provide self-help remediation for severely distressed pension plans, strengthen and preserve current less-distressed plans, and encourage innovation in future plan design. This plan was crafted to assist with the 2014 sunset of the Pension Protection Act.

#### Misclassification of Employees as Independent Contractors

Support the tightening of laws to stop misclassification of employees as independent contractors and close loopholes for tax avoidance/payroll fraud. In the 112th Congress, S.770 - The Employee Misclassification Prevention Action was introduced.

#### LRRP Rule

On January 2, 2013, the EPA announced the public comment on the proposed expansion of the Lead Renovation, Repair, and Painting Rule (LRRP). We support this rule as one of many safety valves to prevent the harmful effects of lead paint, a highly toxic chemical, on our society. FCA Opposes the Lead Exposure Reduction Amendment Act of 2013 (S. 484).

#### Immigration Reform

Would consider legislation that would provide a secure and effective worker authorization mechanism, proper control of the border, reasonable solutions regarding the current undocumented population, and improvement of the temporary worker programs.

#### Bid Listing

The practice of bid shopping should be

curtailed at the federal government level by requiring prime contractors to list their subcontractors when submitting their bid proposals. In the 112th Congress, the Construction Quality Assurance Act of 2011 would require prime contract bidders on direct federal construction projects of \$1 million or more to list their bid subcontractors that would perform work of \$100,000 or more.

#### Project Labor Agreements

E.O. 13502 (the current Executive Order) simply permits agencies and contracting officers to use Project Labor Agreements when they deem it appropriate, without any mandate. FCA Opposes H.R. 436, the Government Neutrality in Contracting Act, legislation that would prevent the implementation of PLAs on federal government construction projects.

**Continued on Page 6**



Wm. B. Saleh Co. Wins Safety Award in Philadelphia at FCA Council Meeting. Pictured are Terry and Vicky Osburn

*Continued from Page 5—FEDERAL*

### Prevailing Wage

Support prevailing wage provisions in current law and in innovative financing options being enacted by Congress. Oppose the repeal of the Davis-Bacon Act.

Trade (Enforcement of DOCs Curtain Wall Scope Ruling) of interest to FCAs Glass management members was addressed by those members.

*Follow-up letters to the legislative offices visited on Capitol Hill by Don Vulich and Greg Quinn were sent upon return back in their home districts.*

The 2014 QCA National Issues Conference will be held April 29-May 1 in Washington.

### Other Federal News

On May 22 Congressman Ken Calvert (CA-42) joined a bipartisan majority of the House Appropriations Committee in approving the Fiscal Year 2014 Department of Homeland Security Appropriations bill. "As Congress continues to consider immigration reform policies, Americans have made it clear that securing our borders and mandatory employment verification are critical steps we must take," said Rep. Calvert. The FY14 Homeland Security Appropriations Bill approved by the Committee today provides the resources necessary to achieve these border protections and employment verification security goals. The bill fully funds E-Verify, a program originally created by Rep. Calvert in 1996 that allows companies check if their employees may legally work in the United States, at \$114.2 million. Rep. Calvert is one of several leaders that have sponsored the Legal Workforce Act (H.R. 1772)

which would make E-Verify mandatory for all employers in the U.S.

Source: Rep. Calvert Press Releases, 06-09-2013

### Smack Down on RRP Violators

The EPA announced 17 enforcement actions for RRP violations, and at least three of the actions were against painting contractors. "Using lead-safe work practices is good business and it's the law," said Cynthia Giles, assistant administrator for EPA's Office of Enforcement and Compliance Assurance - EPA is taking action to enforce lead rules to protect people from exposure to lead and to ensure a level playing field for contractors that follow the rules."

Fourteen of the actions were for contractors failing to obtain proper certification prior to performing or offering to perform renovations on a pre-1978 home.

**Continued on next page 7**



Strong show of support for FCA Leadership Council and Jimmy Williams retirement celebration in Philadelphia by LAP&FCA! Front Left: Cathy Vulich, Don Vulich, Tom Unsell, Kathleen Unsell, Vicky Osburn, Terry Osburn, May Stewart, Rob Stewart, Greg Quinn, Kim Quinn. Not pictured but in attendance, Jon Claypool.

### **Editorial Committee**

President: Robert Stewart

Executive Director: Greg Quinn

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Other allegations included failure to follow lead safe work practices.

Source: PaintNews, 05-16-2013

### **AFL-CIO President States American Labor Must Adapt**

On March 27, AFL-CIO President Richard Trumka pointed to continuing declines in union representation and recent assaults on collective bargaining rights and conceded that the American labor movement is failing miserably and must adapt to strategies to a new landscape. "To be blunt, our basic system of workplace representation is failing, failing miserably, to meet the needs of America's workers by every critical measure," said Trumka. In this challenging climate, Trumka stated the labor movement must reexamine its historic relationship with American workers and adapt its strategies to a very different legal, economic and political landscape. More specifically, Trumka stated that the labor movement must embrace new models of representation that exist outside of traditional unionism, and that "American workers must be able to join

the labor movement without enduring a trial-by-fire workplace organizing drive."

The traditional legal process under the National Labor Relations Act is clearly stacked against workers seeking to form a union. Regardless of the quality of a particular organizing drive, he said employers have effectively fought against union penetration. Labor needs to organize more strategically and focus on nontraditional forms of employment. Unions need to focus on where the jobs will be in the future.

Finally, Trumka said the labor movement needs to modify its internal structures to deploy collective resources more effectively and efficiently. He said better coordination between unions and between regions could have played a role in defeating the right-to-work law recently enacted in Michigan.

Source: FCA International Legislative Update 03-18-2013

# INFOLINE

## **LAP&FCA MEMBERS WIN TOP SAFETY AWARDS**

LAP&FCA member companies, Wm. B. Saleh Co. and CL Industrial Coatings brought home the two top Safety Awards for painting contractors presented in Philadelphia at the FCA International Annual Awards Banquet on May 30. Terry Osburn and Jon Claypool represented their respective companies. LAP&FCAs motto "Creating Value through Safety and Professionalism" are true indeed. Congratulations!

The FCA CREST Awards are designed to objectively evaluate contractors based on key leading and lagging measures of safety. These are metrics associated with safety efforts that cause excellent safety performance and the resulting data that matches the safety performance (i.e. low injury/illness rates). The CREST Awards honor contractors by giving international recognition to those companies that lead an effective safety program throughout the year.

### **Anaya Painting & Decorating Joins LAP&FCA**

We are pleased to announce our newest Contractor Member, Anaya Painting & Decorating, specializing in Commercial, Waterproofing, Residential (repaint and new), Wallcovering (commercial, hospitals, wall upholstery, residential).

Contact Victor Anaya at:

Anaya Painting & Decorating

16654 Soledad Canyon Rd.

Canyon Country, CA 91387

Phone: 818-653-0122

Fax: 661-299-6914



Safety Award Winner— CL Coatings. Spiros Poulos, President of CL Coatings and Jon Claypool LAP&FCA Board member were in Philadelphia to receive FCA Crest Award.

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### LAP&FCA Dodger Event

The much anticipated annual LAP&FCA Dodger Event has been scheduled for Saturday August 10 at Dodger Stadium, with the game beginning at 1:10 p.m. Prior to the game and during the first hour of the game (12:10 p.m. to 2:10 p.m.) there will be an all you can eat reception in Loge Terrace reserved for LAP&FCA attendees. Something new are the hours for the reception which we believe will be well received by our attendees. The Dodgers play Tampa Bay and August 10 is a special day in which attendees (up to 50,000) will receive a Dodger Bobblehead. Special price of \$40 includes reception and loge seat.

### LAP&FCA Holiday-Charity Event

It's never too early to mark your calendar for the "feel good" event of the year. Saturday evening December 14 is the date with the 4-star Pechanga Resort & Casino being the exciting location for the 22nd edition of the annual LAP&FCA Holiday-Charity Event. The beautiful Journey's End restaurant, lounge and patio overlooking the golf course will be all LAP&FCA's, for what promises to be another spectacular event.

## Union, Nonunion Benefit Costs Gap Rose by Nearly \$3 Per Hour

by Ben Penn  
Construction Labor Report,  
05-12-2013

The gap between union and nonunion workers' employer benefit costs widened in favor of union workers from 2001-2011, while the difference in wages held steady, the Department of Labor said in an article published in the April issue of Monthly Labor Review.

Employers paid an average of \$14.67 per hour in benefit costs per union worker in 2011, nearly twice the \$7.56 per hour they paid for nonunion workers' benefits. The gap between union and nonunion benefit costs increased by \$2.84 over the 10-year period, from \$4.27 per hour to \$7.11 per hour. By contrast, the union-nonunion wage gap edged down slightly from \$3.55 per hour in 2001 to \$3.51 per hour in 2011, when unionized workers earned \$23.02 per hour and nonunion workers earned \$19.51 per hour.

DOL's Bureau of Labor Statistics derived the data from its employ-

ment cost index and employer costs for employee compensation reports.

### Costs Higher for Union Workers in Most Jobs

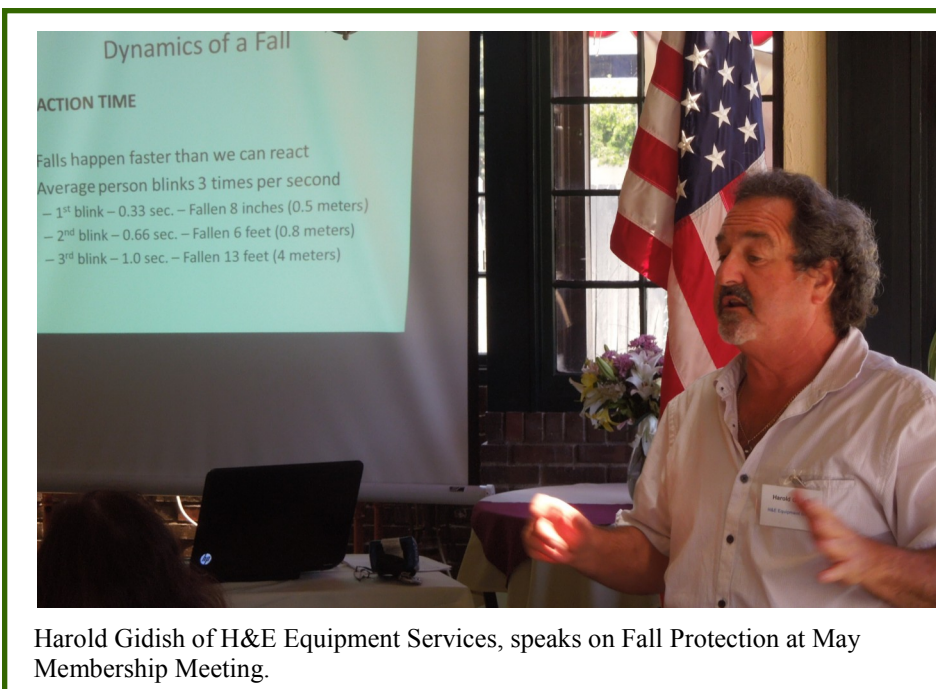
Employers paid higher wages for union workers in 2011 than for nonunion workers in four out of five major occupational groups, BLS said. Among private industry workers, the natural resources and construction sector had the largest union wage premium (\$10.98, or \$29.59 per hour versus \$18.71 per hour), while the only sector in which wages of nonunion workers were higher than those of union workers was in management, professional, and related occupations (\$2.75 or \$35.70 per hour versus \$32.95 per hour).

"The wage advantage for nonunion workers in this occupational group reflects the concentration of union workers in certain relatively low-paying occupations in business and financial operations, such as claims adjusters, accountants, and training specialists," George I. Long, BLS economist, wrote in the article.

Among state and local government workers, union workers outpaced nonunion workers in employer costs in every occupation, with the largest gap occurring in management, professional, and related occupations (\$8.80 per hour).

### Union Workers Have Greater Access to Most Benefits

BLS also found the share of union workers who have access to employer-provided benefits is higher than that of nonunion workers for most types of benefits. Private industry union workers in 2011 were more likely than nonunion workers to receive medical coverage (92 percent versus 67 percent), retirement benefits (90 percent versus 61 percent), life insurance (83 percent versus 55 percent), paid holidays (89 percent versus 76 percent), paid sick leave (71 percent versus 62 percent), paid vacations (90 percent versus 76 percent), and paid personal leave (49 percent versus 37 percent).



Harold Gidish of H&E Equipment Services, speaks on Fall Protection at May Membership Meeting.