

## Marriott Courtyard and Residence Inn L.A. LIVE Accepts the 2015 Q Award

By John Tenorio, J. Arthur & Associates

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 elite 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 Counties Building and Construction Trades Council, Jesse Leon Director of External Affairs for Los Angeles (L.A.) City Councilman Jose Huizar, and Gregory Steinhauer.

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. Mr. Steinhauer was proud to know his structure is held in high esteem along



with previous Q Award recipients.

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

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### Don't Miss Our Next LAP&FCA Meeting!

Tuesday September 8, 2015 • 11:30am — 1:00pm



**Note:**  
New meeting location  
to be announced

Associates Meeting 10:50am — 11:30am

Social: 11:30am — 12 Noon

Lunch served 12 Noon followed by Program





Tom Unsell - Chapter President

Hectic is too mild of a word to describe the past few months. Operating a contracting business is constantly demanding, additional travel to Sacramento, Washington DC and Chicago leaves me with little time to hardly catch my breath. I'm not complaining, just stating facts, and now I'd like to share the activities our chapter is involved in.

In Sacramento, we spent an afternoon visiting state Senate and Assembly offices, along with other associations aligned with the American Subcontractors Association of California. See the legislative report in our March/April issue as well as Don's report in this edition for updates

**Yes, You Can Win an iPad**

Attend membership meetings and earn tickets to a year end drawing to win an APPLE I-PAD!!! Starting on January 13th, each time a contrac-



tor attends a General Membership meeting they will earn one attendance ticket for the drawing, and if you make it to all six meetings you will be

granted two (2) bonus tickets. Then at the 2015 Holiday party one lucky contractor will win the iPad.

on the issues we presented during our April visits. We also heard a panel discussion regarding Owner Controlled and Contractor Controlled Insurance Policies (OCIP/CCIP also known as a "wrap policy") and I wanted to pass along a few cautionary items for sub-contractors to consider. First, many of these policies contain excessively high deductibles, and in the event of a claim your out-of-pocket costs may be much higher. Secondly, wrap policies may expire prior to the 10-year new construction warrantee requirements, and this could lead to full cost of defect repair by a sub-contractor. Lastly, many times off site operations are omitted from coverage and contractors are left with complete exposure to that aspect of a project. Protect yourself, know what is covered and what is not covered, and remember, the devil is in the details.

Only a week later it was off to Washington DC, where my family and I were pleased to receive a personal welcome from congressman Darrell Issa as we visited his offices. While in the national Capitol, we continued to voice the concerns of signatory contractors regarding the burden of pension unfunded liability on business owners, and it is our hope that we can achieve some relief from this financial dark cloud. Other issues we presented to our elected officials include a long-term highway funding bill, misclassification of workers as independent contractors, proposed expansion of the OSHA Lead Renovation, Repair and Painting Rule, preservation of prevailing wage laws and preventing bidding shopping on federal construction projects.

Last but not least, it was off to Chicago as LAP&FCA was well represented at the Finishing Contractors Association Leadership Council. Along with Rob Stewart, Austin and Don Vulich we attended committee meetings covering commercial and industrial painting, apprenticeship training, safety advisory and business practice. I realize all this takes time but it is well worth it in the information gained and in improving our stature within the industry. One plenary session in particular was especially informative. The group was addressed by Anirban Basu of the Sage Policy Group, an economic and policy consulting firm based in Baltimore, Maryland. Mr. Basu, using humor and charisma, was able to make a dry and boring subject very informative. One main point he made is that although our economy is improving, the growth is mainly consumer based and therefore momentum is unstable, thus producing only 2% per year over the past 6 years. The predominant take-way from his presentation is, be prepared for moderate economic growth, yet continue to streamline business operations.

Finally, at our bi-monthly board of directors meeting in mid-May, the board of directors discussed ways to increase our presence as contractors in the painting industry. We will be meeting with John Tenorio of J. Arthur & Associates, our marketing advisor, to craft new methods of promoting our message of value and professionalism. Please feel free to contact the chapter office with any suggestions you may have on how we can proceed with this.

*Tom Unsell*

**LAP&FCA Chapter News**

Editorial Committee  
 President: Robert Stewart  
 Executive Director: Don Vulich  
 Edited by DS Publishing

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**Website: LAPFCA.org**

**LAPFCA is a proud member of:**



*Upper photos, left to right: Steven Stewart demonstrates job tracking software to the May meeting attendees.*

# 2015 Calendar

<b>July 4</b>	<b>Independence Day</b>	
<b>August 15</b>	<b>Dodger Day vs Cincinnati Reds</b>	<b>Dodger Stadium</b>
<b>September 8 10:50am</b>	<b>Associates Committee</b>	<b>TBD</b>
<b>September 8 11:30am</b>	<b>LAP&amp;FCA General Membership Meeting</b>	<b>TBD</b>
<b>September 10-11</b>	<b>FCA Affiliate Executives Mtg. Charleston, SC</b>	



*LAPFCA table during the 2015 Q Award event held at the new Marriott Courtyard & Residence Inn L.A. LIVE.*

*Jim Dunleavy providing dry-wall details at Q Award event.*

*Guests at the Q Award luncheon include (L to R) Kevin Bass, Wiley Zagajeski, Jim Dunleavy and Emad Aziz.*



Dickens' novel "A Tale of Two Cities" begins with the words, "It was the best of times, it was the worst of times..." That applies to the current situation for two American cities as well. In Sacramento and Washington DC we are also seeing the best and worst of times.

## SACRAMENTO

LAP&FCA, along with the American Subcontractors Association of California, has been supporting AB 1347, which was originally designed to speed up the process of official change order approval in hope of a more prompt billing procedure for sub-contractors. Alas, the bill has been amended various times as it moved through the committee process, and now that lobbying efforts by school districts, city governments and other awarding agencies has greatly watered it down, and in some instances reversed the intent of the proposed law. We are currently awaiting additional changes and amendments to see if it continues to be something we can support. Sadly, what began as a positive effort has been hijacked to become something else entirely.

Small businesses may gain some bid preferences if two bills pass and are signed by the governor. (AB 1125 & AB 1445) Both might see serious opposition from larger contractors and vendors, and they also might see some adjustments through the amendment process, but in the end smaller contractors may gain some competitive edge with their larger competitors.



There are also two proposed bills, SB 465 and SB 560, which are proposed by the California State License Board, designed to strengthen legitimate contractors and "crackdown" on those who operate below minimum standards. SB 465 would increase the CSLB bond limit to \$15K, and SB 560 would give greater enforcement authority to the CSLB regarding the requirement of valid Workers Compensation. Both of these bills would reduce the negative effect of the underground economy.

Another proposed bill, AB 552, could benefit contractors as it would limit liquidated damages to reasonable limits and therefore reduce risk and exposure to bidding contractors. Lastly, there are several pending bills aimed at strengthening and preserving prevailing wages in public works projects. Assembly Bills 852, 326, 898, 1007

& 1354 all address this issue and could aid contractors signed to master labor agreements gain market share. For more information on any of these issues, visit the web site [leginfo.ca.gov](http://leginfo.ca.gov).

## WASHINGTON DC

In late April Tom Unsell, Rob Stewart and Don Vulich participated in the annual Quality Construction Alliance (QCA). The main point of discussion with our elected Congresspersons and Senators continues to be multi-employer pension reform. Many of you may know that we earned a major, yet limited, victory last December regarding pension reform, but there is still much work to be done. We did gain several concessions to aid trustees in their efforts to stabilize investments and maximize future returns, all with the goal of maintaining participant benefits wherever possible. However, one main reform that was not addressed is the issue of unfunded liability and the burden this places on current and future employers. This dark cloud over multi-employer pension groups makes it increasingly hard to sell an existing business and limits the willingness of new employers to participate in a defined benefit pension group. Our own International Union of Painters and Allied Trades recognizes the wisdom in reducing the negative effects of unfunded liability throughout our industry. Now, convincing Congress may be a whole different matter. Stay tuned.

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Even as I write this legislative up-date, some unions have begun to push back on the Pension Reform Act of 2014. Senator Sanders

fiscal conservatives have been successful in delaying any long-term funding proposal from advancing in Congress. On one side,

a hotly debated and highly contentious issue, and only after reworking the Trade Adjustment Assistance Preference Program would enough Democrats vote for TPA, and the end results are yet to be played out. On one side, there is the potential for economic growth and opportunity for exporters and providers of good and services. Those in opposition, claim job losses and exporting of manufacturing will harm American workers. I don't claim to have the answer to those questions, but time will tell just who is on the correct side of this issue.

As I said earlier, it is the best of times and the worst of times...



*The LAPFCA at the Quality Construction Alliance, Washington D.C. Pictured left to right; Don Vulich, Mrs Unsell, Rob Stewart, May Stewart, Tom Unsell, Honorable Senator Barbara Boxer, Vince Unsell, Suzanne Schuman, and Ronald Mitchell-Bay Area SMACNA.*

(Independent, Vt.) and Congresswoman Kaptur (Democrat, Ohio) introduced the "Keep our Pension Promises Act" that would provide a government assistance program to ensure full defined benefit package to all multi-employer pension participants. This bill is strongly supported by the International Brotherhood of Teamsters and the International Association of Machinists and Aerospace Workers whose plans are rapidly approaching insolvency. The current climate in Washington against any type of bailout seems to indicate passage of the bill is highly unlikely, but it is an example of divided partisanship in the nation's capitol.

As second message delivered during our QCA visit to Washington was the need for Congress to authorize a long-term highway and infrastructure funding bill. As it stands now, they are providing temporary stopgap monies from the general fund, but these measures only provide funding for a few months at a time. However,

Senator Hatch (R, Utah) is leading the go slow approach, while House Democrat from Maryland, Steny Hoyer, has said lawmakers have delayed long enough and is pushing for long term funding. The fear is that we may be facing another major disaster such as the Minneapolis bridge collapse of 2007. A long term funding bill would address the issue and provide much needed job creation.

Recent times have also seen the White House and Congress agree on the passage of the Trade Promotion Authority (TPA) that gives the White House the ability to fast track a free trade agreement with Pacific Rim Nations. This was



*The LAPFCA at the Quality Construction Alliance, Washington D.C. Pictured left to right; Vince Unsell, Tom Unsell, Rob Stewart, and Don Vulich,*



*2015 Q Award Event Continued*

happen. So thank you.”

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



*Don Vullich is greeted by Greg Steinhauer, 2015 Q Award recipient.*

is an absolute must for our city and our residents.”

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 expected 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 with increased bandwidth in all areas of the hotel.

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.

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 Trades unions in L.A.

have been terrific to work with, and we look forward to our next project with you.” Mr. Steinhauer then provided a fascinating time-lapse video that showed the Marriott construction from bare ground through to its 20-story completion.

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. Touring any one of these properties, one can visually experience the quality craftsmanship provided by our union contractors and their craftspeople.”

The Los Angeles Painting and Finishing Contractors Association is an active and founding member of the Alliance for Quality Construction. LAPFCA members were in attendance at this annual event. Members

*Q Award Event Photos by: Katy Winn*



*Left to right; Rob Stewart-A.B. Stewart, Inc., Raz Bronstein-Shapiro-Ben Basat, Greg Steinhauer-901 Olympic Blvd., L.C., and Don Vullich-LAPFCA Executive Director.*

are encouraged to attend this annual event complete with construction trades and government leaders.

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.



*Left Photo; The 2015 Q Award; Right Photo; Pam Ackrich-AQC Chair, Jan Perry-L.A. Economic Workforce, Greg Steinhauer-901 Olympic Blvd. LC, Ron Miller-LA/OC Building & Construction Trades Council, and Kevin James-LA Board of Public Works.*

## OSHA RULE UPDATES

OSHA has been very active recently as they are working on a wide variety of rules and regulations, many that affect the construction industry. The far-reaching extent of these proposals prevents a complete presentation here; for greater depth visit the OSHA website on each rule. The following are brief recaps of some of the regulatory changes OSHA is considering:

### SILICA DUST

OSHA is moving toward a final rule to regulate silica, but has not yet named a target date to issue a final ruling. Instead, the agency only lists a June date for analyzing comments. This is considered to be a major legacy achievement that the current administration hopes to accomplish.

### ELECTRONIC RECORD-KEEPING RULE

This rule could end up being the one that has the longest lasting impact on employers. The final rule would require employers with

20 or more workers to electronically file their OSHA 300 and 301 forms as often as every quarter. The rule may be issued in September, although meeting that deadline could prove to be problematic due to the final draft not yet being submitted to the White House Office of Information and Regulatory Affairs (OIRA).

### CITING RECORD-KEEPING VIOLATIONS

Another record-keeping rule change would allow OSHA to cite employers for record-keeping violations up to five years, as opposed to the current six-month limit, and is now scheduled for a notice of proposed rulemaking in November.

### FALLING/WALKING

OSHA slowly continues to work on the proposed walking on working surfaces rule, aimed at preventing slips and falls. The initial notice of proposed rulemaking was issued in 1990, and the agency now is seeking to update and finalize this issue, yet nothing has been submitted to the OIRA for review.

## CONFINED SPACES IN CONSTRUCTION

Effective August 1, 2015 OSHA is adding a new subpart to provide protections to employees working in confined spaces in construction, replacing OSHA's single training requirement for confined space with a more comprehensive standard. The final rule is similar in content to the general industry confined space standard, but also incorporates several provisions to address specific construction hazards, such as: (1) provisions requiring coordinated activities when multiple employers share a common worksite, (2) requiring a competent person to evaluate workplaces, (3) continuous atmospheric monitoring, (4) electronic or observer monitoring upstream to alert such hazards as flash flooding, (5) adherence to specified entry conditions as listed on approved permits, new entry conditions will require secondary permit approval.

## Safety on Aerial Lifts

By Harold Gidish, H&E Equipment Services



Training is one sure way to reduce or eliminate accidents...do

you know what you are doing? There are important safety considerations when using a boom or scissors lift. Become familiar with the equipment you are using. Read and understand the operations manual and refer to the manual of responsibility. Both of these

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books **MUST** be on the lift at all times. Items to consider are:

*First:* Inspect the equipment before use. Do a walk around. Visually inspect the tires. Check the engine fluids, radiator, oil, battery, fuel and hydraulics. Look for damaged, cracked or missing items.

Look for leaks.

*Second:* Complete a full function test from the lower ground controls.

*Third:* Inspect the job site for hazards such as slopes, drop offs, high voltage lines, soft non-compacted surfaces and holes, etc.

*Fourth:* Use the machine the way it was intended to be used. Always complete a thorough equipment and job sight inspection before using an aerial work platform. Never use any questionable or damaged equipment.

Equipment that is damaged or not working properly, should be **TAGGED** and removed from service. After repairs have been performed re-inspection and function testing is required.

- Always use fall protection as required within the jurisdiction of the work site.
- Never stand on the guardrails or use ladders or devices to raise you higher.
- Never use lifts in winds that are over 20 miles per hour.
- Know how to use the emergency descent controls.
- Use the machine only for the work it was designed for.
- Never overload the equipment.
- Make sure the equipment is not too heavy for the surface it is placed on. Use on flat level surfaces.



## FROM OUR EXECUTIVE DIRECTOR

As we approach the middle of the summer the travel demands of my office have greatly eased and I'd like to recap the direction that the Finishing Contractors Association, International is heading. Our Leadership Council meetings held in Chicago were well attended, and the LAP&FCA was ever present as we registered five attendees for the conference. President Unsell mentioned the economic forecast that was presented and he attended several sessions designed for the industrial sector as the remaining others and myself focused on the commercial committee meetings.

The International Union of Painters and Allied Trades (IUPAT) supports contractors' efforts for journey person upgrades and Certified Applicator Specialist (CAS) training with

the hope of CAS requirements for prevailing wage projects. There also is an effort underway to standardize an apprenticeship entrance questionnaire to better screen applicants, as well as what is the best way to introduce our trade to future generations. Also, FCA continues to discuss with national PDCA the potential of co-branding PDCA standards. By consolidating the existing standards under both associations we believe the standards will gain stature among architects, builders and owners.

With a view of our local environment, I continue to hear from our labor partners that construction in Southern California will be increasing in the approaching months. Even though union paint hours are only slightly up for the first four months of 2015, I hope the prediction of increased activity proves true. With this in mind I was reading a recent edition of Downtown News (which is advertised as the voice of downtown Los Angeles), and their lead article is headlined "Behold the Boom". In an extensive article, Downtown News recaps 90 major projects in Los Angeles, either already underway or about to begin construction. The variety of projects range from mixed-use sites, residential structures, hotels and office space. We can hope that the light at the end of the tunnel is a really bright future.

As there are far too many projects to name them all in this newsletter, feel free to contact the chapter office for more information on the specifics of the article.



Top two photos: America the Beautiful; These two photos taken by Don Vulich are of the Yosemite wilderness; The Lincoln Memorial in Washington D.C. along with the Equestrian Park Rangers.



### CUTTING TO THE QUICK SAVE THESE DATES

August 15, 2015 - Dodger Day vs Cincinnati Reds

Sept 8, 2015 - General Meeting New location to be announced  
Associates Meeting 10:50am, General Meeting 11:30am