



Business Practices Advisory Committee
 June 19, 2009
 FCA Annual Council
 San Diego, CA
 Meeting Minutes

1. CALL TO ORDER

The meeting was called to order at 8:00 a.m.

2. INTRODUCTION OF ATTENDEES

<u>Committee Members</u>	
Randy Bender – Acting Chair - Allied Construction/Color, Inc.	
Carl Biggs – Harry L. Murphy, Inc.	
Fred Philipp – Coatings Unlimited	
Steve Edgar – KM Industrial, Inc.	
<u>Guest Attendees</u>	
Rita Spinella – Progressive Floor Covering	Jim Duty – Don Frank Flooring
Gene Shaffer – Academy Glass Co., Inc.	Charles Del Monte – Redwood Painting
Rick Polson – Quantum Glass	Steve Goldberg – Goldberg Glass Co., Inc.
Alan DeLange – CL Coatings, LLC	Gareth Reardon – DeGeorge Glass Co.
Dick Conly – AGMA	John Courtien – IUPAT-LMCI
David Behlman – Chesterfield Drywall	John Quinones – All Action Metal & Glass
Mark Borgmann – Leach Painting	Mike Burke – Johnson Contracting co.
Kelley Oates – Koja Construction, Inc.	Gary Lundvall – Quad City FCA
Richard Mauro – Tower Glass Co., Inc.	
Thomas Heinzelmann – Central Coast Counties/FCA	
Dave Johnson – Floortrends, Inc.	
<u>FCA Staff</u>	
Stuart Binstock, CEO	

3. OLD BUSINESS

- A. **Labor Productivity Study Survey.** The committee discussed FCA’s continued attempts to seek surveys from its members. Since the last meeting at FIF, FCA has on numerous occasions requested that members complete the survey. To date we have a total of 130 responses and we are working towards receiving 500 survey responses. The survey deadline has been extended to July 31, 2009.
- B. **ULLICO Casualty Company/Surety Bond Program.** To date, no bonds have been written for any FCA companies. The surety has received a couple of bond applications which were sent back for more information, but the applications were never returned. One participant asked about the bond rating of the casualty company and a couple participants expressed interest in receiving more information about the program.

- C. **FCA-CFMA Financial Survey.** The FCA has decided to forego the survey for 2009 and will work with the Construction Financial Management Association (CFMA) to develop and publish this benchmarking survey in 2010, by promoting it at the Finishing Industries Forum in the fall of 2009.
- D. **UPS Heavy Freight Discount.** 50 FCA contractors have signed up for this discount program. UPS' experience with other associations has shown that more aggressive marketing could increase this number significantly. We will be working with UPS to promote this program more vigorously in the future. One flooring contractor asked whether they haul carpet and staff will research and respond to that question.
- E. **Claims Management Seminars.** FCA offers a one day seminar that teaches contractors how to file claims through simple, cost-effective techniques. This course was offered twice in 2008 and FCA continues to offer this program to its affiliates.
- F. **LEED Training.** FCA offers a series of courses on LEED and Sustainability Training to its members at the local level. The committee had extensive discussion on this issue, which included an outline of its existing courses and talked about the need to educate suppliers about LEED requirements.

4. NEW BUSINESS

- A. **Contractor Killer Clauses.** Participants indicated that some of the key clauses they are concerned about include: pay when paid clauses; changes in scope of work; liquidated damages; and indemnification clauses. Acting Chair Randy Bender talked about his procedure for modifying contracts and participants discussed the process they use within their company to review contracts.
- B. **AIA Contracts vs. ConsensusDOCS.** Staff outlined the differences between the AIA and the ConsensusDOCS, noting that FCA is one of the sponsoring organizations of ConsensusDOCS. A question was raised as to why ConsensusDOCS requires that you purchase \$250.00 of documents even though you may need fewer documents.
- C. **Economic Downturn Impact.** There was a general consensus that the IUPAT has not been willing to discuss economic concessions around the country. Concern was raised that union contractors are even losing prevailing wage projects. However, in some areas, monitoring programs have been created that have helped stem the abuse on prevailing wage projects in that local area. Participants also discussed market recovery programs.
- D. **National Pension Fund Options.** General concern was expressed about how the increased contributions for the National Pension Fund that were recently announced will be sufficient if the workforce shrinks because of the lack of work in the unionized sector of the industry. There was some suggestion that the union sector should be looking at defined contribution rather than defined benefit programs for the future.
- E. **Contractor Business Productivity Needs.** Acting Chair Randy Bender discussed a local program in his area. In an attempt to lower employers Experienced Modification Rate (EMR), his local affiliate has developed a training program that includes mandatory safety training. Each employee is given a card that identifies all the training that the employee has taken. Therefore, each employer knows the exact training that the employee has received when new employees come on the job. The major benefit of this program has been the improved productivity of the contractors. One of the keys to its success has been the record keeping. The IUPAT has been equally supportive of the program at the local level.

5. ACTION ITEMS

- A. Staff was asked to look into developing information about Target Programs and to publish an article in an upcoming publication about this subject.

- B. Staff was asked to create an article in an upcoming publication about the local Quad Cities affiliates recordkeeping system for mandatory safety training.
- C. It was recommended that the local program in Quad Cities be tied into the national IUPAT's new IMS recording keeping system.

6. ADJOURNMENT

- A. The meeting was adjourned at 9:50 a.m.