

# Rooftop REPORTER

APRIL 2009



SDRCA Contact Information  
1113 Adella Ave., Ste. 100  
Coronado, CA 92118  
888-825-0621 Phone/Fax  
ed@sdrc.com

## Upcoming Events

**Wednesday, April 15th, Quarterly Dinner Meeting, Title 24 Residential Building Standards  
Flier Attached**

**Friday, May 1st, SDRCA Golf Classic, Twin Oaks Golf Course  
Flier Attached**

**June 14th-17th, Western Roofing Expo, Reno, Nevada**

## Our Advocate Sponsors

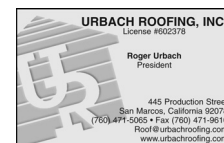
### Diamond



### Emerald



### Pearl



# San Diego Roofing Contractors Association

Wednesday, April 15th, 2009 , 5:30 PM Social Hour, 6:30 PM Dinner & Program

The Butcher Shop Steakhouse  
5255 Kearny Villa Road  
San Diego, CA 92123  
858-565-2272

## **Be Ready! Title 24 Residential Standards go into effect on August 1, 2009**

The 2008 rulemaking process has been completed.

The Energy Commission adopted the 2008 Standards on April 23, 2008, and the Building Standards Commission approved them for publication on September 11, 2008.

**The effective date for the 2008 Building Energy Efficiency Standards has been changed from July 1, 2009 to August 1, 2009.** The Energy Commission has agreed to a California Building Standards Commission request that all parts of the California Building Standards Code (Title 24), including our Building Energy Efficiency Standards, be effective on August 1, 2009 so that the entire code update will have the same effective date.

**These new Standards will be in effect as of August 1, 2009.** The requirement for when the 2008 Standards must be followed is dependent on when the application for the building permit is submitted. If the application is submitted on or after August 1, 2009, the 2008 Standards must be met.

The new standards affect residential buildings directly and is very complex. At this meeting we will outline the new standards and give insight as to what the contractor must be aware of. This meeting is a **MUST** for all contractors to gain a better understanding of what lies ahead.

The SDRCA will also feature a \$100.00 bill as a raffle prize. Must be present to win!

-----Keep upper portion -----Send lower portion-----

SDRCA Dinner Meeting Reservation  
Due by Thursday, April 9th, 2009

Company: \_\_\_\_\_

Please fill in your amount

Attendee: \_\_\_\_\_

\_\_\_\_\_ Attendees at \$50.00 member price = \$\_\_\_\_\_

Attendee: \_\_\_\_\_

\_\_\_\_\_ Attendees at \$75.00 non-member price = \$\_\_\_\_\_

Attendee: \_\_\_\_\_

Total Price = \$\_\_\_\_\_

Attendee: \_\_\_\_\_

Check Enclosed     Credit Card listed below     Send me an Invoice     Use Advocate dinner credits

Card Number: \_\_\_\_\_ Exp: \_\_\_\_\_

Name on Card: \_\_\_\_\_

SDRCA – 1113 Adella Ave., Ste. 100, Coronado, CA 92118

Phone/Fax: 888-825-0621

## President's Message

The Economic Stimulus package that President Obama signed into law recently has many benefits for our industry. These benefits will aid the residential contractor as well as the commercial contractor. They will aid the new construction contractor as well as the re-cover contractor, so we urge each of you to go to the website [www.recovery.gov](http://www.recovery.gov) to get full details of how this economic aid could benefit your business.

In this message I will try to summarize the main highlights for you. Some of these you can put into use right away by simply making your buyer aware of rebates and tax incentives that may help your customer make a buying decision, and help them make it sooner rather than later.

Besides providing billions of dollars to federal agencies for building and infrastructure investments, the bill (HR-1) also provides funds to state and local governments through appropriations, grants and tax provisions. The provisions which should be of interest to the roofing industry are many and varied, but I will try to highlight those which are the most basic and likely to have the quickest impact:

**Bonus Depreciation-** This allows business to depreciate capital purchases equal to 50% of the adjusted basis in the first year alone and the remainder over a 5 year period, as opposed to the previous statute which only allowed a 20 year depreciation. This should motivate buyers to spend and to spend this year to take advantage of the benefit.

**Small Business Expensing-** This will allow you as a small business person to purchase equipment for your business and write it all off in the same year (instead of depreciating it), up to \$ 250,000.00

**Net Operating Loss Carry Back-** This will allow a business to take this years operating loss and carry it back against earnings from a previous year, which should/may generate a refund.

**Removal of Limitations on Renewable Energy Tax Credits-** Under previous law, an individual could only get a tax credit of 30% with a maximum of \$2,000. Now it is a full 30% of the system cost ( applies mainly to solar installations)

**Tax Credits for Energy Efficiency Improvements to Existing Homes-** This expands the non-business tax credit for individuals from 10% to 30% for the purchase of qualified energy improvements identified as any building envelope component that meets or exceeds the energy conservation code, such as items that are designed to reduce heat loss or gain for a dwelling, exterior windows, including skylights and doors, insulation, asphalt and metal roof systems which have appropriately pigmented coatings or granules that specifically and primarily are designed to reduce a buildings heat gain.

There are also first time home buyers credits, construction bonds, build america bonds, infrastructure provisions, weatherization programs, VA, DoD, state funding projects, and possibly most important SBA financing provisions. There are many more and I again urge you to visit [www.recovery.gov](http://www.recovery.gov) to get all the info.

Recovery is around the corner, and if you know all the provisions that can help your business; then you too can be among the first to benefit.

David Susi

SDRCA President 2008-2009

# SAN DIEGO ROOFING CONTRACTORS' ASSOCIATION

1113 Adella Avenue, Ste. 100, Coronado, CA 92118

Phone/Fax 888-825-0621



## *43rd Annual SDRCA Golf Tournament*

Friday, May 1st, 2009

Twin Oaks Golf Course

11:30 AM Check-In & Barbecue Lunch

1:00 PM Shotgun Start - Scramble Format

6:00 PM Dinner & Awards

The 2009 event will include golf, carts, driving range balls, tee prizes, barbecue luncheon, dinner, awards, and optional raffle.

Company: \_\_\_\_\_ Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Please check the appropriate box or boxes

- |   |                 |
|---|-----------------|
| <input type="checkbox"/> My company wants to be a Tee Sponsor (foursome included in price)                | \$750.00        |
| <input type="checkbox"/> My company wants to be a Green Sponsor   | \$200.00        |
| <input type="checkbox"/> My company wants to be a Raffle Sponsor (please send prize or indicate donation) | \$ _____        |
| <input type="checkbox"/> I am an individual player  | \$125.00        |
| <input type="checkbox"/> I have a twosome   | \$250.00        |
| <input type="checkbox"/> I have three players   | \$375.00        |
| <input type="checkbox"/> I have a foursome  | \$500.00        |
| <input type="checkbox"/> I will have _____ additional dinner guests at \$40.00 each                       | \$ _____        |
| <b>Total Amount</b>   | <b>\$ _____</b> |

### Payment Information

Bill my credit card listed below     Check Enclosed     I need an invoice to pay this

Credit Card Number: \_\_\_\_\_ Exp: \_\_\_\_\_

Name on Card: \_\_\_\_\_



SDRCA Value Partners To Date

More to be added soon

**A-1 Raingutters, Mark Richardson (760) 743-1665**

15% off, exclusive to SDRCA members.

**Batten Accountancy, Jere Batten (619) 501-6359**

Full service CPA firm, provides tax, accounting, financial statements, consultation and fraud prevention/detection services.

Offering complimentary consultation for business owners and 20% off on tax return preparation for initial return. This offer is exclusive to SDRCA members.

**California Diesel Compliance (Todd Wells) (619) 987-0711**

Smoke testing of diesel trucks per new California law requirements, fleet assessments, and ARB rule consulting.

10% off all services offered by California Diesel Compliance. This offer is exclusive to SDRCA members.

**Gaslamp Insurance Services (Patricia Mosteller) (619) 238-4367**

All your insurance needs.

Offering a 20% economic credit and a complimentary insurance analysis. This offer is exclusive to SDRCA Members.

**WRS Companies, Abe Lopez (800) 690-2134**

Offering 20% off roof loading and freight and one month free subscription to rooferslist.com for tools. This offer is exclusive to SDRCA members.

**Southwest Roof Tearoff, Eddie Clare (619) 990-3657**

3% off your bill if paid within five days. This discount is only available to SDRCA members.

## WESTERN ROOFING EXPO 2009

### WSRCA 35th Annual Convention & Tradeshow “Goes Green”

**Reno, Nevada** – The Western States Roofing Contractors Association (WSRCA) will hold its 35th Annual Convention and Tradeshow in Reno, Nevada from June 14th – 17th, 2009 at the Peppermill Resort & Casino. The Western Roofing Expo highlights the best in what the roofing industry has to offer, and attracts attendees from various parts of the United States. The Association is expecting a great turnout to this upcoming and exciting Nevada hotspot, as attendance has skyrocketed over the past five years. With 300 booths on the tradeshow floor and over 160 exhibiting companies participating, the Western Roofing Expo 2009 promises to be the best regional roofing show in the country.

WSRCA President Chuck Chapman of Central Roofing Company in Glendale, Arizona states

“The Western Roofing Expo represents WSRCA’s commitment to promoting professionalism and excellence in the western roofing industry. Every year the show has more attendees than the previous year, and we know this is due to the outstanding work of the Board of Directors and WSRCA staff to make this show what it is today.” Over the years, the Western Roofing Expo has become known as the only roofing tradeshow that is presented by roofing contractors for the roofing industry.

The Western Roofing Expo will showcase the latest in roofing technology, roofing tools, green technology, machinery, materials and services available to the western roofing contractor. The Expo also includes outstanding technical programs that will address both commercial and residential aspects of the western roofing industry. Industry related seminars will touch base on a variety of roofing topics including environmental. This year, the RCI as well as the Tile Roofing Institute will hold continuing education units (CEU) seminars, taking place on both Sunday, June 14<sup>th</sup>, 2009 and Wednesday, June 17<sup>th</sup>, 2009 respectively. Visit WSRCA online at [www.wsrca.com](http://www.wsrca.com) for complete convention and seminar information or call the WSRCA office at (800)725-0333 to receive an advance registration brochure by mail, fax, or e-mail. Attendees can also **register online in advance** for the convention and tradeshow by visiting our secure website [www.wsrca.com](http://www.wsrca.com).

## Is the Recession Going to Kill Your Business?

Monroe Porter has contributed another great article and is attached on the next page.

## Is the Recession Going to Kill Your Business?

By Monroe Porter

I don't watch the news much but when I do, I want to look out the window to see if there are any breadlines or rioters in the street. We are going to hear a lot of negativity and bad news during the coming year. There is no question that the business climate is changing but what can you really do about the external factors impacting your business? Probably very little, so your emphasis needs to be internally not externally. You need to work on having a profitable business and make sound business decisions.

The reality is that winter is always a slow time for seasonal contractors. This winter just happens to be worse than most. Consumers are in a nasty buying mood and it is difficult to tell how deep or long business will be down. Backlogs are smaller and starving competitors take jobs below costs. Staring at four walls when the phone is not ringing and listening to the media can convince you the world is coming to an end. Such a climate can create anxiety and such anxiety can destroy your sales. Spring is finally here; be careful not to carry this negative attitude into your spring and summer sales presentations. You need to put your game face on and be at your best.

Early spring prices will be cheap. Be prepared for this and don't freak out. This may require you to make two trips, spend extra time on estimates, etc. Make sure the customer understands what you are selling. It is not the customer's responsibility to find out the difference between yours and a competing quote. Contractors who work for wages are always cheap and they will be extra cheap this spring. They are broke and need grocery money. As they get busy with under bid work, they will have to work day and night to complete it. Only then will they begin to go away. They will convert their idle time and no money to no time but still very little money.

Work hard to keep your head in the game. Slow down. Spring is a busy time. Your goal is to sell jobs, not merely run to the next estimate. Decide what constitutes a large job and plan to visit that customer more than once. If a second appointment is needed, set it prior to leaving. Be wary of being the first person there. Fewer calls may mean you get there right away and present a price much higher than they were planning on. Other contractors then show up and the consumer asks can you do it cheaper than this. Spring has a way of creating chaos and too many contractors are overwhelmed running from task to task. When you are knee deep in alligators, it hard to remember you came to drain the swamp. Slow down; sell the leads you have.

Be wary of cutting your prices just to get work. You must be competitive and people are looking for deals but blindly slashing prices will not work. Be strategic, not just cheap. Cheap contractors merely slash prices. Strategic contractors offer discounts on special items or up-sell as a way to entice customers but still leave enough money in the job to help pay overhead.

Be efficient. For most small businesses, owner compensation is the largest overhead costs. How you spend your time is very important. Make sure you do things that bring profit to the company. Generally, this means you sell more work or on the job project managing ways for the job to be more productive. If you have no estimates and cash is tight, it may be time to

pick up your tools. Keep a time card on yourself. Write an hourly value by the task you performed, however, such work effort has to bring value to the business. Now is not the time for owners to change the oil in company trucks in an effort to save money. If you want to make 100k a year, that is approximately 2,000 a week. For a 50 hour week, that is 40.00 an hour. You can't make 40.00 an hour by doing jobs that are worth 10.00 an hour. Leadership is about focusing and getting down what is important. Failure to do that is like aligning the deck chairs on the Titanic; it seems important at the time but in the big picture does not mean a thing.

Change is never easy. We run our networking groups to force change. We post each and every goal to our participant's website. Change requires commitment and persistence. Change requires optimism, not denial. There is a thin line between the two. Optimism is the feeling that everything will turn out ok. We all need to be optimistic about our business effort. Denial is refusing to recognize there is a problem and avoiding reality. While the behavior may look the same, the end result will be dramatically different.

Consumer spending is down but people will start to spend money. Spring flowers will bring better attitudes. You have to be ready for it. Each and every January millions of Americans go on a diet but few actually lose weight. We are a consumption oriented society. Things may not be what they were two years ago but they will improve. Don't talk yourself into failure. Make a plan and stick to it. Look internally to what you can do to fix your business. If you want a few minutes of free business advice or are interested in our networking groups, call me at 800-864-0284, I would be happy to talk with you.

## New General Liability Program for Members

The San Diego Roofing Contractors Association (SDRCA) and Coronado Insurance Wholesale Services are proud to present a new General Liability option for contractors who are members.

The construction industry is critical to any growing economy. The nation has experienced a decrease in the economic environment while at the same time the insurance industry has become more competitive. Insurance is now available and cost effective for many contractors in California. Competitive programs providing lower premiums, varied coverage limits, and financially stable carriers are the foundation for the current marketplace.

Through Coronado Insurance Wholesale Services, roofing contractors who are members of the SDRCA will have access to premium discounts, a loss control program and financially stable carrier.

At Coronado Insurance Wholesale Services, our fundamental goal is to provide a new, unique and stable market for contractors through profitable underwriting, superior claims service, and risk management programs through your local independent agents and brokers.

Risks Insured: Residential & Commercial Roofing Contractors

Program Features:

- Admitted, Rated Carrier
- \$1200 Minimum Premium
- Tracts, Apartments, Condos & Town homes, & Hot Work available CG 20 10 11/85 available - Commercial Work only

Coverage: Limits of Coverage: Up to \$1 million per Occurrence  
\$2 million General Aggregate

- Deductibles: as low as \$2,500 per claim
- Rating Basis: Gross Receipts
- Maximum Policy Term: 1 (one) Year

Inspections: A telephone inspection is made on all accounts

- Completed & Executed applications only

Download application at [www.SDRCA.com](http://www.SDRCA.com)

Completed Jobs: Jobs completed prior to policy date are not covered

## NRCA Special Report

The National Roofing Contractors Association has published a special report on "Card Check" Legislation introduced in the U.S. House and Senate.

This special report is attached on the next page.



# *Special* Report

March 2009

## **ACTION ALERT: “Card Check” Legislation Introduced in U.S. House and Senate. Contact Your Senators and Representatives.**

### **Current Situation**

On March 10, H.R. 1409/S. 560, the Employee Free Choice Act (EFCA), also known as “card check” legislation, was introduced in the 111th Congress. Although the bill is not expected to be voted on until later this year, NRCA urges all members to contact their members of Congress now to urge them to oppose this divisive legislation.

EFCA was introduced in the U.S. House of Representatives by House Education and Labor Committee Chairman George Miller (D-Calif.) with 222 co-sponsors, more than the 218 votes needed to pass the bill but less than the 233 co-sponsors the bill had in the previous Congress. In the Senate, EFCA was introduced by Sen. Edward Kennedy (D-Mass.) and 39 co-sponsors. Fifty senators’ votes are needed to pass the bill (along with the vote of the vice president), but Republicans are all but certain to filibuster the bill. Therefore, 60 votes will be needed to invoke cloture and secure passage. The real battle will likely come down to a handful of votes in the Senate.

President Obama has indicated he would sign the bill if it makes it to his desk.

EFCA contains a number of provisions NRCA finds especially offensive. First, the bill would effectively eliminate secret-ballot elections supervised by the National Labor Relations Board for union organizing by allowing a union to form when a majority of workers sign (or “check”) authorization cards indicating their support for a union, forcing workers to publicly declare their support or opposition to forming a union. To put it mildly, that process is an invitation to abuse.

The bill also would mandate binding arbitration of first union contracts if the employer and the union cannot come to agreement within the first 120 days of negotiations. This would result in government officials from the Department of Labor imposing the terms of a labor contract on management and labor. Neither party would be allowed to vote to accept the agreement, and neither would have any recourse. Among other things, this provision provides a real disincentive for meaningful negotiations and can—and will—simply be used as a threat when talks are stalled.

Finally, the bill would impose new and severe penalties on employers (but not unions) for violations of the National Labor Relations Act. Under one provision of the proposed penalty structure, employers would be vulnerable to an injunction reinstating a dismissed employee if that employee or the union seeking to represent him or her merely alleges the dismissal was because of union activity.

(over)

**NATIONAL ROOFING CONTRACTORS ASSOCIATION**

Although EFCA has enough support to pass the House of Representatives, it remains unclear whether EFCA has the 60 votes needed to pass the Senate. Recent reports indicate a number of senators are undecided, most notably Evan Bayh (D-Ind.), Michael Bennet (D-Colo.), Dianne Feinstein (D-Calif.), Mary Landrieu (D-La.), Blanche Lincoln (D-Ark.), Ben Nelson (D-Neb.), Mark Pryor (D-Ariz.), and Mark Warner (D-Va.). In addition, Sen. Arlen Specter (R-Pa.) announced on March 24 that he will vote against the bill. NRCA members are urged to call or e-mail Sen. Specter's office to thank him for his opposition to EFCA.

### **Action is Needed! Urge Congress to Oppose the Employee Free Choice Act**

Contact your senators and representatives and urge them to **oppose** EFCA because it strips workers of a fundamental right to a secret-ballot election and will result in government bureaucrats dictating the terms of collective bargaining agreements.

- Contact your senators and representatives by calling the U.S. Capitol Switchboard at (202) 225-3121 and asking for the senator's or representative's office.
- Contact your senators by e-mail. Visit [www.senate.gov](http://www.senate.gov), and click "Find Your Senators" in the upper-right corner.

For more information or help in contacting your elected officials, contact Duane Musser, NRCA's vice president of government relations, at (800) 338-5765 or [dmusser@nrca.net](mailto:dmusser@nrca.net).

## SDRCA March Luncheon

A thank you to Michael Drenan from Atkinson, Andelson, Loya, Ruud & Romowill for speaking to our association on Tuesday, March 24th, 2009.

The presentation was very informative and generated many questions from the audience. Mr. Drenan is an expert employer sided employment attorney.



Michael Drenan pictured left

## TRI Spring Forum 2009 April 22 & 23, Newport Beach, CA

TRI's Specialist Certification program is a one day course that is designed to provide a broader, more detailed knowledge of tile including tile markets, tile's design features and benefits, materials specifications, code regulations, estimating, ordering and improved management of roof tile jobs. The TRI Certified Specialist designation is targeted to contractor/owners, team leaders, estimators, inspectors, consultants, designers and any building professional interested in expanding into the tile market.

For more information, contact TRI

230 E Ohio St. Suite 400 | Chicago, IL 60611  
P 312.670.4177 | F 312.644.8557  
E [info@tileroofing.org](mailto:info@tileroofing.org)

## RCAC Legislative Summit Recap

By: Dave Stefko, RCAC President

This year's legislative summit was, based on past summits, a home run. Special thanks to Marc Connerly and Johnny Z. for all their time participating with the CILC board and helping (greatly) to make this year's summit so successful. I was told the attendance was right at 140; excellent numbers, and the largest group yet.

While legislatively it is a tough time to get our legislators thinking about anything but the budget crisis, life does continue. We, as members of the construction community, still carried our message to the Capital that we care, are concerned, and will remain in the game of protecting our businesses.

Tuesday's board meeting was productive as usual. We have many things on our plate, such as general liability legislation, the new 2008 energy code, California Air Resources Board regulations, and more. All of these issues are continually monitored and addressed. The board did vote to continue planning for the symposium in Northern California in late October. We hope to have a full and informative line up of speakers as well as holding the program in one of the finer places in California: Napa.

Tuesday night's dinner, arranged and hosted by the RCAC, was well attended. The event, held at Morton's Steakhouse in downtown Sacramento, featured our speaker for the evening, California Department of Insurance Commissioner Steve Poizner. Commissioner Poizner is articulate, knowledgeable and interesting, and I believe all who attended enjoyed the program. The Commissioner remained after speaking and answered numerous questions from our group.

We also had Senators Runner, Strickland, Duvall and Dutton. Assemblywoman Audra Strickland attended with husband Tony. Steve Sands and Mike Brown from the Contractors State License Board joined us as well as noted construction Attorney Sam Abdulaziz.

A big part of our planned evening was to recognize and present Assemblyman Bill Emmer-son with an original copy of Assembly Bill 881 mounted in a plaque. Somehow the confirmed invitation was confused by his staff with another dinner meeting for the same time. It just so happened that the Assemblyman was dining at Morton's and was able to join us for the presentation.

I would like to thank our board, our members, associates and affiliates for coming to and participating in this year's summit. Special thanks to Julie Cisneros and Ilene Connerly for pulling the whole deal together in their normal first class way.

Sincerely,

Dave Stefko, RCAC President

## Mayonnaise Jar & Two Beers

When things in your life seem almost too much to handle, when 24 hours in a day are not enough, remember the mayonnaise jar and the 2 Beers.

A professor stood before his philosophy class and had some items in front of him.

When the class began, he wordlessly picked up a very large and empty mayonnaise jar and proceeded to fill it with golf balls. He then asked the students if the jar was full.

They agreed that it was.

The professor then picked up a box of pebbles and poured them into the jar. He shook the jar lightly. The pebbles rolled into the open areas between the golf balls. He then asked the students again if the jar was full.

They agreed it was.

The professor next picked up a box of sand and poured it into the jar. Of course, the sand filled up everything else. He asked once more if the jar was full.

The students responded with a unanimous 'yes.'

The professor then produced two Beers from under the table and poured the entire contents into the jar effectively filling the empty space between the sand.

The students laughed.. Now, said the professor as the laughter subsided, I want you to recognize that this jar represents your life.

The golf balls are the important things---your family, your children, your health, your friends and your favorite passions---and if everything else was lost and only they remained, your life would still be full. The pebbles are the other things that matter like your job, your house and your car. The sand is everything else---the small stuff.

If you put the sand into the jar first, he continued, there is no room for the pebbles or the golf balls. The same goes for life. If you spend all your time and energy on the small stuff you will never have room for the things that are important to you.

Pay attention to the things that are critical to your happiness. Spend time with your loved ones and treat them well.

Spend time with your parents and call them and care for them. Visit with grandparents. Take time to get medical checkups. Take your spouse out to dinner. Play another 18. There will always be time to clean the house and fix the disposal.

Take care of the golf balls first---the things that really matter. Set your priorities. The rest is just sand.

One of the students raised her hand and inquired what the beer represented. The professor smiled and said, I'm glad you asked. The Beer just shows you that no matter how full your life may seem, there's always room for a couple of Beers with a friend.

### Board of Directors

**David Susi**, President  
RSI Roofing

**David Mann**, Vice President  
Patriot Roofing

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