

Rooftop REPORTER

FEBRUARY 2011



SDRCA Contact Information
 PO Box 127
 Imperial Beach, CA 91933-0127
 888-825-0621 Phone/Fax
 ed@sdrc.com

Upcoming Events

Thursday, February 24th	First Quarterly Dinner Meeting, CAL Green Building Standards Code
March	Green Roof Charitable Project, Date TBA
Saturday, April 9th	Marketing Seminar for Roofers
June 5-8	Western Roofing Expo, Reno, Nevada

Our Advocate Sponsors

Diamond



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**Stay in step or fall behind. Gain some insight as to where our industry is headed!
Understanding the California Green Building Standards Code (CALGreen)**

According to the State of California, the new mandatory measures set sensible minimum standards that all new structures can realize to minimize significantly the State's overall carbon output. Each local jurisdiction still retains the administrative authority to exceed the new CALGreen standards.

As of January 1, California will now require that new buildings reduce water consumption, employ building commissioning to increase building system efficiencies, divert construction waste from landfills, and install low pollutant emitting finish materials. CALGreen's mandatory measures establish a minimum for green construction practices, and incorporate environmentally responsible buildings into the everyday fabric of California cities without significantly driving up construction costs in a slow economy.

CALGreen has approximately 52 nonresidential mandatory measures and an additional 130 provisions that have been placed in the appendix for optional use.

All this of course arose back in 2004 by Executive Order S-20-04 that created the "Green Building Action Team" targeting State owned buildings. Then Executive Order S-03-05 established the "Climate Action Team" and called for an overall reduction in greenhouse gas emissions in California. As more government agencies became involved, it has now grown and encroached into the private sector of construction.



San Diego Roofing Contractors Association

Thursday, February 24th, 2011, 5:00 PM Social Hour, 6:00 PM Dinner & Program

Lomas Santa Fe CC, 1505 Lomas Santa Fe Drive, Solana Beach, Corner of Highland & Lomas Santa Fe Drive
Country Club Dress Code: NO DENIM PLEASE

SDRCA Dinner Meeting Reservation
Due by Monday, February 20th, 2011

Company: _____

Please fill in your amount

Attendee: _____

_____ Attendees at \$45.00 member price = \$_____

Attendee: _____

_____ Attendees at \$60.00 non-member price = \$_____

Attendee: _____

Total Price = \$_____

Attendee: _____

Check Enclosed Credit Card listed below Use Advocate dinner credits

Card Number: _____ Exp: _____

Name on Card: _____

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President's Message

I would like to thank Shawn Williams of RC Young Roofing, our new Vice President, for his submission of an article for this month's newsletter. The article follows.

Ulf Waldmann, SDRCA President

Generations

“We will always strive for perfection knowing full well that we will never achieve perfection, but in that search for it we will achieve greatness.” – Vince Lombardi

There is a huge gap for the roofing industry generations, and it is making me wonder. Who is going to be left standing as roofing contractors in the next 15 years? Is anyone going to take the torch from the senior contractors in the Southern California area?

I am seeing less and less of my generation wanting to enter this trade. Most that I have seen either move on to another trade or they give it a shot and end up failing. We do have a few that are making an honest living. I am in a generation that has watched their parents work extremely hard to give their children everything they could, but my generation seems to forget about the rungs in the ladder that our parents had to climb, the blood, sweat, and tears that they sacrificed to be where they are today.

This is extremely disconcerting for myself, that generation is starting to retire or is starting to at least see the light at the end of the tunnel. I see many of my peers trying to reap benefits before they are established and not trying to put the hard work and time to achieve their goals. Now this is not all of my peers but the percentage of success is very slim.

We live in a world that is extremely high tech with credit cards, smart phones, and digitizers for plans. These are all extremely helpful things if used correctly, but this is giving my generation an assumption that this business is a lot easier than it used to be. My generation is looking at the “Cash” and not the hard work that comes with it. I am trying to figure out where my generation fell asleep when we were learning life lessons from the previous generation.

I am definitely calling out my generation in this newsletter because it has to be done. We need to go back and relearn how to be successful. It is not the fast cash that works it is that consistent paycheck and consistent drive that will allow my generation to take the torch from the previous one.

Shawn Williams

R.C. Young Roofing Co. Inc.

White House Proposes New Green Buildings Program

By [Tom Ichniowski](#), *Engineering News Record*

The White House has launched a package of proposals--including a new tax credit and grant competition among states and cities--that aim to make commercial buildings 20% more energy efficient over 10 years.

The "Better Buildings Initiative," which President Obama announced on Feb. 3 during an appearance at Penn State University, is targeting commercial buildings, which the White House says account for about 20% of total U.S. energy consumption.

Obama said the plan could save businesses nearly \$40 billion over the next decade in lower energy costs.

The plan has several components, some of which will require congressional action. They include a proposed new tax credit for commercial-building energy upgrades, to replace the current tax deduction for such improvements.

According to a White House statement, the credit would be "more generous" than the deduction and "will encourage building owners and real estate investment trusts to retrofit their properties." The statement did not specify how large the credit would be. Andrew Goldberg, the American Institute of Architects' senior director for federal relations, says the current deduction is up to 60 cents per square foot for building upgrades in each of three areas: HVAC systems, shell and lighting.

Another element of the administration's plan would be a new federal grant competition among states and cities with funds going to localities that adopt building codes, regulations and standards that promote energy efficiency in commercial facilities. Obama said in his speech, "So, if you show us the best ideas to change your game on the ground, we'll show you the money. We will show you the money, states and local governments."

The program would be called "Race to Green," taking off on the Dept. of Education's existing "Race to the Top" for federal aid for schools. In addition, the White House says the Small Business Administration is encouraging banks to promote lending for energy-efficiency building upgrade projects. It says Obama's fiscal 2012 budget proposal, expected to be released in mid-February, will include a request for a Dept. of Energy pilot loan-guarantee program for energy improvements at hospitals, schools and commercial facilities.

Design and construction industry groups gave the plan strong marks. "This is really a win-win for everybody if you can provide some of these incentives to make buildings more efficient," says the AIA's Goldberg. The Real Estate Roundtable's president and CEO, Jeffrey D. DeBoer, called the program "an excellent blueprint to re-employ the construction workforce, modernize our built environment and help ensure our nation's energy security." Stephen E. Sandherr, CEO of the Associated General Contractors of America, said that "encouraging efficiency upgrades will do much more to safeguard our environment and reduce power consumption than any current 'cap and trade' proposal ever would."

SDRCA OFFERS MONTHLY PAYMENT FOR DUES

The SDRCA recognizes that during this economic struggle, some members may prefer to pay the annual dues on a monthly basis.

If you would like to take advantage of the monthly plan, simply contact the SDRCA office to make arrangements.

NRCA OSHA Update

Our friends at the Occupational Safety and Health Administration (OSHA) are at it again. On Dec. 22, 2010, the agency officially announced it was rescinding the “**interim enforcement rule**” that allowed for the use of slide guards on certain residential roofs with slopes up to 8:12.

By rescinding the rule, OSHA now requires contractors use either safety nets, guardrails or personal fall-arrest systems (harnesses and lanyards) on all roofs with slopes exceeding 4:12 when the height from one elevation to another is more than 6 feet.

Other fall-protection systems, such as slide guards, can be used if conventional fall-arrest systems are found to be infeasible or create a greater hazard; they can only be used, however, with a written, site-specific fall-protection plan. And fall-protection plans can only be used on residential structures, specifically homes and townhouses. They no longer will be allowed on nonresidential buildings.

This action was taken despite **survey** results we presented to senior OSHA officials that showed the **risk** of accident and injury increases when personal fall-arrest systems are used; the biggest problem is tripping. The action also was taken despite a meeting we held with OSHA in December 2010 when we were assured there would be an opportunity for more dialogue before action was taken. We are extremely disappointed by this action and are assessing all options available to us, including the possibility of filing suit against the agency.

The SDRCA is trying to obtain someone from OSHA to attend our February Dinner Meeting and answer any questions regarding this issue.

Superintendent Needed

ROOFING SUPERINTENDENT – FULL TIME, 5-years minimum experience, Single-Ply, SBS, BUR, Tile & Shingle, to direct/oversee 50 roofers for San Diego's largest commercial roofing contractor, JP Witherow Roofing Company.

OSHA 30-hour certificate required.

EM-385.01 knowledge/certificate a plus.

Federal and State government project experience.

Benefits include: Health/Dental/Life.

Send Resume ATTN: Charles Walters to TeamWitherow@gmail.com.

Sustained Rise in Construction Project Costs Now Underway

01/27/2011 by Jim Haughey, RCD Chief Economist

Construction project costs began to rise in 2010 with several years of progressively higher project cost inflation ahead. This is based on the most comprehensive measure of construction costs, the implicit price deflator for structures in the GDP accounts. Project cost inflation increased at a 1% annual pace in the 1st Q of 2010, 2% in the 2nd Q, 3% in the 3rd Q and likely 3% or more in the 4th Q.

Some more narrowly defined cost measures have also begun to rise, especially construction materials. Overall project costs rose and estimated 1.7% from the end of 2009 to the end of 2010 after a 7.7% plunge over the previous year. Project costs will not return to the peak 2008 Q4 level until sometime in 2012.

In the previous economic recovery, construction project cost inflation was soaring at nearly a 12% annual pace. In this recovery, inflation is about 3% at the same stage, six quarters into the recovery. Construction project cost inflation increased over 50% in four years after it began to rise in the last recovery. Inflation will be much less in this recovery. GDP growth will not be as strong. The construction spending recovery, which began last quarter, lagged an extra year behind the GDP recovery. And the depth of the recent recession is keeping general inflation slightly lower this time.

Nonetheless, construction project cost inflation is expected to accelerate into 2013. But it is not expected to hit the 18.5% peak level reached at the end of 2005. A little of the shortfall will be in the prices of domestically priced construction materials but most will be in labor costs and contractors margins.

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

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

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