

MBCEA News

Vol 10 November 2013

**Dear Sasha,**

As a diehard hockey fan, I am thrilled to announce our keynote speaker for next years conference - hockey legend Derek Sanderson! Stay tuned because in the coming months we will have even more exciting news to share about the Conference.



Check out the latest copy of Metal Construction News. Not only is this magazine a must read for members of the Metal Construction industry, but this months edition features Hall of Fame winner and past MBCEA President Mary Farrar. I hope you also enjoy an article I wrote about one of my [Apprentices](#).

I will be attending several Chapter Meetings in the coming weeks/months and look forward to meeting many of you face to face. I am always anxious to hear from you, so if you have something on your mind, please shoot me a line.

Sincerely,

Gary Smith
President, MBCEA
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PS URGENT!!! Have you trained all your jobsite personal on the new GHS (Globally Harmonized System)of classification??? This replaces all the old MSDS training!...The Train employee deadline is DECEMBER 1st-2013 TWO WEEKS AWAY!!! Read the attached documents, even though the suppliers have until June 1 2015 to reclassify their chemicals and labels the employees have to be trained on the new label elements and safety data sheet (SDS) format. You can find in house training cd's on the internet .
<https://www.osha.gov/dsg/hazcom/hazcom-faq.html#22>

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Conference 2014
May 1-3, Boston
Keynote speaker: Derek Sanderson



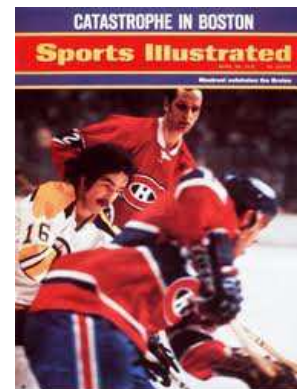
Alternatives to Payment Bonds

Most contractors are familiar with payment bonds and how they generally work. For years, payment bonds have been the preferred method for creating security in terms of payment for work performed. Statutory structures that require them for public jobs will no doubt ensure that payment bonds are used regularly for many more years. Bonding, however, is not always the most viable option to ensure payments are made and received by the proper parties on a construction project. In cases where bonds aren't available, alternatives can be considered.

The goal of bonding is to ensure that the contractor has sufficient assets to (1) pay its subcontractors and material suppliers and (2) finish its scope of work. To provide the sought after substitute, the same financial security must result. Any alternative must serve this same function if it is to replace a bond; but the methodology used to create the same "net effect" can often be much more creative.

In some instances, real or personal property can be posted as security for either performance of the work or payment of subcontractors. The primary hurdle here is often the existence of a security interest, usually in the form of a mortgage, in the real estate or personal property. The party seeking to have security in lieu of a bond loses a great deal if they are second in line behind a prior recorded mortgage or secured interest. The key to making this strategy work is to ensure that the party taking the security interest is first in line and that the proper steps for perfecting a security interest are followed.

Another commonly used option is the use of a letter of credit. This approach creates a third party guarantee by a bank because that bank usually takes a security interest to ensure it is repaid if the letter of credit is called. Letters of credit can have an added bonus though. Banks typically do their due diligence before issuing the letter of credit. This pre-screening process resembles the manner in which a bond is issued. Despite their benefits, letters of credit should be used carefully since they come in different forms and often need to be crafted to reflect the specific circumstances of the project.



[Derek Sanderson highlights on You Tube](#)

* Please note, earlier communications had a later date in May (Memorial Day weekend). At the request of several members we moved the conference away from the holiday weekend. May 1-3 is the correct date.

Half off the price of membership! If you have ever considered joining the MBCEA, now is the time to do it! We are offering a one time 50% discount to new members for 2014! [Join Today!](#)

Did you know that the MBCEA

- Offers inexpensive and sometimes free training seminars on a regular basis?
- Believes in the safety and education of all our members?
- Championed the MBI in having our trade recognized by the Federal Government?
- Helps you upgrade and certify your work force?
- Keeps you up to date with the ever changing developments in the metal building industry?
- Offers a mentoring program?
- Maintains an on-line membership directory?

Simple escrow agreements or variations on the standard retainage provisions can also be used as an alternative to bonding. This approach is often overlooked and/or not used because it is impractical. Under the right circumstances, however, a large sum of money could be escrowed to cover the costs associated with potential claims or larger than usual retainage could be agreed upon between the parties.

Finally, a number of alternative products have started appearing on the market. One of these, Subguard, uses an insurance based approach. Subcontractors are contractually obligated to participate in a Subguard program in place of a bond. The subcontractor must be pre-qualified and then is "covered" for defaults under its contract with the general contractor or project manager.

These are but a few of the options available to replace payment and performance bonds. The traditional approach of bonding should, and will, remain the answer on many projects. Companies should not be "boxed in" to the thinking that bonds are the only possible method to create financial security for a project though. Proper risk evaluation and careful planning can allow the use of some alternatives when bonds are not available or are impractical.

Josh Quinter
Kaplin | Stewart
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SouthEast Training Extravaganza

Join Wade Hobbs and Gary Smith in Orlando on January 24-25 for Qualified Rigger Level 1 and Qualified Signal Person



A qualified rigger is needed during assembly/disassembly of cranes, when employees are engaged in hooking, unhooking, or guiding the load, or in the initial connection of a load to a component or structure and are within the fall zone. A qualified rigger is defined as a qualified person who, by possession of a recognized

- Has available Employee Safety Handbooks and Tool Box Talks Sheets?
- Will help you bring the passion and excitement back into your business?

[Download the application and join today!](#)

Want to get involved? Click your region below and send an email with your name and contact information:

[New England](#)
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Need another reason to join? Read the article below pulled from the archives.

On the Merits of Trade Associations

Reprinted from September 14, 2003

Like a lot of builders, we started business with one pickup truck and an electric handsaw. Eventually this business was developed to the point that allowed me to retire (almost twenty years ago) with a very desirable life style. I don't consider myself "wealthy" by any means but having a home in Indiana and another in Florida (with the ability to "snow bird" with the seasons) far exceeded my dreams as a young contractor.

Coincidentally, the reason that I (in answer to Chris Long's letter) won't be at the "Old Timer's meeting in Chicago this

degree, certificate or professional standing, or who by extensive knowledge, training and experience, successfully demonstrated the ability to solve/resolve problems relating to rigging.

This course brings all of the rigging concerns into focus for a practical, field proven method of ensuring rigging safety. The duration of each program is 8 hours.

Agenda: Friday night from 6-8PM Meet and Greet, networking
Saturday - full day of training, certificates will be issued

News from New England

Woburn, Massachusetts 11-12-2013. MBCEA-NEC Fall Meeting

Marty Barnes Past President of the New England Chapter of the MBCEA introduced Peter B. Kelly, Executive Director for the Professional Licensure Division of the Sheet Metal Workers Board of Examiners in the Commonwealth of Massachusetts to speak to a group of 35 interested members and contractors. The subject: Metal Roof Installation License requirements in Massachusetts.

The New England Chapter led by Mr. Barnes has been working closely with the State over the last several years to modify some of the early testing questions on the state tests that did not consider the unique characteristics of the engineered roofing systems we install as part of our engineered building systems. The tests are required as part of the current licensing procedures required to get the licensing.

The New England Chapter is also planning to help members to get the guidance needed to work through the procedures and set up training required. These regulations are a big departure from what we are used to in our industry. As with any new legislation, it takes time to work out the kinks. The chapter will continue to work with the Board of Examiners to improve the structure of the requirements in order to take into consideration the engineered roofing systems that we install.

For more information, regulations and forms visit www.mass.gov/dpl/boards/sm and scroll to the sheet metal board.



year is that many months ago, I booked an extensive late September big game horseback hunt in British Columbia. My wife, Sandy, thinks I'm "nuts" to consider this hunting trip (and maybe she's right) but I thank God that I have the health at my age of 73 to think that I can cope with the rigors of the Kooteney Mountains. I also thank the "Metal Builders" for the source of training, education, and just plain "good ideas" that helped us earn an income to pay for things like this.

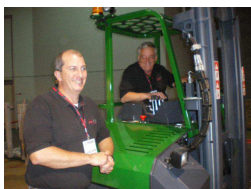
In the early days of "metal building" many of us in the business "went broke". This was mostly because we did not know our "cost of doing business". Our company solved this problem by studying information provided by one of the "Metal Builders" early seminars called "Proof". Our family business sent our key personnel to any of the Association sessions that provided information on estimating, erecting, sales, design, computer use, and the motivation of employees. Today you "Surviving Contractors" think that things like this are a contractor's "A-B-C's but in those days we "worked by the seat of our pants" and these were only vague concepts, that were seldom understood.

"Metal Builders" also provided information that we used to develop a succession plan that allowed us to turn over our corporation to my sons and a key employee. In a sense this was my "Retirement Ticket" (By the ways, the boys are doing quite well!) They have "weathered" the recent recession and have started several large projects within the last few weeks.

Today, associations of any kind are hard pressed in their efforts to attract new members. It's a "sign of the times". Today's younger executives are seldom interested in joining any type of association. I guess that this leaves

News from Mid-Atlantic

We are happy to offer "**Proper Training and Operator Awareness for Telehandler and Aerial Work Platform Lifts**"



Friday, November 22, 2013 beginning at 8 am
Ahern Rentals, 333 Cedar Avenue, Middlesex, NJ
08846

COST:\$15.00/person(Space is limited - Lunch Included)

This training will include Safety Precautions, User Responsibility, Machine Preparation, Inspection and Emergency Procedures. Training will fulfill OSHA requirements for Telehandlers and Aerial Work Platforms.

Certificates will be issued upon completion.Can be used toward Apprenticeship Training. Contact sgraver@mbcea.org for more information.

Three Advantages to Having a Business Plan



Having a business plan can mean the difference between success and failure, so if you don't already have one, start writing. You'll need a business plan to get investors, to secure a bank loan for your business, and to hone in on your vision and mission for the business.

Sharing that vision and mission with employees keeps your staff working towards common goals.

another unfinished job for our "Senior Citizens. Somehow we must sell the advantages of Association Membership.

Some of the best ideas that the "Metal Builders" gave me were NOT from the formal seminars or the written handouts. They were simply the result of analyzing "casual conversation" of builders, erectors and manufactures that I met at the many meetings, seminars and "cocktail parties" sponsored by the Association. It went like this "When a Midwestern builder was chatting with his "buddy" from Texas, North Carolina or California, they did not recognize each other as a competitors; therefore, they confided their deepest secrets. In a sense, they shared all of the ideas that made them successful.

FELLOW Builders: **This is what Trade Association are all about!**

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WELCOME NEW MEMBERS!

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Email: amigosgil69@gmail.com

Architectural MetalReps
Michael Moore

What you need to know to keep the next generation of workers on board

The incoming generation of employees is being touted as unlike any other. They're accustomed to being taught what they need to know, getting what they want more quickly, receiving encouragement to achieve more, and being reassured of their self-worth. In their work life, they want professional growth; flexibility; a great work environment; and strong managers who will teach, challenge, and help them achieve their goals. As challenging as some of this new employee attitude may appear, the upside is that younger employees are looking for more collaborative management and more collaborative workplaces, and that could ultimately be to your advantage.

Younger employees can grow your business in a way you might not anticipate. They have more of a feel for what younger customers want and can help you market your product and services to the next generation of clients. Dare to give them a chance to try out new ideas, but be there to support, train, and advise.

Make yourself available. Be more "hands on" with your employees: younger employees want more "face time." Make sure that as a manager you are an active part of their learning process. Provide the strong guidelines and consistency that a boss should provide, but offer to be their mentor as well. Teach them what they need to know, correct them when they are wrong, and resist the urge to have every minor detail done your way. Collaborate with employees to encourage and implement their ideas. Be daring, but not "hands off".

Allow for mistakes - they can be used as learning experiences and can make an employee better. Challenge them. If employees have a proven ability to problem solve and meet the day-to-day demands of their job, reward them with "stretch" projects - ones that provide challenge and opportunity for growth. Allow them "ownership" of the project and to find the best way to accomplish a mutually agreed upon goal. Meet frequently, check their progress, and help when asked.

Cross-train. Employees may not be as challenged as you think they are. If you can't offer vertical growth, offer a more well-rounded career. Cross-training employees in other areas provide them with a broader base of knowledge and perspective, and it prepares them to grow with your business. It also offers you more flexibility and allows employees with various backgrounds to work together towards the common goal: increasing profit!

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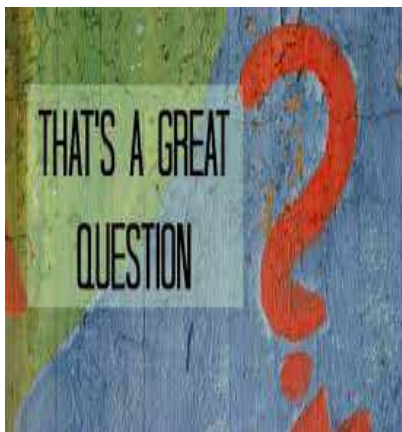
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Septagon Construction Co., Inc.

Show Your Appreciation. Job growth, a voice, and opportunities to learn and make a difference will help you to retain younger employees. Say "thank you," and offer occasional small perks, greater responsibility, and more challenging projects. Appreciation will reinforce their loyalty to you and your company.

Jackie Meiluta
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"Practical Support for Small Business"
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Got something on your mind, we want to hear from you.

Sasha Graver, Executive Director
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Gary Smith, President
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Interested in being the next member spot-light? Have content or news to share with your fellow members? Do you want to advertise to MBCEA members and readers? Contact Jackie Meiluta at jmeiluta@comcast.net

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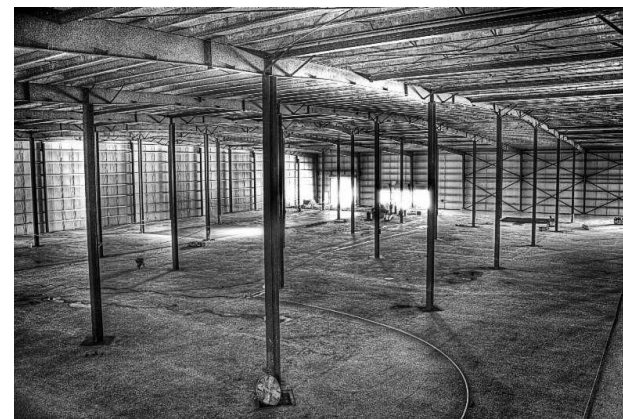


Photo compliments of Joe Allan, Thomas Phoenix International, Inc.

Help make our newsletter and webpage more interesting, send your pix to jmeiluta@comcast.net

Quote from the hockey archives:

The Calder trophy wasn't the crowning jewel in Sanderson's trophy room though. The two Stanley Cup championships, 1970 and 1972 were, but for the man they called "Turk," the first one had to be sweeter, simply because of the circumstances surrounding the 1970 Cup winner.

The 1970 Cup of course was won courtesy of perhaps the most famous goal in NHL history. Bobby Orr took a pass from the corner and put the puck past St. Louis goaltender Glenn Hall. As the puck went in St. Louis defenseman Noel Picard tripped Orr as he jumped, causing Orr to fly in a superman-like fashion.

*But who made **that perfect pass to Orr** on that goal? **Derek Sanderson***

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