



**Subcontractors Association of the Metroplex**

**PUNCH LIST**

**The voice of the Subcontractor's Industry**



**Subbie Sam Says.**

Your legislators want to please you. They can only do this if they know what you need.

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**WHEN YOUR COMMERCIAL INSURANCE COVERAGE ISN'T REALLY COVERING YOU**

It happens every day. You perform your scope of work or you subcontract it out; the work is accepted; and you are timely paid. The project is successfully completed and you have moved on to bigger and better things. Fast forward a few years and the project owner alleges construction defects in your work and files a claim against you. You are not too worried because your insurance carrier is notified and you expect them to handle the claim. But wait! The carrier denied coverage. Why?

Commercial General Liability insurance policies (the "CGL Policy") vary in coverage and exclusions and you need to know what your policy does and does not cover. Some CGL policies will exclude coverage for "physical injury" to property, while others exclude coverage for "impairment" to the property. Do you know the difference between an *injured* property and an *impaired* property? Although the CGL policy will define such terms, it sometimes takes a court to determine into which category the property damage actually falls.

In addition, damage arising from work performed by your lower-tier subcontractor may not be covered by the GCL policy. Some policies exclude such damage, while other policies will accept the coverage. Further, sometimes a special endorsement will exclude claims that would otherwise be covered. Do you know what your policy covers? Do you know whether you have a special endorsement that could

negate coverage on a particular claim? You need to find out.

Another policy concern is whether the policy covers on-going operations or completed operations? If your policy covers on-going operations, make sure to understand whether the coverage only applies to "active physical operations", thereby excluding coverage for prolonged suspensions of active work.

Your coverage may also depend on the type of work task you perform. For example, a masonry subcontractor may not be covered for moving earth in order to build a retaining wall; a drywall subcontractor may not be covered for claims for mold or water-related damage; and an earthwork subcontractor may not be covered for claims for cave-ins.

The bottom line is to review your current CGL policy with your insurance agent make sure you understand what the policy includes and excludes. If you find any troublesome exclusions or other coverage gaps, adjust your policy accordingly.

*Tami LaGrone of Cutler-Smith PC is an often contributor to the Punch List.*



**UPCOMING PROGRAMS**

Coming up for the rest of the year we have:

September: Cyber Security with Allyn Baskerville Owner and Sr Engineer of ADS Networking. With the onset of the reliance on computing as an integral part of our business management we are exposed through the internet to many forms of attacks on our data and our customers data.

October: Qualifications that are required to be a 1099 subcontractor with Mario Hernandez , legal counsel to Commissioner Ruth R Hughs, commissioner representing employers. With all the changes in the laws concerning independent contractors, this will be a very informative meeting

November: SAM's famous Lein and Bond Claim seminar led by our own legal counsel, Spike Cutler. This seminar is a must for the training of all subcontractors and their staff.

**SAM—TCA MEMBER BENEFIT**

Use one of your Texas Construction Association Member Benefits to take advantage of Texas' TAX FREE WEEKEND for school, clothing items and much more!!! Take advantage of these back to school specials by using your TCA Office Depot Store Purchasing Card during Tax Free Weekend! Remember, the TCA card gets you discounts everyday as does shopping with Office Depot on the internet when you've setup an online account with our account manager Clint Barnes. You can contact him at [clint.barnes@officedepot.com](mailto:clint.barnes@officedepot.com). If you do not have an Office Depot Store Purchasing Card, or an online account, please contact Patrick Finnegan at Texas Construction Association or MaryEllen Evans, SAM membership chair.



Maricela Arce of the Texas Comptroller of Public Accounts

## TEXAS TUITION PROMISE FUND

Maricela Arce of the Texas Comptroller of Public Accounts brought us our July program on the Texas Tuition Promise Fund and how it can help you pay for the education of your children, grandchildren, or your employees children.

Lock in tomorrow's college tuition costs at Texas public colleges and universities at today's prices. The new Texas prepaid tuition plan, the Texas Tuition Promise Fund, will give you an important opportunity to prepay and save for your child's future

education. This is a valuable plan for all Texans with children or grandchildren.

*Thanks to Maricela for traveling from Austin to present this valuable program.*

## NEW OSHA REQUIREMENTS EFFECTIVE AUG. 10, 2016



The Occupational Safety and Health Administration (OSHA) will require employers to submit detailed annual reports workplace injuries and illness for publication online. The new reports will be due to be filed electronically in 2017. OSHA stated that it will cleanse the personal identification data before posting on the Internet. The companies that have more than 250 employees and business with a least 20 employees in certain high-risk industries will be covered under these new provisions. Before these requirements, the forms were usually filed away and were not seen by the government. The documents to be filed electronically and will now be public are the following:  
 -Form 301 (Injury and Illness Report),  
 -Form 300 (Log of Work-Related Injuries and Illnesses )  
 -Form 300A (Summary of Work-Related Injuries and Illness)

Also included in the new regulations is an anti – retaliation provisions. Items such safety incentive programs or requirements of drug testing of each employee after an accident could be a problem. Incentives such as offering prizes for a certain number of days without a reportable accident will probably be viewed as “an active discouragement to reporting”. Requiring drug tests for job-related injuries also could be seen as pressure to report an accident. Companies need to ensure that reasonable procedures are in place to report injuries and illness and drug-testing policies are clear and practices are consistent around testing for cause.



SAM program Chair, Selena Zarate of Groves Electric



All SAM members are also members of the National Subcontractors Alliance, the largest Subcontractor Advocate in the USA.



Visitor Scott Balch of Texas Bomanite



SAM Legal Counsel, Spike Cutler being his usual jovial self



First time visitor, George McGraw of the Plains Capital Bank



# WHAT DOES THAT TRUCK REALLY COST?

Enterprise Fleet Management provides discounts to SAM members through its membership as part of the National Sub-contractors Alliance.

Reaching true efficiency potential for your company's fleet of vehicles starts with a comprehensive look at all potential costs and savings. When you break it all out, you'll likely find the vehicles you own cost more than you think. From missed manufacturer incentives, optional equipment costs, fuel economy, repair and maintenance costs, all the way to the value at resale – it all adds up to your **Total Cost of Ownership (TCO)**. By partnering with Enterprise Fleet Management, you can reduce your TCO through a customized and strategic fleet management solution.

## The Vehicles You Own May Cost More Than You Think

Enterprise's experience, expertise and resources can help you achieve your financial and operational goals. With over 8,000 customers, fleet management is our business. Plus, our unmatched local coverage of over 1,000 field personnel in 55 North American offices, Enterprise delivers savings and service to drive your success.

## In 2015, Enterprise Fleet Management Delivered for Our Clients:

- \$45 million in manufacturer incentives passed directly to customers.
- 90,000 new license and registration requests plus 195,000 renewals processed.
- Over 54,000 customer vehicles at an average of 107.8% above Black Book's CVI.

**ACQUISITION:** With our expansive manufacturer relationships and through factory ordering, we secure the best possible in-



centives. Combine that with you only paying for the options you need, get you the lowest cost for your vehicles. Need custom aftermarket equipment? We handle that for you too.

**FINANCING:** Whether you pay cash, finance or lease, Enterprise has the flexible financing options that you can tailor to your capital and operating needs without restrictions on mileage and vehicle condition.

**RESALE:** Our national network of dedicated remarketing employees, who sell more than 1,000,000 vehicles each year, work to ensure you're getting the best price when selling your vehicles.

*Enterprise Fleet management is represented by Jennifer Brown-Bertram. She can be reached at (469) 358-6304 or via email to: [jennifer.brown2@efleets.com](mailto:jennifer.brown2@efleets.com)*



# CURRENTLY THERE ARE FIVE GENERATIONS IN THE WORKPLACE

Members of each generation have distinct values, attitudes, and behaviors that they bring to the workplace. The multigenerational workforce requires patience and flexibility regarding policies and programs. **Veterans or Traditionalists**, (born 1928-1945), are now 3% of the workforce and will be 1% in 2020.

**Baby Boomers** (born (1946-1964), are now 31% of the workforce and will be 22% in 2020.

**Gen X** (born 1965-1979), are now 21% of the workforce and will be 20% in 2020.

**Gen Y or Millennials** (born 1980-1995), are now 45% of the workplace and will be 50% in 2020.

**Generation Z or Globals/Gamer Generation** (born 1996 and later), are now 1% of the workforce and will be 7% in 2020.

## So How Do You Motivate the Different Generations?

**Technology is King** – create a platform where employees can share their successes. Regardless of the generations, recognition is critical.

**Conduct focus groups** – managers need to conduct focus groups with their employees on how they like to be recognized for their accomplishments.

**Customer Service** – make the customer the priority. This is what every generation needs to work for as a common purpose.

**Personal growth** – Work-life balance should not be “lip service”. Companies need to understand what that means to each individual.

**Develop mentorship program** – start reverse mentorship programs in which the employee and manager are both developed. Discuss strengths rather than developmental issues.

**Define the culture** – this is important for any employee so that it can be explained to everyone!

**Management Selection** – Select managers based on experience, aptitude, capacity for growth, leadership style, flexibility, maturity and understanding of organizational and employee challenges and opportunities.

**Education** – constantly educate generations on the latest opportunities of learnings. Let each generation contribute in the way they want.

*Reference: Gurchiek, K. (5/9/2016). SHRM. Org*



Newlywed Jennifer Bertram of Enterprise Fleet Management



Past President and Business Practices Exchange Chair, James Mayhew of APEX Services



# Subcontractors Association of the Metroplex



Pete Snider, Executive Director  
18 Falcons View Pass  
Heath, Texas 75032

Phone: (972) 771-0188  
Cell: (214) 908-9248  
E-mail: [execdir@sam-dfw.org](mailto:execdir@sam-dfw.org)



The Subcontractors Association of the Metroplex was founded with the purpose of creating an affordable forum for Subcontractors to exchange information and learn from each other how to be better business men or women.

Sam is a member of the National Subcontractors Alliance, the largest Subcontractors association in the USA, and also a member of the Association of Specialty Contractors where we have a voice in National Legislation. SAM is also a member of the Texas Construction Association, the unifying voice of the trades in the Texas Legislature and as such all SAM members have access to all the benefits of the TCA.

Sam is also allied with the National Federation of Independent Business who has a voice in the Texas Legislature on small business issues.

**Your Source for Subcontractor's information.**



**Visit us at:**  
**<http://www.sam-dfw.org>**



## Our Association Officers

**Paul Holden, Facility Construction Services**  
President and TCA representative

[paulh@fcsdallas.com](mailto:paulh@fcsdallas.com)

[jmayhew@apexservicesinc.net](mailto:jmayhew@apexservicesinc.net)

James Mayhew, Apex Services, Inc. Immediate past President, B.P.I. Chair:

[gardis@andersonpaving.com](mailto:gardis@andersonpaving.com)

Gary Ardis, Anderson Asphalt and Concrete Paving, Vice President

[tmcsorley@secdfw.com](mailto:tmcsorley@secdfw.com)

Member: Tim McSorley  
Storage Equipment

[carrie.edomm@astrosheetmetal.com](mailto:carrie.edomm@astrosheetmetal.com)

Secretary/Treasurer: Carrie Edomm  
Astro Sheet Metal

Member: Selena Zarate  
Groves Electric

[selena@groveselectric.com](mailto:selena@groveselectric.com)

Member: Don Weempe

Associate Representative:

Clem Lesch  
PCL Contract Bonds

[clesch@pclbonds.com](mailto:clesch@pclbonds.com)

MaryEllen Evens, Trade Management

Associate Representative: Program and Membership Chair

[mevens@trade-mgmt.com](mailto:mevens@trade-mgmt.com)

Legal Counsel: Spike Cutler  
Cutler-Smith, PC

[scutler@cutler-smith.com](mailto:scutler@cutler-smith.com)

If you're not a member of SAM, you should be.

Call Pete Snider for a membership application.

(972) 771-0188

Cell (214) 908-9248 or email to:

[execdir@sam-dfw.org](mailto:execdir@sam-dfw.org)



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THE ONES WHO RE-  
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