

## **September**

### **September 8**

Contract Clause Seminar—  
Gallop, Johnson & Neuman

### **September 17-20**

Champions Academy—  
Arlington, VA

### **September 21**

Monthly Business Mtg.—  
Viking Conference Center

### **September 29**

“What Bank Look For”  
Seminar—  
Mason Contractors Assoc.

## **October**

### **October 3**

Golf Tournament—  
Norwood Hills C.C.

### **October 6**

Contract Clause Seminar—  
Gallop, Johnson & Neuman

### **October 11**

Quarterly Luncheon Mtg.—  
Alberici Constructors

### **October 19**

Monthly Business Mtg.—  
Syberg’s on Dorsett

## **November**

### **November 3**

Contract Clause Seminar—  
Gallop, Johnson & Neuman

### **November 8**

Social Network Seminar—  
Enterprise University

### **November 16**

Monthly Business Mtg.—  
Viking Conference Center

# **SEPTEMBER 2011**

In my first newsletter message to the membership and at the July membership meeting, I laid out my agenda for the upcoming year. My first goal is to provide many opportunities for our members to become more educated and to make better business decisions. My second priority is to provide more networking opportunities between subcontractor members and suppliers and General Contractors/Owners. My third goal is to develop stronger relationships with other associations which promotes economic develop and business opportunities for our members.

September will be a month which will begin to accomplish these top priorities. Steve Albart with Enterprise Bank & Trust is our Programs Committee chairperson for this year. He and the committee have put together a very exciting agenda for the entire year. In September we will have our regular monthly meeting which will feature Senator Jim Lembke and State Representative Tim Jones as our speakers. It is imperative that ASA-MWC have influence and a voice in Jefferson City which promotes economic development in our state, as well as enables laws to be enacted or defeated which favor subcontractor rights. Additionally, we will host our first Quarterly GC luncheon on October 11. The luncheon will be held at Alberici Constructors and co-hosted by S.M. Wilson & Company. These luncheons are intended as “mini-GC Expo’s” to allow more networking time and to establish better relationships between GCs and subcontractors. Lastly, we will have our first seminar entitled, “What Banks Look For” which will provide material that will help you as a business owner, CFO or Controller to learn how to structure your financial statements and manage your bank’s expectations. Improving your relationship with your bank should result in access to more capital with more favorable terms.

Beyond September we have many programs which we feel will accomplish all of our goals for the upcoming year.

Have a wonderful, safe and prosperous month ahead.

AJ Ford  
Budrovich Contracting  
President - ASA Midwest Council  
314.267.7646

**Viking Conference Center**  
**10709 Watson Road**  
**St. Louis, MO 63127**

(Directions: Take Highway 44 East to the Lindbergh Exit.  
Make a right and then another right into the back parking  
lot next to Steak-N-Shake.)

## Serving Specialty Contractors in St. Louis for 16 years



trenchless technology ♦ turnkey civil services

**CASTLE CONTRACTING**

INTEGRITY. INTENSITY. INTELLIGENCE. [digcastle.com](http://digcastle.com) | 314.421.0042

## September Monthly Meeting

The September 21st business meeting will be held at The Viking Conference Center and will feature Senator Jim Lembke and Representative Tim Jones.

The meeting begins at 5:30 p.m. with BPI starting promptly at 5:45 p.m.

The following general contractors will be discussed at BPI:

- Kadean Construction Company
- KCI Construction Company
- Impact Strategies
- Rhodney Construction
- United Construction Enterprises of STL

If you would like to add a general to the list for BPI, please come to the meeting and fill out a request (they are anonymous) or call Reba at the ASA office and she can add it to the list. Be sure you have filled out your participation agreement for BPI.

Don't forget that we have a library of general contractors' contracts that our contract review committee has available to members. To request a contract, please call Reba. If we don't have it in the library, we can add it to the committee's "To-Do-List".

---

## Golf Tournament

Mark your calendars for the 24th Annual Golf Tournament on October 3, 2011 at Norwood Hills Country Club. We have both courses so plenty of room for everyone.

We are looking for auction items for both the live and silent auction. If you can't play golf, perhaps you have something you could donate. No item is too small.

We have sponsorships in all price ranges too. The golf tournament is the association's biggest fundraiser of the year, so we ask for your support. ASA is funded by dues and donations.

Without the donations, we would not be able to do the things we do for you with legislation, education, or networking activities.

We will have a Shoot Out after the tournament, which is optional and costs \$20, but almost sold out. We only have a few spots left. This could be one of the last tournaments you play in this year. Reservations are due before September 26.

---

## Quarterly Luncheon Meeting

Make plans to attend the Quarterly Luncheon meeting at Alberici Constructor's office on Tuesday, October 11 from 11:30 a.m.—1:30 p.m. S.M. Wilson and Alberici will be co-hosting the luncheon with a brief presentation from both generals and time to network with their staff.

There is a cost of \$25 per person.

This is a great opportunity to get your name and face in front of prominent general contractors in St. Louis.

Reservations are due before October 4.

---

## Tom Owens Memorial Scholarship Fund

The Tom Owens Memorial Scholarship Fund is a scholarship program for students who are seniors in high school or entering college and continuing their education. Applications can be obtained by calling Reba at (314) 214-1664 or emailing [reba@asamidwest.com](mailto:reba@asamidwest.com) and requesting one or visiting our website at [www.asamidwest.com](http://www.asamidwest.com) (under committees). **ALL APPLICATIONS MUST BE RECEIVED BY DECEMBER 31.**

You do not need to be an ASA member to be eligible. Donations can be made to the scholarship fund and are eligible for a taxable write-off since we are a 501(c)3. Please consider giving to the fund as we can only give as many scholarships as we have funds to give.

# Cash: The Lifeblood of Every Contractor

By: Don Ardolino, J.D. Kutter Insurance

Cash continues to be the lifeblood that runs through the veins of every construction company. Unfortunately, even during today's challenging economic times, many contractors are more comfortable bidding jobs and dealing with problems and technical matters in the field than collecting the money they are owed.

However, the ability to find and maintain a positive cash flow remains at the heart of the most successful contractors. It is a fatal fact of life that more contractors go out of business because of a lack of cash flow than a lack of backlog or profit. Contractors do not have to be in business to make money, but they do have to make money in order to stay in business!

Cash flow management actually starts when contractors decide to bid a job. Many contractors are more interested in submitting the lowest successful bid than in the importance of cash. However, their job can be short-lived, especially if they have "left too much on the table."

There are numerous fundamentals to good business health: negotiate the best possible payment terms, prior to signing as contract; seek to eliminate or at least modify contract retainage; bill aggressively and follow-up for collections even more aggressively; monitor change orders, using as much leverage as possible to have them signed and in writing prior to doing the work.

Finally, be sure the following questions are all answered "Yes":

- Do you believe it is a right, not a privilege, to be paid on time?
- Is it unusual for your jobs in progress to

experience profit fade?

- Do you verify the source of funds for each contract before submitting your bid?
- Do you negotiate *out* of each contract a "no damage for delay" clause?
- Will the contract terms allow billing for materials stored offsite?
- Do you improve your project cash flow with front-end loading?
- Do contract billings usually occur in a timely and accurate manner?
- Is there a sufficiently strong cost control system in place?
- Is there a procedure in your contracts for the resolution of disputes?
- After billing, do you call the customers to verify invoice receipt and accuracy?

*Excerpted, with permission, from an article in the May/June CFMA Building Profits magazine, written by Anthony R. Stagliano, CPA, CCIFP with Mayer Hoffman McCann, PC, Philadelphia, PA*

**LarsonAllen**<sup>®</sup>  
LLP

CPAs, Consultants & Advisors

LarsonAllen is a top 20 multi-specialty public accounting firm with convenient locations in Missouri and Illinois. We are more than a typical accounting firm; we are a resource for information and knowledge to help with the financial challenges facing all businesses and owners.

Please contact Janet Klein, CFE, CPA for your free consultation at 314-925-4339.



**O.J. Laughlin Plumbing** is a full-service plumbing company known and respected throughout the greater St. Louis area. The company was founded in 1951 by Oliver J. Laughlin and since 1984 has been owned and operated by his son, Bob Laughlin, who has 40 years of experience in the plumbing industry.

Bob's focus was for O.J. Laughlin Plumbing to become a full-service residential and commercial plumbing company. As the company diversified and with the addition of Bob's nephew, Dan Laughlin, they branched out doing larger commercial jobs along with their established work. During the past 20 years the company has grown to employ over 30 field workers (plumbers and laborers) and a 7-person office staff. The company's growth has enabled O.J. Laughlin

Plumbing Company to offer their customers the services of a simple residential repair (\$150) up to a design/build commercial project (\$2,000,000).

**Industry /Peer Awards** – Nominated seven of the last nine years, O.J. Laughlin has been awarded the ASA Best Subcontractor in the MEP category four times.

**Consumer Awards** – An Angie's List Super Service Award winner for the past seven years.

**Extreme Makeover Home Edition** – Designed and installed the plumbing system for the Martinez family house in Shrewsbury (Over 1,000 man-hours).

Now celebrating our 60<sup>th</sup> year in business, O.J. Laughlin Plumbing Company takes great pride in continuing the business practices of our founder as we follow two simple principles that were always stressed by Oliver: "Treat people like you want to be treated, and do work for someone else the same way you would do it for yourself." Visit us at [www.ojlaughlinplumbing.com](http://www.ojlaughlinplumbing.com).

# THANK YOU

to the following member companies who attended the August Business Meeting:

- |                        |                          |                          |                         |
|------------------------|--------------------------|--------------------------|-------------------------|
| A.R.T. Concrete & Tool | Dynamic Controls         | Mays-Maune-McWard        | Sun Rental              |
| AHM Financial Group    | Enterprise Bank & Trust  | Midwest Aerials & Equip  | Stylemasters            |
| Air Masters/Gateway    | Erb Equipment            | Midwest Marble/Granite   | Swanson Masonry         |
| Mechanical             | Fabick Rents/CCE         | Montgomery Bank          | T.J. Wies Contracting   |
| American Burg. & Fire  | Fenix Construction       | O'Donnell, Bonebrake     | Tulley Steel & Supplies |
| American Steel Fab.    | Foreman Fabricators      | Oreo & Botta Concrete    | UHY Advisors            |
| Bazan Painting Company | Freeman Contracting      | Parkway Const. Services  | United Rentals          |
| Berkley Surety Group   | Frost                    | Preferred Wireless       | Universe Corporation    |
| Bi-State Utilities     | Gallop/Johnson/Neuman    | RSC Equipment            |                         |
| Briner Electric        | George McDonnell/Sons    | RubinBrown               |                         |
| Budrovich Contracting  | Irwin Products           | Sachs Electric           |                         |
| C & R Mechanical       | J.D. Kutter Insurance    | Safety International     |                         |
| CNA Surety             | JJ Construction Services | Satellite Shelters, Inc. |                         |
| Cee Kay Supply         | Kaiser Electric          | Schaeffer Electric       |                         |
| Common Sense Solutions | Kingston Electric        | Seal the Deal            |                         |
| Daniel & Henry Co.     | LarsonAllen              | Seiler Instrument        |                         |
| Dawson Dodd Heat/Cool  | Lindberg Waterproofing   | Shapiro Brothers         |                         |
| Duct Systems, Inc.     | MSI Motor Service, Inc.  | St. Louis CNR            |                         |



Common Sense Solutions is a local provider of technology solutions for contractors. Since 1993, we've helped construction companies with their combined software and hardware needs.

We resell a leading construction management software program, ComputerEase. There are about 6,000 contractors across the U.S. currently using the program for managing job costs, estimating and accounting.

Common Sense Solutions also provides network services. On a day-to-day basis, here are some of the fun things we do:

- Monitor servers & make sure they behave like they're supposed to
- Backup data off site & get it back
- Keep networks safe from hackers
- Archive massive amounts of e-mail
- Deal with copier guys, internet service providers, telephone companies, and other software programs who say it's not their program that's the problem, but the network
- Deliver loaner servers, laptops or projectors
- Block people from going to internet places where they shouldn't be going
- Make sure the anti's are working ... anti-virus, anti-spyware, anti-malware, anti-spam

Designed to be an all inclusive plan, we bundle all the above services into one flat-fee per month. Our 18 staff members have a unique blend of construction management knowledge and technology.

John Chruma is the Common Sense man to contact in the St. Louis office at 888-523-2568 x114. email: johnc@cssworks.com.

- Answer panicked help desk calls
- Show up on site & fix things that get broken



## “What Banks Look For” Seminar

*Presented specifically for the construction industry through Enterprise University*



**Thursday, September 29, 2011**

**8:00 a.m.—11:00 a.m.**

**Mason Contractors Association**

**Cost: \$40 ASA & MCA Members**

**\$50 Non-Members**

**Continental Breakfast Included**



**Presenters: Steve Albart, Senior V.P., Enterprise Bank & Trust  
Steve Marsh, CEO, Enterprise Bank & Trust**

“What Banks Look For” is designed for business owners, CFOs and Controllers to learn how to structure your financial statements and manage your bank’s expectations as you inspire confidence and build a lifetime relationship with your bank. The seminar will cover the following five steps to help your business improve its banking relationship which will result in access to more capital on favorable terms.

1. Bankers versus Business Owners
2. Income statement, balance sheet and cash flow statement analysis
3. Ratio analysis and how it impacts your business
4. Communicate early and often with your bank
5. Managing your banker’s expectations

**RSVP by September 22, 2011**





Contract Review Committee of the ASA-Midwest Council

&

Richard A. Stockenberg of Gallop, Johnson & Neuman, L.C.

present

## **Contract Clauses – Building and Protecting a Contractual Fortress by Negotiating, Drafting and Avoiding Killer Contract Clauses**

a series of educational breakfast seminars

Gallop, Johnson & Neuman, L.C.

101 S. Hanley, Suite 1700

St. Louis, MO 63105

**7:00 a.m. – 8:30 a.m.**

Continental Breakfast & Parking Included

**\$50 Per Session or \$200 Per Series Per Person**

*If you sign up for the series and unable to attend a date, you may substitute someone else from your office.*

- |                          |   |
|--------------------------|---|
| <b>September 8, 2011</b> | Scope Letters, Bid Qualifications, Contract Documents, Incorporation by Reference       |
| <b>October 6, 2011</b>   | Payment Clauses, Retainage, Final Payment and Lien Waivers                              |
| <b>November 3, 2011</b>  | Back Charges and Change Orders  |
| <b>December 1, 2011</b>  | Insurance and Indemnity   |
| <b>January 5, 2012</b>   | Damages, Termination for Convenience, Arbitration, Union Clauses, Questions and Answers |

Email Reba Gillick at [reba@asamidwest.com](mailto:reba@asamidwest.com) to sign up.

# Tickets for the Troops Award

Don't know how we managed to pull it off, but we were able to surprise Tom McDonnell, George McDonnell & Sons, with a recognition award for this leadership in the Tickets for the Troops program. Tom's wife, son and sister attended the ceremony.

Kathy O'Conner, Executive Director of the USO, presented Tom with a framed certificate and ASA presented a plaque. Tom was very surprised and humbled by the recognition.

Since inception of the program in 2009, donations for Tickets for the Troops have multiplied.

2009	191 Tickets valued at \$9,100
2010	272 Tickets valued at over \$18,791
2011	331 Tickets valued at \$23,563

**794 Tickets Valued at \$51,454 plus some parking passes and food vouchers!!!!**

I would like to thank the ASA Officers, Board of Directors, Past Presidents, Reba Gillick and all ASA Members for the USO and ASA Midwest Council Awards.

We could not achieve this success without the support of our members. I didn't think that we could raise over \$50,000 in tickets in only three years. I do appreciate these awards very much!

Reba also deserves credit for typing up the letters, sending emails and posting the email responses from all the soldiers after their time at the games with their families and/or friends.

Thank you,

Thomas L. McDonnell, President  
George McDonnell & Sons, Inc.



**Thank you, Tom, for your leadership, vision and passion for this program!**

On the political front, the month of August focused on discussions between leaders of the House, Senate, and the Governor regarding the ability to get an economic development bill passed if a Special Session was called by the Governor. In addition, leaders in the House and Senate went through the list of bills vetoed by the Governor to decide whether or not either chamber would attempt to override the Governor's veto of the bills during the annual Veto Session scheduled for September 14.

Rumors and assumptions have been swirling since the 2011 legislative session ended on May 13 as to whether the Governor would call a Special Session to try to get an economic development package passed. Leaders in both the House and Senate, including legislators not in leadership in both chambers who have been outspoken on an economic development package, have all been working and negotiating this summer to try to come to some kind of agreement on an economic development bill. It now appears that both chambers, along with the Governor, feel they have either reached an agreement or are close enough to an agreement and a Special Session has been called by the Governor. The Special Session will convene on September 6. The call for Special Session will essentially deal with four bills or issues: (1) St. Louis City Police Department Local Control, (2) Election Law issues (to address the issues in the Election Law bill that the Governor vetoed), (3) Tax Amnesty, and (4) an omnibus Tax Credit Reform/Economic Development/Job Creation bill. Once a Special Session is called, legislators can only address the issues specifically put in the call made by the Governor. To see the Governor's official call for special session, please log onto to the following link: <http://governor.mo.gov/orders/2011/2011specialsession.html>. Included in the economic development package is the continually controversial Aerotropolis, tax credits to attract amateur sporting events and data storage centers. Not included in the call for Special

Session was the CWIP or site permit legislation for the building of a nuclear plant in Callaway County and there was no call to address land assemblage tax credits. Both issues have been extremely controversial and received much media attention lately. It is the intention of the General Assembly and the Governor to address the issues in the call and finish the Special Session in one week; however, due to the contentious nature of the issues, it is not likely they will be able to address all issues in one week. If that is the case, Special Session will run concurrent with the annual veto session beginning the next week.

As mentioned above, the annual Veto Session is scheduled to begin on September 14. This year will be particularly interesting as Speaker Tilley proved earlier in the year that he has the power to gain the 106 votes necessary to override a Governor's veto. You will recall last spring Speaker Tilley was able to get exactly 106 votes and override the Governor's veto of the redistricting bill passed by the General Assembly and subsequently vetoed by Governor Nixon. There have been no definite rumblings of any veto overrides planned. Special session may take front and center and overshadow the desire to override any vetoes. Stay tuned, the first two weeks of September will be busy on the legislative front.

Please contact me if you have any questions regarding Special Session or any other issues on the political front. I will be at the Capitol during the Special Session and Veto Session monitoring.  
Nikki Strong

# What Has ASA Done for Dawson-Dodd Heating & Cooling?

We're primarily a residential heating & cooling company. We specialize in unique installations that most heating and cooling companies wouldn't normally pursue. It was my original intent to join ASA to increase my commercial sales, which has not materialized as of yet. We did, however, acquire new residential business, (members/referrals, etc.), by being a part of ASA.

We belong to several other professional organizations: HBASWIL, (Home Builders Association of Southwestern Illinois) and ACCA, (Air Conditioning Contractors of America), which are extremely beneficial, however, ASA offers a considerably wider range of subcontractors and suppliers for me to network with that I normally wouldn't have met.

If I had to pick just three reasons how ASA has been beneficial to my company, I would say it was: the contract review sessions with Dick Stockenberg and the professionals in our contract review team, the "Tickets for the Troop" campaign, and the monthly ASA meetings.

Being a part of the contract review committee meetings has opened my eyes to liability issues in my own contracts, (Dick Stockenberg is currently rectifying). The "Tickets for the Troops" program that Tom McDonnell spends countless hours and his own gas to pick up tickets, has inspired my company to design a fundraiser for the USO. Thirdly, I always look forward to the BPI and the excellent speakers at our monthly meetings. Pat Dodd, Dawson-Dodd Heating & Cooling

## **SIGN★A★RAMA**

**QUALITY SIGNS  
FOR ALL  
YOUR NEEDS!**

**DECALS  
BANNERS  
SAFETY SIGNS  
JOB SITE SIGNS  
MAGNETIC SIGNS  
VEHICLE GRAPHICS  
ILLUMINATED SIGNS  
ARCHITECTURAL SIGNS  
WINDOW AND DOOR LETTERING**

**314-821-4475  
10700 MANCHESTER ROAD  
KIRKWOOD, MO 63122**

**Interested in Joining  
a Committee?  
We could use your help.....**

**Membership** (*Tom Woodcock*)

**Programs** (*Steve Albart*)

**Golf** (*Jeff Jordan, Don Aulph*)

**Legislative** (*Tim Thomas*)

**Awards Gala**  
(*Molly Spowal or Rick Swanson*)

**BBQ**  
(*Kevin Douglas or Rick Williams*)

**GC Expo** (*Walter Bazan*)

**Safety** (*Mike Sicking*)

**Marketing** (*Chris Looney*)

**Technology** (*Brett Hodson*)

**Contract Review** (*Dick Stockenberg*)

*Most committees meet every 6 weeks except during event planning time.*

Each month you will receive an update on each committee within ASA to keep you informed of what the committees are doing for you. Below are this month's updates.

### MEMBERSHIP

The membership committee is in full gear. If you haven't renewed your membership, expect to hear our wonderful voices soon. Don't miss out on the aggressive member services program set for 2011-2012. We will be increasing networking events, direct business opportunities and deeper educational programming in the upcoming months.

We are getting serious about ASA becoming a mover and shaker in the St. Louis construction community. This is not a time to waiver on either sealing your commitment or introducing a potential member to ASA.

This is lining up to be the most profitable year for our members in regards to ASA's involvement in your company's future success. Tom Woodcock

### PROGRAMS

Programs are listed below for the next few months but are planned through next year. We have confirmed some great seminar topics like strategic planning, social networking and others.

- September Tim Jones and Jim Lembke
- October Social Networking
- November BJH
- December Casino Night

If you have any suggestions for programs or seminars, please let me know. Steve Albart

### TECHNOLOGY

CRM. What is it? CRM stands for Customer Relationship Management. CRM becomes the place where all of the details of your customers and prospects are entered.

Here are a few reasons why you may want to consider a CRM system for your company:

- It's difficult to share customer information in a team environment and see a reliable and a complete view of all customer interactions;
- There isn't a single, overall view of all customer touch points across your organization;
- You would like to track leads more efficiently;
- You or your staff have lost or can't easily find valuable customer information;
- Your company may have lost revenue because

of mishandling or losing potential sales opportunities;

- Your company needs to respond faster to inquiries;
- Although they were ok for awhile, your company is outgrowing applications such as Microsoft Outlook and Excel;
- It's difficult to profile and target customers for marketing campaigns;
- There's repetitious, multiple entry of information across different software applications.

There are many CRM systems out on the market today, ranging from products likes Act! to SalesForce.com. If you would like to learn more about CRM, please contact Brett Hodson @ [bretth@bangertcomputer.com](mailto:bretth@bangertcomputer.com) or 314.691.7667.

### SAFETY

The Safety committee welcomes the addition of Dennis Polfliet of C & R Mechanical and Chris O'Hagan of J.D. Kutter insurance as new committee members. Dennis and Chris have a wealth of experience and we are lucky to have them aboard. The safety committee is open to all ASA members and meets the last Tuesday of the month at 4:00 p.m. at Helen Fitzgerald's restaurant on South Lindbergh. Look forward to seeing you there!

### CONTRACT REVIEW

We maintain a library of contracts that have been reviewed by the Committee with suggested revisions to make them more subcontractor-friendly. Contact Reba Gillick for copies of any of our contracts that have been reviewed.

The Committee is in the process of reviewing contracts of Washington University, E.M. Harris and Dewitt & Associates (Springfield, MO). Many of the more egregious and onerous types of clauses typically found in many of the GCs' proprietary subcontract forms will be cussed and discussed at the upcoming series of breakfast seminars presented by the Committee. Further details for the seminars are contained on Page 6. Dick Stockenberg



***ASA Golf Tournament  
Mark Your Calendars:***

**Monday, October 3, 2011  
Norwood Hills Country Club**

**Tee off at 11:30 a.m.**

**Cost is \$245 per person**

# Free Contract Podcast of the Month: Accounting for Technology Change

In this month's free contract podcast for ASA members, "Accounting for Technology Change," Eric Travers, Esq., of the Columbus, Ohio-based law firm of Kegler, Brown, Hill and Ritter, discusses what technological developments mean for subcontractors' performance, productivity and liability, ways the ConsensusDOCS and other industry form contracts treat technological issues, including electronic data exchange, and strategies and tips that subcontractors can take to better protect their right to rely on technological advancements and electronically transmitted information.

This 24-minute audio podcast, along with an accompanying white paper, is available in the [Member Resources](#) section of the ASA Web site.

"It's no secret that we live in a world of rapidly advancing technology," Travers says, "And a major challenge for subs is not only keeping up with the technological changes that can make your company more productive, which in turn make you more efficient and more competitive, but to be more aware of some of the legal ramifications of technology change."

There are legal risks, Travers warns, inherent in the use of technology. It's common today for subcontractors to access, use and forward plans or data received by e-mail or downloaded via a project Web site. "Subs that use or transmit electronic information regarding a project may inadvertently transmit confidential or proprietary information that is embedded as metadata in the electronic records," Travers says.

If a competitor of a subcontractor's customer or the entity from which the subcontractor has accessed the records gets a hold of any documents from which it can glean confidential or proprietary information, and that can be traced to the subcontractor, the subcontractor has exposed its company to potential liability for damages that result. And if the electronic information that the subcontractor has transmitted is its own, the subcontractor itself may be directly harmed if competitors get a hold of confidential or proprietary information embedded within the documents.

Another risk of using electronic information arises when a subcontractor uses or relies on plans or specifications received by e-mail or downloaded from a Web site. "If you do that you could be liable for extra costs if the plans prove to be incomplete — even if they are proven incomplete due to a technological glitch or error that's not your fault," Travers notes.

Conversely, when a subcontractor receives a hard copy of plans or specifications, the subcontractor is generally entitled to rely on them as being accurate when it bids on the project and later begins to build, even if those plans or specifications later prove to be incomplete. As a result, Travers says, liability for any incomplete

plans or documents generally falls on the party that was responsible for providing them. "It's different in the electronic world," Travers says.

Web sites and e-mails usually include disclaimers that you can't rely on documents that are accessed there. Documents may be incomplete or data could be lost in the transmission process.

So, how can subcontractors account for risks through their contract or take other steps to preserve their ability to use technology without incurring undue risk?

One reasonable and cost-effective precaution is to use metadata sweeper software to "sweep" transmissions before they are sent. Another step is to use a standard industry form contract like the ASA-endorsed ConsensusDOCS *Electronic Communications Protocol Addendum*, an inclusive model agreement that addresses the most important elements and risks that subcontractors need to consider when using and relying on electronic data.

The ConsensusDOCS addendum stipulates that all of the participants in electronically driven projects involve an Information Technology professional early in the process or risk additional liability. Each party that is relying on these technologies must designate an IT administrator to collaborate with the other IT administrators through an IT management team who discusses all of the technological elements involved, so that data isn't lost or inadvertently disclosed, and to flush out and work through issues that, if not addressed up-front, could cause problems later. "For example, if an engineer is using a different version of AutoCAD than you, or one party doesn't have a metadata sweeper, or if one uses WordPerfect and other party uses Microsoft Word," Travers explains.

Subcontractors also can learn about using information technologies by downloading the "Guideline on Exchanging Documents and Data in Electronic Form," jointly published by ASA, the Associated General Contractors of America and the Associated Specialty Contractors, at [www.constructionguidelines.org](http://www.constructionguidelines.org). The guideline describes the key elements of a written agreement governing electronic communications and use of electronic data. It can help ensure that subcontractors take full advantage of technology to increase productivity without unfairly multiplying their risks.

"It's not fair for subcontractors to accept an unfair share of the risks that are associated with relying on electronically provided information," Travers adds, "but the status quo in the contracting world does tend to unfairly shift that risk and it needn't be that way. Subcontractors that keep on top of technology, keep on top of the legal risks and prepare in advance how to properly manage and retain electronic and other information can best account for and take advantage of new technologies without undue risk."

# **Do safety and health management programs improve a company's bottom line? The answer is a resounding "YES"**

*By Mike Sicking, Safety International*

I was surfing the net the other day and came upon an article published by the ASSE regarding the value of company safety programs and thought I would share it with you in my own condensed version, as to not put you to sleep while reading it. Don't want to chance possibly causing another workplace injury!

The key question asked by many CEOs and just plain old small business owners is: Do safety and health management programs improve a company's bottom line? The answer is a resounding "YES," although benefits may be somewhat hard to quantify. But in addition to outright savings on worker's compensation benefit claims, civil liability damages, and litigation expenses, having a solid safety and health management program with senior management commitment will improve productivity and employee morale. It can also make the difference between winning and losing bids. Built into many bid proposals these days is a safety requirement often stating an acceptable experience modification rate. Companies above this rate will be excluded from consideration. That's a hard egg to swallow, knowing that your company is the best qualified contractor and possibly even a lower price only to be beat out by another contractor's superior safety record.

Everybody knows about the direct cost of an accident, but few are aware that indirect costs of injuries may be 20 times the direct costs -- indirect costs include: training and compensating replacement workers; repairing damaged property; accident investigation and implementation of corrective action; scheduling delays and lost productivity; administrative expense; low employee morale and increased absenteeism; poor customer and community relations. Times are tough these days and considering if you are lucky enough to operate at a 10% profit margin, it could take you \$100,000 worth of work to cover the direct and indirect cost of a \$500 accident.

I can pretty much guarantee you that you can reduce your cost from accidents by 25% if you follow these basic strategies:

- Safety must start from the top down. Guarantee a management commitment;
- Publicize the company's commitment to safety on your website and wherever possible;
- Include discussions of safety issues during employee job interviews. You can often get a feel how that candidate views safety and how safe they will work;
- Offer employee wellness programs (healthier employees are less likely to be injured on the job);
- Train employees thoroughly, with new hire orientation and use of Job Safety Analysis (a blueprint for carrying out each step of a job safely);
- Conduct accident investigations and create a case management program, and
- Implement an effective SH&E program that involves total commitment from employees and management based on a "team" approach.

I know this all may seem a little overwhelming, especially if you are a small contractor. While there may be many resources available to you in setting up a safety program, the key to translating it into dollars saved is consistency of effort. This means assigning responsibility for task and a follow through commitment of continually repeating the processes outlined in your safety program. Also, you must do an annual evaluation of your program as a whole and continue to look for ways to improve it.

As always, if you have any questions please feel free to contact me at any time.

Stay Safe! Mike Sicking, Safety International, LLC

LARSONALLEN  
ENVIROTECH, INC.  
TAYLOR EXCAVATING  
TBD

THANK YOU!! THANK YOU!! THANK YOU!! THANK YOU!!

## *Berkley Surety Group J.W. Bommarito Construction*

*Since our fiscal year has just began,  
it's a great time to recruit a new member  
and get a star on your name badge.*

### **SECURA Partnership**

Secura Insurance offers broad comprehensive coverage at competitive rates for:

Property, Commercial General Liability, Inland Marine, Crime, Commercial Auto, Workers' Compensation, and Commercial Umbrella Liability

Members receive a 5% discount on commercial insurance package premium: Property, General Liability, Inland Marine (equipment) and Crime and ASA receives a 1% expense reimbursement PLUS 1% additional if annual loss ratio is 45% or less.



Call any Secura agent for details.

SERVICE • SELECTION • SATISFACTION  
**HANNEKE**  
HARDWARE & INDUSTRIAL SUPPLY CO. - SINCE 1927

**Great Product Lines For  
All Your Contractor Supplies**

**RUST-OLEUM** INDUSTRIAL BRANDS **CHAN NEL LOCK** **DEWALT**

**WERNER**

**W**  
**WRIGHT TOOL**  
Directing Performance

**Milwaukee**

Lumber  
Kitchen Cabinets  
Vanities & Tops

**AMES**  
**TRUE TEMPER**  
Lawn & Garden Tools - Since 1774

**carhartt.**

**valspar**  
the beauty goes on!

**BOSS**

**Master Lock**

**We Deliver!**

Visit us at [www.hanneke.com](http://www.hanneke.com)

**CITY STORE**  
5390 Southwest Ave.  
St. Louis, MO 63139  
(314) 772-5120  
(314) 772-2122 (fax)

**AFFTON**  
10042 Gravois Ave.  
Affton, MO 63123  
(314) 631-6250  
(314) 631-0771 (fax)

**WESTPORT**  
2293 Grissom Dr.  
Maryland Heights, MO 63123  
(314) 993-4020  
(314) 993-2911 (fax)

# Sponsorship Rates

Sponsorship opportunities are available in the ASA newsletter. Rates are very reasonable but are limited. Below are the rates. If interested, please call Reba.

- Website Rotating \$300/Year
- Website Static \$1,000/Year
- 1/4 Page Monthly \$300/Year
- 1/4 Page Quarterly \$125/Year
- 1/2 Page Monthly \$500/Year
- 1/2 Page Quarterly \$225/Year
- Business Card Monthly \$125/Year
- Business Card Quarterly \$70/Year
- Whole Page 1X \$300 Per Issue
- Whole Page Quarterly \$900/Year
- Classified Ads \$15 Per Issue

## ASSOCIATION PARTNERSHIPS:

Mason Contractors Assoc.(MCA)

Contact Pam Holway

or David Gillick

(314) 645-1966



Next Meeting: September 6, 2011

[www.masonrystlouis.com](http://www.masonrystlouis.com)

American Society of Professional Estimators (ASPE)



Contact Mindy Funk or

Cyndi Walker

(314) 596-7695 or

(314) 781-1422

Next Meeting: September 22, 2011

[www.stlouis-aspe.org](http://www.stlouis-aspe.org)



# BUDROVICH

Crane Rental

[www.Budrovich.com](http://www.Budrovich.com) | 314-892-3030

**PROFESSIONAL**

