

CALIFORNIA • LICENSED • CONTRACTOR

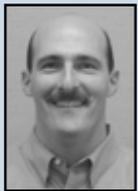
JAMES N. GOLDSTONE, INTERIM REGISTRAR

FALL 2000

GRAY DAVIS, GOVERNOR

REPORT OF THE REGISTRAR

What a whirlwind the last few months have been! During my term as Interim Registrar, I have gained a greater appreciation for the important services the Board provides contractors and consumers. As fate would have it, soon after my arrival at CSLB, duty called under most unexpected and unfortunate circumstances. After the Napa Valley earthquake hit in September, I witnessed first hand how quickly and efficiently this organization can leap into action, when Board staff arrived on the scene within 48 hours of the disaster.



Interim Registrar
James Goldstone

While there, Board representatives worked with local officials to educate the public on how to best hire contractors and also conducted a sting of unlicensed contractors preying on earthquake victims. Together, these actions served to level the playing field for our licensees and reduce consumer vulnerability.

The Contractors State License Board is on the cutting edge when it comes to providing its licensees with services and information that will serve them well in their profession. And this issue of the CLC works to that end. Here you'll find information on our upcoming Contractor Education Seminars and how to accurately prepare a bid. Further, you'll read about the programs and procedures, such as the Industry Expert Program and Subject Matter Experts, used by CSLB to ensure fair and efficient treatment and testing of contractors. In addition, this issue includes regular features like Tales from the Front, the Contractor Education Corner and legislative updates.

Free, Fast and Fascinating Contractor Ed Seminars

Round Three Coming Soon to a City Near You

The California Contractors State License Board is coming your way with a new series of Free, Fast & Fascinating Contractor Education Seminars for 2001!

Take advantage of this special opportunity at a location near you—don't miss these free seminars and an opportunity to meet representatives of the CSLB, Cal/OSHA, your local building department, and other officials.

Attendance is limited, so licensed contractors must register on a first come, first served basis.

Please fill out the registration form on the back page of this newsletter and fax or mail a copy to CSLB. You will receive a confirmation with details about your seminar.

This year's seminars are:

Using the Contract as a Recipe for Excellence. Your contract is not only a description of duties—it's a risk control tool and an opportunity to guarantee excellence in workmanship, communication and business practices. Presented by Bill Dexter, Director of Cal Poly's Center for Construction Education, and Mary Jones, Chair of the Century City Bar Association.

CAL/OSHA: Your Partner in Work Site Safety. Learn how to protect your business, yourself and your employees. Representatives of Cal/OSHA will present current information on their free consultation services, new laws relating to worksite safety and the Cal/OSHA enforcement process.

Ask the Experts. Here's your chance to ask and be answered! A panel of government and industry experts will convene to field your questions.

TALES FROM THE FRONT

Everclear Defendants Bound for Trial

Due in large part to the investigative efforts of CSLB's Enforcement staff, a Ventura County Superior Court Judge has bound the owner and two employees of an unlicensed water filtration system sales company (Everclear Water Systems) for trial. A trial date has been set for January 3, 2001. It is suspected that as many as 2,000 victims—predominantly Latinos—may have been defrauded by the trio.

The employees, also charged with one felony and two misdemeanor violations in San Bernardino County, failed to appear for arraignment on October 17.

Earlier this year, the Ventura County District Attorney's Office charged Everclear owner Aurora Elizabeth Vergara with 14 counts, including conspiracy to commit grand theft and fraud, unlawful water treatment device sales, and contracting without a license. Vergara was held to answer on an additional felony count of conspiracy to

defraud after the hearing.

Employees Juan Castaneda Abanto and Laura Dora Ortega Saenz were each charged with 28 counts, including grand theft by false pretenses, conspiracy to commit a crime, unlawful water treatment device sales, and contracting without a license.

According to records, employees of Everclear solicited Hispanic residents to hear a two-to-four-hour water filtration presentation in their home. The presentation involved scare tactics including stories of children dying from drinking the local tap water, written contract violations such as not including a "Truth in Lending" statement or "Right to Cancel" clause, misrepresentations that the written interest charges could be ignored, and promises of unlimited free soap products or pots and pans, which never materialized.

The sales pitch was given in Spanish, but parts of the contracts—which ranged from \$4,000 to \$6,000—were in English, a violation of the California Civil Code.

Bilingual Senior Scam Stoppers a Success

Last summer, the Contractors State License Board held its first bilingual Spanish Senior Scam Stoppers. The forums provided seniors

an opportunity to get information on current scams and consumer protection tips from several organizations such as the CSLB, the Bureau of Automotive Repair and the Medical Board.



Large crowds of seniors (more than 275 total) attending the seminars held in East Los Angeles on July 11 and in Montebello on August 23 indicated the forums' obvious success. "These forums are an important way to educate the public on how to best protect itself from scams and unscrupulous con artists in a variety of fields. They also offer the opportunity to provide information on how best to hire honest professionals. By teaming with

other agencies, Univision and community-based organizations, the Board maximizes its potential to serve a wider consumer base," said Board Member Minnie Lopez-Baffo.

Several other Senior Scam Stoppers targeting diverse senior groups are planned in the Central and Hacienda Heights areas of Los Angeles.

Bob Alvarado Ends Board Service After Seven Years

Following a Board meeting on September 25 in Sacramento that included farewell wishes, expressions of gratitude and the traditional plaque and cake, Board Member Bob Alvarado quietly left his



Bob Alvarado

post with the Contractors State License Board. Originally appointed to the Board by the Governor in 1993, Mr. Alvarado has served more than seven years as the Board's labor organization representative. Always an active member of the Board, Mr. Alvarado need not fear boredom now. Continued positions on the Pinole Planning Commission, the Commission on Health and Safety and Workers' Compensation and the Bay Counties Carpenters Union, along with a "day" job as District Manager for the Northern California Carpenter's Regional Council, all keep Mr. Alvarado busy and productive. CSLB staff extends a heartfelt thanks to Mr. Alvarado for his work with the Board.

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State of California

Gray Davis
Governor

Aileen Adams
Secretary, State and Consumer
Services Agency

Kathleen Hamilton
Director, Department of
Consumer Affairs

James N. Goldstene
Interim Registrar of Contractors

Members of the Contractors State License Board

Joe Tavaglione	"B" Contractor, Chair
Minerva Lopez-Baffo	Public Member
Paul R. Baldacci	"B" Contractor
Larry R. Booth	Specialty Contractor
John Hall	Public Member
Anthony J. Elmo	Building Official
David Lucchetti	Specialty Contractor
John B. Sandman	"A" Contractor
Hacob "Jake" Shirvanian	Public Member

How To Reach Us

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Mailing address: P.O. Box 26000
Sacramento CA 95826-0026

Information: (800) 321-CSLB (2752)

Call Center: (916) 255-3900

Internet: www.cslb.ca.gov

Gina Crawford, Editor

New C-31 Construction Zone Traffic Control License Established

Legislation signed by the Governor last year changed the definition of contractor to include construction zone traffic control work. As a result, the Board was required to establish a new license classification and define the scope of work for the new classification. The regulation establishing the new C-31 Construction Zone Traffic Control license classification has been approved (California Code of Regulations 832.31).

A construction zone traffic control contractor flags and prepares or removes lane closures or traffic diversions, utilizing portable devices such as cones, delineators, barricades, sign stands, flashing beacons, flashing arrow trailers, and changeable message signs on roadways, including, but not limited to, public streets, highways, or any public conveyance. After January 1, 2001, a license will be required for construction zone traffic control work.

If you contract for construction zone traffic control work exclusively, you

must hold the new C-31 license. However, if this work is part of, or incidental to, a larger project you are working on, then an additional C-31 license will not be required. For example, an "A" contractor who is



resurfacing a roadway would not be required to obtain the new C-31 license for the traffic control work required on the project because this work is part of, and incidental to, the overall "A" project. However, if the "A" contractor subcontracts the traffic control work, the subcontractor must be a properly licensed C-31 contractor.

To add the new classification to your license, you must submit an "Application for Additional Classification." For questions, contact Joyce May by calling (916) 255-4089. You may also reach her at Jmay@cslb.ca.gov, or P.O. Box 26000, Sacramento, CA 95827.

Open Enrollment for CSLB's Industry Expert Program

Industry Experts (IEs) perform a valuable service for the Board, contractors and the people of California. When a consumer files a complaint with the Board, IEs may review the job and determine if industry standards have been met. The list of IEs currently includes approximately 600 contractors representing all licensing classifications. The IE list is distributed statewide to all investigators and field offices and will be updated as necessary and distributed biannually.

The process for becoming an IE has been streamlined. New applicants must enroll during the "open enrollment" period when the Board will solicit applications in classifications that are not adequately represented on the IE list. The Board's next open enrollment period is January 2001 when applications will be accepted in

the following classifications:

- C-5 Carpentry
- C-8 Concrete
- C-13 Fencing
- C-15 Flooring
- C-20 Heating, Ventilating and Air Conditioning
- C-39 Roofing
- C-53 Swimming Pools

After the Board receives your application, your licensing and enforcement history will be reviewed. You will be notified of your application status and scheduled IE training. Training is held throughout the state when appropriate. The Board anticipates giving IE Program training to new experts at least biannually.

For questions call Jonathan Parsley at (916) 255-2798 or Kaaren Krueger at (916) 255-2788.

Who Wants To Be an SME?

Have you ever wanted to contribute to the improvement of the contracting profession? Here's your chance. The CSLB is in the process of examining each of its trades to ensure applicants are tested only on those tasks that are actually performed on the job and is currently recruiting licensed contractors to help with the examination process.

Subject Matter Experts (SMEs) help to ensure examinations reflect current real job knowledge. Participation in a two-day workshop in Sacramento qualifies you as an SME, and entitles you to travel and hotel reimbursement plus a \$200 honorarium. Moreover, you will have

the pride of knowing that you have contributed to your trade in a meaningful way.

The Board is recruiting licensed contractors in the following classifications to participate as SMEs in two-day workshops in Sacramento:

- B General Building Contractor
- C-2 Insulation and Acoustical
- C-7 Low Voltage Systems
- C-9 Drywall
- C-10 Electrical
- C-12 Earthwork and Paving
- C-20 Warm-Air Heating, Ventilating and Air-Conditioning
- C-21 Building Moving/Demolition
- C-27 Landscaping
- C-33 Painting and Decorating
- C-34 Pipeline
- C-36 Plumbing
- C-47 General Manufactured Housing
- C-54 Tile (ceramic and mosaic) Law and Business

If you're interested in participating in a workshop, leave a message at (916) 255-3221. Include your name, trade, phone and FAX numbers and the best time to reach you. When contacted by CSLB staff, indicate the most convenient time for you to participate and every effort will be made to accommodate your schedule.

Examination Updates

Examinations for the following classifications are being updated: C-4 (Boiler, Hot Water Heating and Steam Fitting); C-16 (Fire Protection); C-17 (Glazing); C-34 (Pipeline); C-47 (General Manufactured Housing); and Hazardous Substance Removal. If you receive a survey regarding these exams, please take the time to complete and return it to CSLB in the postage-paid return envelope. The effort you make to accurately complete the survey will be reflected in the quality of the examination that is given to future contractors.

LEGISLATIVE UPDATE



Board Sunset Date Extended with SB 2029

SB 2029 (Figueroa) extends the Board's sunset date to January 1, 2003, adds two additional legislature-appointed consumer representatives to the Board and allows the Director of the Department of Consumer Affairs to monitor the Board's enforcement program through the appointment of an Enforcement Monitor. SB 2029 also requires CSLB to study issues regarding surety bonds, recovery funds, the reengineering process, and home equity lending scams and report findings to the DCA and the Legislature.

SB 2029 also requires Home Improvement Certified (HIC) contractors to disclose their General Liability Insurance status and the value of that insurance. In addition, the bill requires HIC contractors to provide homeowners with a checklist of things they should know when evaluating a home improvement contract. The Board is currently working on developing this checklist. *These two requirements will not become effective until ninety days after the CSLB adopts the necessary regulations.* The governor signed AB 2029 and all other provisions become effective January 1, 2001.

AB 2370 (Honda) was sponsored by the CSLB and would have required applicants to submit fingerprints to the Board for the purpose of criminal background checks. This bill failed passage.

AB 1849 (Wiggins) would have created the special Fraud Investigation Unit within CSLB's enforcement program to investigate all types of fraudulent activity including labor law violations. This bill failed passage in the legislature.

AB 2112 (Dutra) would have created a home warranty program administered by the CSLB, to provide a dispute resolution program for construction defects in new homes. This bill failed passage.

SB 1524 (Figueroa) sponsored by the Department of Insurance, would have allowed a homeowner to perfect a claim against a contractor's bond without having to prove that the underlying violation of the Contractors' License Law was willful or deliberate. The bill failed passage in this form, was later amended to deal with unrelated issues, and was subsequently signed by the governor.

Disciplinary Actions

July – September 2000

NOTE: Disciplinary actions do not include licenses suspended for failure to maintain required bonds.

Business & Professions Code Sections

The following B&P Codes may be referenced in the list of Disciplinary Actions:

- 490 Relationship of conviction of a crime to licensed activity
- 7018.5 Failing to provide notice to owner regarding lien provisions
- 7026.7 Advertising as a contractor without a license
- 7028 Acting in the capacity of a contractor without license
- 7029 Contracting as a joint venture without the required license
- 7029.5 Failing, as a plumbing, electrical sign or well drilling contractor, to display identification on business vehicles
- 7030 Failing to include in a contract the notice that contractors are licensed by the Contractors State License Board
- 7030.5 Failing to fulfill the requirement that the contractor's license number be placed on all contracts, subcontracts, calls for bid, and other forms of advertising
- 7071.11 Judgment or admitted claim against bond
- 7083 Failing to report a change of address, namestyle, or personnel within 90 days
- 7085.6 Failing to comply with an arbitration award
- 7090.1 Failing to comply with civil penalty or "order to correct" in Registrar's citation
- 7097 Suspension of additional licenses
- 7098 Revocation of additional licenses
- 7099.6 Non-compliance with a final citation
- 7107 Abandonment of a project without legal excuse
- 7108 Diverted funds or property received for a specific job to other purposes
- 7109 Willfully disregarded plans and specifications, or failing to complete the job in a good and workmanlike manner
- 7109.5 Violation of Safety Laws resulting in death or serious injury
- 7110 Willful disregard and violation of building laws
- 7110.1 Violating Section 206.5 of the Labor Code
- 7111 Failing to keep records and to make them available to a representative of the Registrar
- 7111.1 Refusing to or failing to cooperate with deputy in investigation
- 7112 Misrepresentation of a material fact on an application
- 7113 Failing to complete a project for the price stated in the contract
- 7113.5 Avoiding or settling for less than lawful obligations as a contractor through the various bankruptcy proceedings
- 7114 Aiding and abetting an unlicensed person
- 7115 Failing to comply with the Contractors' Law
- 7116 Committing a willful or fraudulent act as a contractor
- 7117 Acting as a contractor out of namestyle
- 7117.5 Contracting with inactive license
- 7118 Contracting with unlicensed person
- 7119 Failing to prosecute a job with diligence
- 7120 Failing to pay for materials or services
- 7121 Prohibition against associating with suspended or revoked license
- 7122 Participation of license in violating Contractors Law
- 7122.5 Responsibility of Qualifying Person for acts committed by his/her principal
- 7123 Conviction of a Felony in connection with construction activities
- 7124 A plea of nolo contendere is considered a conviction
- 7154 Employment of unregistered home improvement salesman
- 7155 Participation in violation by a home improvement salesman
- 7157 Model Home kickback prohibition
- 7159 Failing to comply with contract requirements
- 7161(b) False advertising

License Revocations

Name	City	License No.	Date	Sections Violated
A & J PLUMBING & DRAIN	SANTA BARBARA	728304	09/29/100	7090.1
ALEXANDER J STEWART	LAS VEGAS	758920	08/20/100	7097, 7098, 7121, 7121.5
ALL CITY REMODELING INC	RESEDA	701485	07/15/100	7085.6
ARTISTIC ORNAMENTAL IRON WORK	STOCKTON	530544	09/29/100	7090.1
ATASCADERO ASPHALT MAINTENANCE	ATASCADERO	689696	07/26/100	7090.1
ATASCADERP ASPHALT MAINTENANCE	ATASCADERO	689696	07/26/100	7090.1
AUTOMATIC GATE EXPERTS	NORTHRIDGE	687951	07/19/100	7090.1
BARRETT KENNETH CONSTRUCTION	PALM DESERT	681858	07/13/100	7090.1
BATH AND KITCHEN STUDIO	NEWPORT BEACH	685060	07/06/100	7085.6
BIG G CONSTRUCTION	DOWNEY	574986	09/13/100	7090.1
BILL COPE CONSTRUCTION	TARZANA	728465	09/03/100	7107, 7108, 7109(A), 7113, 7114, 7115, 7018.5, 7028, 7030, 7068.1, 7159, 7161(A), 7097, 7098, 7121, 7121.5
BRENTNER RICHARD LEE	VALENCIA	714532	09/29/100	7090.1
BROWN THOMAS L FLOORING	GROVER BEACH	686740	09/29/100	7090.1
BROYLES KG GRADING & EXCAVATING	NAPA	689875	08/31/100	7090.1
BRUNO'S DESIGN CONST/HOME IMP	SANTA ROSA	746450	08/20/100	7112, 7111.1, 7097, 7098, 7121, 7121.5
C & C ENTERPRISES	ANTELOPE	604003	09/29/100	7090.1
C A R E PAINTING	VISTA	724896	09/13/100	7090.1
C&T ROOFING	CHATSWORTH	724853	09/03/100	7107, 7109(A), 7113, 7115(7068.1), 7097, 7098, 7121, 7121.5
CAL STATE CONSTRUCTION	MILPITAS	612007	09/29/100	7090.1
CAL-BEST BUILDING SERVICES	FULLERTON	461807	09/18/100	7085.6
CALDWELL ROOFING SERVICES	VACAVILLE	508727	08/25/100	7109A,7113,7115(7159,7030AB,C.) 7154
CALIFORNIA COLOURS BY LANE	CAMERON PARK	491642	07/11/100	7090.1
CALIFORNIA SYSTEMS FRAMING	HESPERIA	684012	09/01/100	7090.1
CD BUILDERS INC	ORANGE	551903	07/21/100	7107, 7109(A), 7113, 7115, 7159
CENTRAL VALLEY ROOFING	FAIR OAKS	617311	09/29/100	7090.1
CENTURY CONSTRUCTION	PERRIS	479676	09/18/100	7085.6
CHARLES R STEWART	LAS VEGAS	262970	08/20/100	7097, 7098, 7121, 7121.5
CHOSEN AMERICA CORP	LOS ANGELES	721426	08/08/100	7085.6
CIERI-S MOBILE HOME SERVICE	ANTELOPE	727421	08/31/100	7090.1
COACHMAN MOBILE HOME SERVICES INC	HEMET	716866	07/03/100	7030(A,B,C)7018.5(A,B)7107, 7109(A,B), 7110, 7111.1, 7112, 7113, 7115(7028(A), 7068.1, 7159, 7116, 7155(7153), 7154, 7161(B), 7097, 7098, 7121, 7121.5
COASTAL ROOFING	SAN FRANCISCO	730689	07/31/100	7107,7109A,7110,7113,7159,7117.5B
CONROY CONSTRUCTION	GRASS VALLEY	395520	09/16/100	7.10771E+23
CONTRACTORS REAL ESTATE CORP/ *MISSION BAY CONSTRUCTIN	SAN DIEGO	486710	09/03/100	7110,(11880A), 7123, 7097, 7098, 7121, 7121.5
CREATIVE CONCRETE COATINGS	WILDOMAR	713545	08/21/100	7090.1
DELPRADO CONSTRUCTION COMPANY	SAN JOSE	490987	09/29/100	7090.1
DIAMOND INSTALLATIONS	NUEVO	599383	07/31/100	7090.1
DIGISTAR ELECTRO OPTICAL COMM	CANYON COUNTRY	569273	07/13/100	7090.1
DREAM HOME CONSTRUCTION	FRESNO	549863	08/31/100	7090.1
DREAMS BY SUNSET	RANCHO CUCAMONGA	235179	07/03/100	7083, 7107, 7108.5, 7109(A,B), 7111.1, 7113, 7120, 7154
DWAYNE ANTHONY KELLY	PLACENTIA	667294	07/21/100	7097, 7098, 7121.5, 7122.5
ENTIRE QUALITY SERVICES	LOS ANGELES	710554	07/13/100	7090.1
ENVIRONMENTAL TANK SPECIALISTS INC	ANZA	701470	09/03/100	7116, 7120, 7097, 7098, 7121, 7121.5, 7122
FISHER CHARLES DOUGLAS	DESERT HOT SPRINGS	535705	07/13/100	7090.1
FOWLER DAVID MURRAY	COSTA MESA	597272	07/31/100	7090.1
FRANK JONES	FAIR OAKS	286749	09/28/100	7123
GARCIA BRIAN JOSEPH	NORTHRIDGE	528308	07/24/100	7090.1
GENTRY RENOVATIONS PARTNERSHIP	LANCASTER	692779	09/13/100	7090.1
GEORGE J STEWART	LAS VEGAS	757463	08/20/100	7097, 7098, 7121, 7121.5
GOLD STAR CONSTRUCTION	GRASS VALLEY	685906	08/07/100	7107, 7109A, 7109B, 7110, 7113, 7115, 7159, 116, 7097, 7098, 7121, 7121.5
GOLDSTAR HOME IMPROVEMENT INC	VAN NUYS	657792	09/01/100	7097, 7098, 7121, 7121.5, 7122.5
GRADEK BUILDERS	SANTA ROSA	514842	08/01/100	7071.11
GRIMSHAW COMPANY	SAN LEANDRO	609207	08/02/100	7109,A,B,7113,7030.5,7159,7117,7118
GUERRERO TILE CONSTRUCTION	SAN MARTIN	709545	09/15/100	7.11271E+19
GUIDER FLOORING	SAN DIEGO	757027	07/03/100	7083, 7107, 7108, 7113, 7115(7030 A,B) 7159, 7116, 7117(A), 7117.6, 7097, 7098, 7121, 7121.5
HAYDEN BRYAN M CONSTRUCTION	WESTMINSTER	709482	09/13/100	7090.1
HIBBARD ROOFING INC	CROCKETT	496588	07/31/100	7090.1
HIGH DESERT CREATIVE CONCRETE	LANCASTER	543789	07/31/100	7090.1
IDC	ORANGE	722628	08/07/100	7107, 7113, 7116, 7097, 7098, 7121, 7121.5
INTERCONNECT	PALO CEDRO	439253	08/07/100	7071.11
J M CONSTRUCTION CO	LOS ANGELES	693393	09/01/100	7090.1
J-1 PAINTING BELL	BELL	651510	09/03/100	7097, 7098, 7121,7121.5
JACK GALE CONSTRUCTION INC	PLAYA DEL REY	579569	07/21/100	7115, 7159, 7097, 7121, 7121.5, 7122.5
JACKSON ROOFING AND PAINTING	VISALIA	543660	07/26/100	7090.1
JDK MECHANICAL	SANTEE	709468	09/13/100	7090.1
JDK MECHANICAL	SANTEE	709468	09/18/100	7090.1
JOHN C WILLIAMSON CONSTRUCTION	PLACERVILLE	324484	09/28/100	7107,7113,7114,7117(B)
JOHN'S CABINETS	ORLAND	676214	08/31/100	7090.1
JOHNSON'S ROGER ACOUSTIC	MORENO VALLEY	452762	09/13/100	7090.1
JONES PLASTERING	SOQUEL	494893	08/31/100	7090.1
K C CUSTOM TILE	CARMICHAEL	576153	08/31/100	7090.1
KING ENTERPRISES	CONCORD	637893	08/01/100	7090.1
KON'S ROOFING COMPANY	CASTRO VALLEY	709835	07/06/100	7107, 7115/7159,7116,7117.5
KROWN CONSTRUCTION	TURLOCK	733623	09/17/100	7085.6
LE MOOR'S HEATING AND AIR CONDITIONING	PALO ALTO	702196	07/26/100	7090.1

License Revocations

Name	City	License No.	Date	Sections Violated
LEE GEN CHA RANG	LOS ANGELES	690776	09/13/100	7090.1
LENI'S CONCRETE	HAWTHORNE	567512	09/03/100	7109(A), 7110(D), 7113, 7115, 7030, 7159, 7117(A), 7097, 7098, 7121, 7121.5
LYNTRAK CONSTRUCTION CO INC	SOQUEL	562534	07/26/100	7090.1
MADDEN COMPANY BUILDERS	VALLEY SPRINGS	677713	08/31/100	7090.1
MAJESTIC ROOFING	CONCORD	674746	09/28/100	7107, 7109, 7113
MASTERWORK CONSTRUCTION CO	SHERMAN OAKS	332379	09/03/100	7109(A), 7113, 7115, 7159, 7097, 7098, 7121, 7121.5
MC DONALD PAINTING	WOODLAND HILLS	666230	08/26/100	7085.6
MIKE CONIGLIO	CAMARILLO	574685	08/31/100	7090.1
MUNROE TIMOTHY B	ARCADIA	673353	08/07/100	7085.6
NORTHSTATE FIRE-SUPPRESSION	PALO CEDRO	573732	08/07/100	7122.5
O'LEARY EXAVATING & DRILLING CO	SAN FRANCISCO	669983	08/02/100	7107, 7113,7159,7083
OAKVILLE CONSTRUCTION INC	NORTHBRIDGE	153745	09/13/100	7090.1
OUTBACK LANDSCAPE DESIGNS	EL CAJON	724517	07/13/100	7090.1
PACIFIC SUNSCAPE	SAN DIEGO	703972	07/31/100	7090.1
PAUL PERSONIUS	ORANGEVALE	608513	09/28/100	7123
PREFERRED PROPERTY MAINENANCE	FREMONT	570565	08/07/100	7071.11, 7109A, 7113, 7115, 7159, 7097, 7098, 7121, 7121.5
PRO WESTERN ROOFING	LOS ANGELES	727082	09/13/100	7090.1
R A WELCH AND ASSOCIATES INC/ DBA: POLLY POOLS OF CONTRA COSTA	WALNUT CREEK	695442	09/27/100	7107, 7109A,7113,7110,7159
R E JOHNSON CONSTRUCTION	BAKERSFIELD	535290	08/01/100	7107,7108,7109A,7116
RAMSDALL CONSTRUCTION	MODESTO	608736	09/29/100	7090.1
RAMSEY PAVING CO	LITTLEROCK	686691	09/01/100	7090.1
RAY N JARAMILLO INTER-STATE CONSTR	SUN VALLEY	224996	07/27/100	7109(A), 7110(1689.7), 7113, 7115(7030,7159), 7125.1, 7097, 7098, 7121, 7121.5
REINHART DEVELOPMENT	SAN RAMON	684230	08/02/100	7109A, 7113
RENOVAR CONSTRUCTION	YUBA CITY	598235	09/18/100	7085.6
RESI-TEC	MODESTO	659068	07/06/100	7107, 7113
ROMERO CONSTRUCTION INC	SAN PEDRO	649584	09/01/100	7090.1
SAMBE CONSTRUCTION	LOS ANGELES	672438	07/10/100	7107, 7109(A), 7110, 7113, 7115, 7159, 7097, 7098, 7121, 7121.5
SANCHEZ RAY PAINTING	WOODSIDE	576914	08/31/100	7090.1
SANE CONTRACTING	ALBANY	423008	08/31/100	7090.1
SATURN CONSTRUCTION CO INC	RESEDA	713480	07/21/100	7107, 7109(A), 7113, 7115, 7159, 7097, 7098, 7121, 7121.5, 7122.5
SAVE-ON CONSTRUCTION	STUDIO CITY	644008	09/01/100	7109(A), 7113, 7115, 7019, 7116, 7154, 7159, 7161, 7163, 7097, 7098, 7121, 7121.5, 7122.5
SCAMARDO ANTHONY B	CANOVA PARK	635018	07/12/100	7090.1
SIERRA HVAC	SAN JOSE	729753	07/14/100	7085.6
SMITH GENE CONSTRUCTION	VISALIA	376779	07/26/100	7090.1
SOUSA CONSTRUCTION	EUREKA	603458	07/26/100	7090.1
STEVE PALOS	ROSEVILLE	586514	09/28/100	7123
STEVEN MICHAEL BREEN CONSTRUCTION	LEMOORE	742324	08/02/100	7107,7109A,7113,7117B,7117.5B,7159
STEWART CONTRACTING	LA S VEGAS	657175	08/20/100	7110, 7115,7159, 7116, 7161(B), 7097, 7098, 7121, 7121.5
STEWART CONTRACTING	LAS VEGAS	657175	08/20/100	7110, 7115, 7159, 7116, 7161(B), 7097, 7098, 7121, 7121.5, 7122.5
SUNSET BUILDERS				
A DIVISION OF DREAMS BY SUNSET	ONTARIO	323230	07/03/100	7097, 7098, 7121, 7121.5, 7122.5
SUPREME COATING AND CONSTR INC/ * SUPREME CONSTRUCTION	HUNTINGTON BEACH	716853	07/21/100	7097, 7098, 7121, 7121.5, 7122.5
TARGET CONSTRUCTION	ORANGE	705624	09/13/100	7107, 7109(A), 7113, 7114, 7115, 7159, 7116, 7097, 7098, 7121, 7121.5
THE WALL DOCTOR	DOWNEY	559051	09/03/100	7083, 7107, 7108, 7108.5, 7109(A), 7113, 7115(7071.13, 7159), 7116, 7119, 7154, 7097, 7098, 7121, 7121.5
THOMAS A PHILLIPS	HOUSTON	704116	07/31/100	7109A, 7109B, 7111.1, 7113, 7029.1
TJ'S ROOF TEAR OFF	PLACENTIA	676625	07/24/100	7090.1
TRAN LANDSCAPING	SACRAMENTO	667213	09/17/100	7090.1
TRUST CONSTRUCTION COMPANY	SAN FRANCISCO	682982	09/12/100	7109A, 7110, 7113, 7030.5, 7159, 7116.7
U-SAVE REMODELING	LOS ANGELES	706308	09/01/100	7097, 7098, 7121, 7121.5, 7122.5
ULTIMATE IMPROVEMENTS	MARYSVILLE	723983	07/26/100	7090.1
VALLEY CONSTRUCTION & DEVELOPMENT	NAPA	497618	07/31/100	7109A, 7109B, 7097, 7098, 7121, 7121.5
VELA WROUGHT IRON	CARSON	523899	07/31/100	7090.1
VIGIL CONSTRUCTION SERVICES	SANTA PAULA	547477	08/01/100	7109A, 7159, 7110(1689.7), 7030B,C
VITRANO KURT POOL CONTRACTING	SAN DIEGO	622381	08/21/100	7090.1
VU-TRAN INC DBA I D C	ORANGE	580118	09/05/100	7090.1
WAGNER JOHN LEE	EL MONTE	477496	09/25/100	7090.1
WALNUT VALLEY ROOFING CO	WALNUT	678945	07/27/100	7083, 7107, 7109(A,B), 7110, 7113, 7115(7159), 7116, 7117.5(B), 7120, 7154, 7097, 7098, 7121, 7121.5
WARD JAMES A CARPET CO	PASO ROBLES	631237	08/31/100	7090.1
WESTVAIL INC	LAFAYETTE	487178	08/31/100	7090.1
WILLIAMSON JOHN C CONSTRUCTION	PLACERVILLE	324484	08/31/100	7090.1
WOODLAN MILL AND MANUFACTURING	ESCONDIDO	698479	07/03/100	7107, 7113, 7116, 7097, 7098, 7121, 7121.5
WORLDWIDE DEVELOPMENT	ORANGE	766206	08/07/100	7097, 7098, 7121, 7121.5
YOUNG AT HEART	KELSEYVILLE	226866	08/11/100	7085.6
ZEPHYR CONSTRUCTION	GRANADA HILLS	716732	07/31/100	7090.1

Attention C-10 Licensees

New Certification Coming

A 22-member Advisory Committee has been charged with the task of assisting the Department of Industrial Relations' (DIR) Division of Apprenticeship Standards Division Chief in developing testing and certification standards for electrical workers working with more than 100 volts amperes. The committee makes recommendations to the Division Chief based on the findings of six separate panels that focus on the enforcement, testing, qualifications, fees, public relations and specialty issues of the pending certification. The advisory committee and panel members represent a diverse cross section of industry members.

AB 931 (chaptered in October 1999) mandated the Division of Apprenticeship Standards to "establish and validate minimum standards for the competency and training of electricians..." Although the deadline for developing the regulations was originally January 1, 2001 it has since been legislatively changed to July 1, 2001. **Once regulations are in place, the DIR, Division of Apprenticeship Standards will notify C-10 contractors of the new certification requirements and timelines.**

New regulations will not apply to persons performing work to which section 7042.1 of the Business and Professions Code is applicable or to work ordinarily and customarily performed by stationary engineers or to electricians working with less than 100 volts amperes.

An informational web site containing contractors' frequently asked questions will soon be available through DIR's web site at www.dir.ca.gov.

Horizontal Drilling Requirements

Horizontal Directional Drilling (HDD) operators performing directional drilling on state of California property, involving a state of California permit or falling under the authority of the state of California are required to be trained in the safe operation of HDD Equipment. This training must include basic operation and safety of the HDD equipment as contained in the HDD equipment Manufacturer's Operator Manual. The training must also be provided by the HDD equipment manufacturer, HDD equipment authorized dealer or manufacturer's authorized trainer.

The California Department of Transportation has mandated that as of July 1, 2001, all horizontal directional drilling operators must have in their possession a Caltrans form TR-0770 "Proof of Training." An operator's failure to possess this form could result in the job being shut down.

For more information regarding these requirements, contact Joe Morones, Department of Transportation, Office of Encroachment Permits, P.O. Box 942837, Sacramento, CA 94273-0001. Mr. Morones can also be reached by phone at (916) 654-6085, or by e-mail at jmorones@dot.ca.gov.

Guesstimate or Cost Breakdown?

By William S. Craig, III

In a survey conducted last spring, 77 percent of responding contractors said they wanted to learn more about the bidding process. The following article, written by CSLB Industry Expert Bill Craig, addresses the issue.

A highly successful remodeling contractor shared this pearl of wisdom with me many years ago.

“A manufacturer develops a product and then decides what to charge for it. But a contractor first decides what to charge and then has to produce the product for that amount.”

So how does a contractor do that without getting burned? Many contractors will tell you it takes careful “guesstimating” along with some luck. I disagree. You will be more successful if you learn, and apply, the fundamentals of a cost breakdown.

Take a moment to look at the two primary sections in the sample Cost Breakdown on page 7. Lines 1–40 focus on breakdown items, while lines 41–50 focus on business expenses and calculations.

Breakdown Items

This sample was designed for use by residential remodelers, but you can adapt it to your needs by customizing lines 1–40. Going down your list, arrange items in the order the work will occur.

Next go across the list. Comments such as “remove swing set,” “16x20 slab,” or “30-yr dimensional comp shingles” should be included in the “Notes” column on the appropriate line. You might also note names of subcontractors and the dates of their bids.

Your best computations of the “unburdened” material and labor costs go under the “Materials” and “Labor” columns, while their total, as well as subcontractor bids, are listed under “Budget.” Use your best judgment when listing a price before you get a bid, remembering that the amount you put in the last column becomes your budget. Can you build it for that?

Test your customized form by entering tasks and figures from recent jobs. Is there a place for

everything? How does the estimate compare to the actual job cost? When you’re convinced the form is thorough, copy just this portion of the list and carry it with you. Each time you assess a new project, use it as a checklist.

Business Expenses and Computations

Lines 41–50 require some definitions and an understanding of the mechanics of the form. A subtotal is determined by adding the budgeted amounts on lines 1–40. Next, you must add in the cost of doing business. These costs include contingency fees, supervision, sales commission, hard costs, mark-up and profit.

NOTE: The percentages indicated in the hypothetical computations on this part of the form are for illustrative purposes only and do not represent a recommendation on the part of the CSLB or myself. You must determine the appropriate percentages for your business by studying your past performance.

Contingency fees cover unexpected costs such as vandalism, theft or damage, done by your workers or equipment, to the owner’s property. The nature of your work and your worker’s proficiency will determine the percentage you should apply on line 42.

Include your superintendent’s base pay (less all benefits) on line 43 and your salesperson’s total commission on line 44. Commissions are often paid 50 percent when a permit has been issued and 50 percent when final inspection has been passed. The last payment is sometimes adjusted up or down depending on how well actual costs compare to budgeted costs.

Hard costs include the total unburdened price (nothing but sales tax and cartage are added) you expect to pay for all materials, labor, subcontracts, contingency, supervision, and commission directly chargeable to this job. With the exception of the “Bond/Fund Control fee,” (optional item added on line 49), the amount on line 45 includes all costs directly chargeable to this specific job.

After calculating your hard costs, you must factor in your **overhead** expenses and **administrative** costs such as rent, utilities, equipment, payroll, insurance, license fees, etc., plus any other indirect costs that cannot be charged directly to a specific job. Some estimat-

ing manuals suggest a 25 percent mark-up for residential remodelers. While not an unrealistic starting point, your actual costs and a host of other factors can vary your mark-up dramatically...in either direction. When trying to cut business costs, this is the area in which to start.

Your monetary reward—if, but only if, you produce the job within budget—will be the amount on line 47. An 8 percent profit is fairly typical of the construction industry, but some contractors use an inflated profit margin coupled with a deflated mark-up, or vice versa. Others include profit within mark-up. Add lines 41–47 to arrive at a subtotal on line 48. If neither a performance bond nor a fund control fee is included, this will be your final contract price.

If you buy a performance bond or engage a fund control service to handle your disbursements and collection of lien releases, the cost is added on line 49.

If due thought was given to each item above, the price you arrive at on line 50 will be right for the job. Always complete the form before giving a prospect even a “rough estimate” of the price. And go over your math at least twice—a mistake could cost one or two days’ pay! Once you’ve figured the job cost, don’t be persuaded to drop your price just because someone else bid less. Your price reflects what you need to cover your costs.

As you work with the breakdown, you will soon realize (if you haven’t already) the project dictates the amount on line 41 while you—and how you run your business—dictates the amount on line 50. How you operate your business will determine the costs you must recover on lines 42–49. But you must recover them if you are going to be successful. Good luck!

William S. Craig III is a 21-year veteran of the contracting business with extensive remodeling and home improvement experience. He is an arbitrator, industry expert, FEMA field inspector, and author of policy and procedure manuals for major remodeling retailers. A San Diego-based general building contractor, Mr. Craig is also the president-elect of the local Forensic Consultants’ Association.

Cost Breakdown—Residential Remodeling

Job No. _____

Date _____

Name _____

Phones: Home _____ Work _____

Address _____

Cell _____ Pgr _____

BREAKDOWN ITEMS	NOTES	MATERIALS	LABOR	BUDGET
1	Plans & Permits	\$	\$	\$
2	Site Preparation			
3	Meter/Service Moves			
4	Concrete			
5	Masonry			
6	Plumbing			
7	Electrical			
8	Phone/TV/Computer			
9	HVAC			
10	Carpentry (Rough)			
11	Roofing			
12	Fireplace			
13	Sheet Metal			
14	Gutters			
15	Ornamental Iron			
16	Deck Coating			
17	Exterior Siding			
18	Insulation			
19	Drywall/Interior Lath & Plaster			
20	Overhead Garage Door			
21	Cabinets			
22	Laminated plastics			
23	Ceramic Tile			
24	Cultured Marble			
25	Glazing			
26	Windows & Doors			
27	Carpentry (Finish)			
28	Painting			
29	Floor Coverings			
30	Appliances			
31	Fencing			
32	Landscaping/Sprinklers			
33	Scaffolding			
34	Equipment Rental			
35	Clean-Up & Dump Fees			
36				
37				
38				
39				
40				
41	Subtotal Add items 1 thru 40			20,000
42	Contingency Multiply item 41 by 2%	400		
43	Supervision Add items 41 and 42, multiply total by 5%	1,020		
44	Sales Commission Add items 41 and 42, multiply total by 5%	1,020		
45	HARD COST Add items 41 thru 44			22,440
46	Mark-Up Multiply item 45 by 25%	5,610		
47	Profit Multiply item 45 by 8%	1,795		
48	Subtotal Add items 45 thru 47			29,845
49	Bond/FC Fee Multiply item 48 by 2%	597		
50	CONTRACT PRICE Add items 48 and 49			30,442



FAX this form today to register for our free, fast & fascinating Contractor Education Seminars!

FAX TO: CSLB (916) 255-1395

Please enroll me in the Contractor Education Seminar checked at right, then mail or FAX me the details:

Name(s) _____

Address _____

City _____ ZIP _____

Phone (____) _____ FAX (____) _____

License # _____ Number Attending _____

CSLB must receive your FAX at least seven days before the seminar you wish to attend in order to return your confirmation! If you haven't received your confirmation within a week, call the Seminar Message Hotline, (916) 255-4778, and we'll call back.

SEMINAR I WILL ATTEND (check one):

- Martinez**—Tuesday, January 9, 2001
- Auburn**—Tuesday, January 23, 2001
- San Pedro**—Tuesday, February 6, 2001
- Salinas**—Tuesday, February 27, 2001
- Temecula**—Tuesday, March 13, 2001
- Sonora**—Tuesday, March 27, 2001
- Bakersfield**—Tuesday, April 3, 2001
- Willits**—Tuesday, April 17, 2001

SCHEDULE

- 6:00–6:30 p.m. *Registration*
- 6:30–7:30 p.m. *Using the Contract as a Recipe for Excellence*
- 7:30–7:45 p.m. *Break*
- 7:45–8:45 p.m. *Cal/OSHA: Your Partner in Work Site Safety*
- 8:45–9:00 p.m. *Break*
- 9:00–9:30 p.m. *Ask the Experts*

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