

THE NATIONAL ESTIMATOR

NOVEMBER, 1983

PROFESSIONAL CONSTRUCTION ESTIMATORS ASSOCIATION OF AMERICA, INC.

PROFESSIONAL, COOPERATIVE, ENTHUSIASTIC ATTITUDE



Tommy Flagler, 1983 Golden Hammer Award winner, surrounded by the speakers at the ceremony. John Cheek, at extreme left, was the emcee and Wendell Hitchcock and Clair Hege made the introductions. The above pictured Golden Hammer Award Ceremony in the brilliant idea of the Atlanta Chapter. It promotes the PCEA, it honors an outstanding person in the construction industry, and instills an overall good feeling about the PCEA.

NATIONAL HISTORIAN COMMITTEE REPORT

1. See attached report on submittals of newsletters and meeting minutes. Thanks to the Triad Chapter for a good job of submitting information.
2. Chapter surveys have been received from Chapters 2, 5, 8, 13 and 14. All other chapters should reply as soon as possible.
3. I have requested that our convention be advertised in the NAWIC IMAGE.
4. I have listed our organization with the Encyclopedia of Associations.
5. I suggest that individual chapters investigate listing the PCEA in their respective telephone directories as a professional organization.
6. I have received a copy of the 1979-80 History. I urge the other Historians to finish their reports.
7. The National Board shall investigate the joining of the National Institute of Building Science as a professional organization.

PROMOTIONS AND AWARDS

Congratulations are in order for the following: Our National President, Ray Currin, has been promoted to assistant vice president, manager of estimating, Greensboro, N. C. office of Engineers-Constructors, Inc.

Larry Reich, Triad Chapter, has been promoted to vice president in charge of industrial and commercial estimating for Cumbus and Carter, Inc., Greensboro, N.C.

8. National PCEA should investigate the possibility of "Estimator's Day in North Carolina." The CSI organization had a "Specification Day" on August 23.

DELINQUENT SUBMITTALS OF CHAPTER MEETING MINUTES (OCT. 7, 1983), BOARD MINUTES AND NEWSLETTERS

CHAPTER	1	2	3	5	6	7	8	9	10	12	13	14
June Min.	X	X	X	X		X	X	X		X	X	X
June Bd. Min.			X	X				X		X	X	X
June News	X					X			X			
July Min.			X	X	X		X	X		X	X	X
July Bd. Min.	X		X	X	X	X	X	X	X	X	X	X
July News						X			X			X
Aug. Min.	X		X	X	X		X	X	X	X	X	X
Aug. Bd. Min.	X		X	X	X		X	X	X	X	X	X
Aug. News									X	X		
Sept. Min.						X						
Sept. Bd. Min.												
Sept. News			X						X			X
Oct. Min.												

Mail Submittals to: Bob League, Davidson & Jones Construction Co., P.O. Box 19067, Raleigh, NC 27619

EDITOR'S SCORE BOARD

No hits . . . No runs . . . One Error!
 In our last newsletter we stated that Kyle Cave was with Security Building Company. This was a gross error. Kyle is with Barnhill Contracting Co. Please accept our apologies, Kyle!

SHOULD I WRITE MY LEGISLATOR?

Should you need to write your legislator, 12 helpful hints from the N.Y. Library Association are listed below.

1. Keep the letter short, rarely more than one page. Type if you can; otherwise, write clearly.
 2. Write it in your own words and include your own thoughts.
 3. Cover only one issue save other issues for later letter.
 4. Show your familiarity with the subject, and with the current status of the legislation (mention the bill number if possible). This will indicate that you are serious about the issue, unlike the casual, uninformed correspondents who produce the bulk of constituent mail.
 5. Be specific about what you want your representative to do.
 6. Give reasons for your position. Cite your own experience and findings if possible. If the bill has a local impact, indicate that fact so your representative will realize that the bill has a direct effect on his or her district.
 7. Ask your representative a direct question about his or her own position on the bill. You want to receive a clear answer, not a form letter. If you are requesting an appointment, give alternate times if possible, and ask for a reply.
 8. Don't mention your membership in any organization unless directly related to an experience you are describing. The individual citizen's letter is what counts most.
 9. If you can, mention your legislator's vote on a recent issue to show your awareness of his or her record.
 10. In general, be helpful rather than threatening. You can best show your genuine concern for the issue by not threatening or whining, but by offering to provide further information on the subject.
 11. When Congress or the state legislature is in session, address all letters to your representatives in Washington or the state capital. At other times, write them at their local offices.
 12. Finally, remember, any letter is better than no letter. Postcards are second best - it's hard to get much information on them.
- Tim Schmahl

AVOIDING FREIGHT LOSSES

Losses due to damaged or missing freight can be minimized by becoming familiar with the Uniform Commercial Code provisions relating to the transfer of the title of goods from buyer to seller. Follow these steps:

At the time of delivery, check all containers. Make sure that they have not been opened, then open and check contents against the bill of lading, noting any discrepancies. Check the *number and weight* of the containers against the shipping receipt. Then check for damage.

If the deliveryman objects to the examination of the freight, either refuse to accept the delivery or sign the receipt with a notation that there is reason to believe that there is a shortage or damage and reserve the right to file a claim after complete verification of contents. If shortages or damages are discovered, note them on the delivery receipt and have the deliveryman sign one copy, keeping another for the records. If the carrier conducts an inspection, read the report carefully before signing. If there are suspected errors in the report, either refuse to sign or note the possible inspection error over the signature.

After delivery, within five working days, see that all individual cartons/containers are opened and examined for shortages and damages. This step will also reduce pilferage. When damages and/or shortages are discovered, file a claim promptly, following the procedures spelled out on the bill of lading.

— from Small Business Report, October 1983

UPCOMING PCEA SEMINAR

WHAT IS NATIONAL PCEA DOING FOR ME?

Now that we have your attention, we're going to tell you. We have members who have asked "what do I get out of National?" A good response would be "exactly what you put into it." But that wouldn't be fair to those of you who don't have the time you would like to devote to PCEA. Well, those of you with a little money but not a great deal of time to put toward PCEA can receive some excellent benefits from National this year. We are not talking about the National Roster. We aren't referring to the National Convention, either. Nor are we talking about *The National Estimator*, our newsletter. What we are speaking of is a seminar sponsored by your national PCEA organization. The Construction Projects and Education chairmen have combined forces to organize a seminar entitled "The Estimator and the Legal Aspects of Bidding." The program and registration form for this seminar will be mailed to all PCEA members in the near future. Perry Safran of the Triad Chapter was instrumental in obtaining high quality speakers for this seminar. This program will be held on January 29, 1984 at the Holiday Inn Woodlawn in Charlotte, N. C. The cost is only \$75.00 per person, which includes the course materials, lunch and coffee breaks.

We encourage anyone involved in preparing estimates, giving or receiving quotations, and establishing a company's policy regarding competitive practices to attend this seminar. Don't miss your chance to let National PCEA do something for you. This is *your* seminar.

J. Kyle Cave, Construction Projects Chairman
Eddie Carroll, Education Chairman

SEMINAR AGENDA

9:00	Registration and Welcome: (Cave/Carroll & Safran)
9:45 - 10:45	Session 1 - The Legal Aspects of Bidding (Jack Taylor - Charlotte, N.C.)
10:45 - 11:00	Break
11:00 - 12:00	Session 2 - Avoiding the Legal Pitfalls of Bidding (Dan Brailsford, Columbia, S.C.)
12:00 - 1:30	LUNCH - Luncheon Speaker Mark Scholander (American Arbitration Association) "Arbitration of Bid Disputes"
1:30 - 2:30	Session 3 - Bid Bonds and the Role of the Surety (Bond/Surety Agent - to be named)
2:30 - 2:45	Break
2:45 - 3:45	Session 4 - Mistakes in Bidding (Bowie Costen, Ass't Attorney General N.C.)
3:45 - 4:00	Break
4:00 - 5:00	Panel Discussion (Moderator - Perry R. Safran)

WOULD YOU BELIEVE —

Beautiful September day at N. Myrtle Beach, S. C. Hole No. 6 - 77 yards - Par 3 - five iron. Lady Golfer, 1st time ever to play the game. Husband hits first from back tee. Laying 3 ft. from pin. Lady Golfer addresses the ball in beautiful form. Ball hits in front of green, bounces 2 or 3 times, rolls past husband's ball and into the cup. South Myrtle Beach hears the scream. Husband faints. Lady Golfer is Ginny Barbee, wife of PCEA Charlotte Chapter president, Darrell Barbee. (Witnessed by Ted and Gloria Wilson, Tom and Mary Nally, Hub and Peggy Lyles and Bud Rosenbaum).



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CHAPTER ACTIVITIES

TRIANGLE, RALEIGH, N. C.

Chapter No. 3 has 124 renewal members and 6 new members for a total of 130 members through October 5, 1983.

We have had excellent programs for the past three months including an informative one on safety given by Mr. Jim Stephens of Safety Associates. Mr. Charlie Bowen of C. J. Kern Construction Company also gave us a good program last month on "estimating," though I cannot say he gave too many secrets out.

Our new meeting place in Raleigh, "Ballentines" Cafeteria has proved to be far superior to our former meeting place in both spaciousness and in food quality. (For references, ask Mr. Carl Seager, who has become an honorary member of our chapter. Now . . . if we can just get some money out of him!)

Chapter 3 will not have a Casino Night this year; however we will continue with our raffle, hoping to give two trips instead of just the one we gave last year. Judge Carr was blackmailed into heading up the golf tournament next spring. All persons present at this meeting and chapters they represent are cordially invited to what I guarantee to be a splendid affair of golf, drink, food and Oh yes! lady caddies and score keepers. More on this later.

Our \$2,000.00 scholarship this year was given to Mr. Harold Barnhardt and Mr. Robert Edward Wilson of North Carolina State University. We also donated \$100,000 for the CCTC Educational Meeting in Charlotte.

Chapter 3 honored its first two life members with plaques at our last meeting. They were Mr. Wade Davis of Precision Walls, Inc. and Mr. Bill Baker of Baker Roofing Company.

We have just completed an exhaustive piece of work headed up by our President, Mr. Tim Harward, on our new directory which will be in all our members hands in the next two weeks. Copies will also be sent to National Officers and Chapter Presidents.

—Robert W. "Judge" Carr, Jr.

CHARLOTTE, N. C.

As of September 30, 1983, our membership is: 201 renewals; 32 new; 3 life; 6 honorary; total 242.

We plan to have our new roster for distribution at our November meeting.

Our Ways & Means Chairman has arranged a night at the theatre. This is a joint project with the SIC. Burl Ives will perform and it should be a nice evening.

Our Education Committee has begun planning the next World of Construction for the spring of '84. The WICS will participate in this worthwhile project.

Bill Helms has arranged another Christmas social that should be a great time for all if past parties are any indication.

Gene Powell is doing an excellent job obtaining good informative programs. We just had a program on computer estimating that was very good.

GREENVILLE, SOUTH CAROLINA

Membership: 41 renewals; 3 new; 1 life; 1 honorary - total 46. Membership drive in progress and a TV will be awarded to the member who brings in the most new members in excess of five. The award will be made at our annual Christmas Party on December 17, 1983.

August program: Mr. Larry Miller, Vice President, Commercial Loan Department, Southern Bank — "Changing Economy Over the Third and Fourth Quarters of This Year."

September program: Mayor Bill Workman - Greenville, S.C. "New Construction and Zoning Plans."

— Marshall Y. Feimster, Jr.

BLUE RIDGE

Greetings from the Great State of Virginia, the Star City of the South, the cultural center of the Blue Ridge Mountains. Presently we are 39 strong and with a membership drive being implemented, hope to increase our number to our goal of 50+. Our treasurer reports approximately \$600.00.

Our meetings are held the fourth Tuesday of each month at Belle's (Holiday Inn - South). Board meetings are the second Tuesday of each month. We invite anyone interested to join us for good company, good food and a good exchange of ideas. You're invited and if you're not there, you'll be missed.

Since our last report, we have had one meeting and a summer recess. The summer recess wasn't much; however in contrast, the meeting was fascinating. John Lambert, from the Roanoke Industrial Development Committee, spoke on the advancement that the Roanoke Valley is making in developing our industrial clientele. Something apparently we're learning from you fellas in North Carolina. We did try an experiment at this meeting. We do not invite anyone else to follow our example, for we are living proof that it works. Despite a great speaker with slides and music, bar and a great meeting place, if your newsletter doesn't go out early and you don't call your membership, your attendance will be down. I'm sure that no one here has tried this - however, I will assure you that the phenomenon does exist.

All committees are beginning to gear up after summer recess and developing ideas for the coming year.

In closing, we in Virginia are firmly committed to the progress of PCEA and feel that through a unified effort, we can make a difference.

CATAWBA VALLEY

As of October we have 44 paid members. We have 4 to approve next meeting, for a total of 48 - close to our goal of 50.

We have been eating very well the past few months. On July 7 Statesville Brick treated us to a steak dinner at Lake Norman. For our September meeting we enjoyed pork and steak at Lake Hickory, provided by Carolina Steel (Hickory Plant).

Mike Poplin with N.C. Department of Natural Resources and Community Development was our program for August.

Tara Bean, last year's scholarship recipient was our guest at our August meeting. We have given Catawba Valley Tech another \$500.00.

President Lynn Nash is pushing hard for new members and doing a great job.

We welcome each of you to visit with us in Hickory.

— Jerry Childers



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CENTRAL SAVANNAH RIVER AREA

Our programs for the past few months have been most interesting and varied. Our July report was presented by Merrill-Lynch concerning money management in the construction industry. Our August report was a Portland Cement Association film sponsored by the Gifford-Hill Cement Company on the manufacturing and history of cement. The September meeting was presented by OSHA.

A Scholarship Committee has been formed and is working very hard to find a deserving student to whom we can award a \$400 scholarship at a local technical-vocational or college.

We are continuing our efforts in the Savannah, Georgia area and are hoping to have a meeting some time in October with their local contractors and suppliers. Our contact is Mr. David Gray, formerly with Crowder Construction Company of Charlotte and now with Sailer Marine Company.

To help increase our attendance at our meetings, we have instituted a program whereby a name is drawn for a \$10 cash award with the pot progressing to next month's meeting if the party is not present. The next month's drawing will be for \$40. We are also drawing a name for who will receive free drinks for the night's meeting.

We have strongly activated our membership committee since we are now currently showing 29 on our roll. Many new prospective members are now being solicited. With the University of Georgia defeating UCLA and the University of South Carolina defeating Southern California, we have dropped California from our marketing area.

- Joe Dan White

TRIAD CHAPTER

The Triad Chapter is moving along well toward our goal of 170 members for the year.

Through August 28, 1983, we have 115 membership renewals and 18 new members. This puts us at 80% renewals for the year, so we should not have any problem reaching our goal of 90% renewals.

We will be having a new type membership drive for the October 13th meeting, along with a unique meeting for us. We are going to have a drawing at our meeting with a guest winning a free membership for the year, and the member who brought the guest winning \$100.00. We feel as if this should really help us get in touch with prospective members. Also, at this same meeting we will be having a Vendor's Night. We presently have approximately 20 companies that will have various displays or literature of which our members can visit various tables. Also during this time we will be giving out some door prizes.

Our Casino Night is set for October 29th. Two of our members, Tony Collins and Willie Goncharow, are working hard to make this one as successful as the ones in the past.

The November Membership Meeting is set up for Winston-Salem. This will be when we will try to make a push for the prospective members in that area.

- Alex Crist

DIXIE CHAPTER

The Dixie Chapter has made assertive efforts in increasing its membership. Presently it has 71 paid members with an additional 10 membership applications being processed. We feel that the goal of 90 will be reached by the next National Board of Directors meeting. There are 4 members who have qualified for their PCEA Dixie Chapter windbreaker jacket.

Our treasury now has \$1,234.00 in it with all bills being paid.

Our Annual Picnic this summer was a social success, with all people attending having a wonderful time.

The Dixie Chapter Annual Christmas Party will be held Dec. 3 at the Holiday Inn, Mid Town. We wish to extend an invitation to all members of PCEA.

Plans are being made for a Las Vegas Night to be held February or March of 1984.

It is with greatest regrets that we must announce that Dick Dunning had to resign as Vice President of the Dixie Chapter.

His resignation was caused by Dick's accepting a new position in Wilson, N.C. We all wish that Dick's decision to accept this new position will be financially and professionally rewarding in the future. Our new Vice President is Ryan Robinson and we of the Dixie Chapter feel he is well qualified and will do an excellent job.

- Al Shuman

COASTAL PLAINS

July, August and September have been very productive months for the Coastal Plains Chapter. We have seen our membership increase from 36 renewals and new members at the last National Board Meeting to 49 renewals and new members as of October 3. Only 11 new members to reach our goal! Our past two meetings have enjoyed presentations from Mr. Frank Stoffle, a marketing analyst for Georgia Pacific, who discussed construction industry projections; and Mr. James Adams of Adams Concrete Products, with a presentation on N. C. Passive Solar Homes. Our October meeting is to be dedicated to the 5th Anniversary of our charter. This meeting will consist of a Pig Pickin' with the wives attending, and door prizes for the wives.

The Coastal Plains Board of Directors has also been busy in the past few months. Our chapter president, Phil Flowers, has been working very hard to help our chapter improve. The board has set aside special monies for our scholarship fund, with the desire to increase this fund yearly. The board has also initiated a project to produce a local roster, which we all need. Our board has also begun a new board of directors format, in that our meetings will be dinner meetings.

The next event that our chapter is looking forward to is our annual Christmas party, which is to be held in Wilson, N.C. We are also planning a membership drive for the near future.

Finally, congratulations to our president, Phil Flowers and his wife Martha, who are blessed with the birth of a son, Jordan Bayard Flowers on September 14, 1983.

CONVENTION SITES COMMITTEE

REPORT

Our committee consists of Ray Currin, Ted Wilson, and Keith Middleton.

Since the July 15, 1983 Board Meeting, the following actions have been taken:

1. The 1984 Convention has now been booked at the Myrtle Beach Hilton, at Arcadian Shores (approximately 9 miles north of downtown Myrtle Beach), for the weekend of May 18 - 20, 1984. The room rate will be \$72.00 per night, and all rooms are "ocean view." Ted and Gloria Wilson went to Myrtle Beach to make these arrangements.

2. The 1985 Convention has now been booked at Sheraton Charleston Hotel, at 170 Lockwood Drive, Charleston, S.C., for the weekend of May 3 - 5, 1985. Ted and Gloria Wilson also went to Charleston to check out this location.

We have not done anything about the 1986 Convention at this time. If possible, we would like to wait and see how the Myrtle Beach Hilton works out in 1984. If that convention is as successful as we anticipate, then we would recommend it again for 1986. It is possible, however, that some other new facility will be available (and in our price range) by that time.

- G. Keith Middleton, Chairman

A LITTLE STORY

This is a story about four people named Everybody, Somebody, Anybody and Nobody.

There was an important job to be done and Everybody was sure that Somebody would do it. Anybody could have done it but Nobody did it. Somebody got angry about that, because it was Everybody's job. Everybody thought Anybody could do it, but Nobody realized Everybody wouldn't do it.

It ended up that Everybody blamed Somebody when Nobody did what Anybody could have done!!

- Copied

THE LAW AND CONSTRUCTION

LAST FURNISHING LABOR

On the question of what constitutes the last furnishing of labor or materials at the site of the improvement by the person claiming the lien, there is one concept which continues to be relevant. The claimant cannot, after the job is really completed, and the time for filing has expired, save himself by furnishing some superfluous or uncalled for item at the site in order to start the time running over again. A 1962 North Carolina Supreme Court case dealt with this very question. The case involved the construction of a home. The home in question was completed on November 2, 1959; on that date, the claimant supplied a medicine cabinet; six months later, he supplied storm doors; six months later, he supplied a gallon of paint, telling the owner he could probably trim the outside or use it for something; the paint was never used. It was held that the furnishings in question were not bona fide but were made for the sole purpose of extending the time for filing the lien which the owner feared would discourage a sale of the property, therefore, the claimant's judgement, based on the lien, did not have priority over the deed of trust in favor of another party.

Another persistent source of trouble to the lien claimant arises when the claimant furnishes labor or materials for the improvement of property which is owned by a husband and wife. The contractor who installs materials on such property will not be successful in establishing his lien against the property if he deals solely with the husband, who does not profess to be acting as agent for the wife. A wife will not be held on the principle of ratification, because her husband does not purport to be acting for her as agent when he makes the contract. Mere knowledge that the work is being done or the material furnished does not enable the person furnishing the labor or material to obtain a lien insofar as the wife is concerned. Because a lien does not arise without a contract, the contractor is stuck without any remedy. This problem has led to efforts to amend the statute to provide for a lien on entireties property in circumstances where the wife has knowledge of the improvement and enters no objection, but these efforts have not been successful, and no such amendment has been enacted.

— Perry A. Safran
Marshall and Safran Attorneys at Law

HOW TO PERFECT THE LIEN

The matter of determining when a lien commenced is often important in priority conflicts between the lienholder and others who claim an interest in the property. The following three examples may help clarify the priority conflict.

1. "A" agreed to build a motel on property owned by "B." "A" began to prepare the site by clearing and grading on July 1. On July 5, "C," the bank, which was providing the financing for "B's" project, recorded the deed of trust which secured the debt which "B" owed to it. "A's" lien will have priority over "C's" interest even though "C" properly recorded prior to the filing of notice of the materialman's lien, IF "A" takes the steps necessary to perfect his interest. "A" will have priority even as to work performed later. "A's" commencement of work identifies the point in time at which his lien commences.

2. "A" furnished material and performed labor in repair of the property of "B." After completion, "B" conveyed the property to "X" who took for value, without notice of "A's"

claim. "X's" deed was duly recorded. Thereafter, within the statutory period of time, "A" filed notice of lien. The lien related back to the first furnishing of materials for performance of labor, and therefore the conveyance to "X," even though duly recorded, was subject to "A's" lien.

3. "A" and "B" entered into a construction contract on June 14. On July 20, a deed of trust executed by "B" to "C" as trustee was properly recorded. Labor and materials were first furnished by "A" on August 7. The lien related back to the initial furnishings of labor and materials, not the date of the contract. The proper and prior registration of the deed of trust was notice to the contractor and, therefore, his lien was subject to and inferior to the deed of trust. This points up an extremely important element of North Carolina lien law. A prior recorded deed of trust, or other lien properly perfected prior to the first furnishing of labor and material, is superior to a lien based on the subsequent furnishing of labor and material. This is not the law in all states.

— Perry R. Safran

THE "SETTLE-OR-ELSE" LETTER

If you can settle a dispute without going to court, it usually makes sense to do so; especially if your adversary is cooperative and will agree to a reasonable amount for damages inflicted. But if he's unresponsive, your attorney may recommend he be sent a "settle-or-else" letter.

The "settle-or-else" letter is much more than a last-ditch effort to avoid the time and expense of a court case. It becomes a legal document and an important piece of evidence for you and your attorney.

The letter should be professionally typed. If your case can be stated in one page rather than two, so much the better. The letter should be concise, covering all the important points, but not necessarily all the details. These can be presented in court, if need be.

It should be a polite but firm letter, setting a specific date for his response. And it should be sent by registered mail as proof that your adversary has received it.

— Prepared by Perry R. Safran, Attorney
Appeared in Carolina Subcontractor, Aug., 1983

KNOWING WHO TO SUE

Attorneys sometimes spend a lot of time determining EXACTLY who should be the named defendant in a law suit. There's good reason for doing this. Unless you have the exact name of the person or business, chances are your case will be worthless because the named defendant doesn't exist.

If you're suing a person, you have to know his full name, the one he regularly uses to identify himself. If he happens to be the employee of a business, you may be better off suing the business itself. For one thing, the employee may not be able to pay any claim made against him. But the business who employs him can. There's also the legal doctrine known as RESPONDEAT SUPERIOR - "let the master answer." An employer is usually responsible for legal wrongs committed by his employees in the performance of their duties.

If the business is owned by an individual (a sole proprietorship rather than a partnership or corporation), he should be sued in his own name, as well as in the name of his business.

— Prepared by Perry R. Safran, Attorney
Appeared in the Carolina Subcontractor, Feb., 1983

"SUSPICIONS CONFIRMED"



RECOVERING ATTORNEY'S FEES FROM A BONDING COMPANY

In recent months, several cases around the country have held that a contractor or subcontractor can recover attorney's fees from a bonding company which unreasonably refuses to pay a just claim. These cases arise under state statutes providing for the recovery of attorney's fees against an insurer which unreasonably fails to pay a claim on a policy of insurance. The issue in each case is whether a construction bond is considered an insurance policy for the purpose of the statute in question.

In South Carolina, this question has been resolved favorably to subcontractors in several trial court cases. The issue is now being tested in the Supreme Court in the case of Cullum Electric v. George A. Creed & Sons, Inc. which arises out of the Trident Tec School case in Charleston.

In a recent West Coast case, State Surety Company v. Lamb Construction Company, the court held that the term "insurance company" applied to a construction surety. The court further held that the surety had acted in bad faith, even though a dispute existed as to the amount owed by the general contractor, because the surety had not made an independent evaluation of the dispute. 625 p.2d 184.

There now seems to be a strong trend to hold that a construction bond is a policy of insurance under the "bad faith refusal to pay" statute. The possibility of exacting attorney's fees in such actions provides a contractor with considerable leverage for trying to get an early settlement out of a surety where liability is reasonably clear.

—Prepared by Dan T. Brailsford, S.C. Attorney
—Contributed by Perry R. Safran, N.C. Attorney

EDITOR'S COMMENTS

Well the first newsletter is history. Getting it to press was a wild and woolly affair, but everyone we called on for help responded and was very supportive.

Hopefully in our next issue, we can include more local chapter news, etc. When sending chapter newsletters, mark or bring to my attention items you specifically think would be significant enough to be included in the National newsletter.

Keep those newsletters and/or comments coming to me at: Graham Hodge Assoc., Box 5188, Greenville, S.C. 29606.

— Wertz Burnett
National Editor



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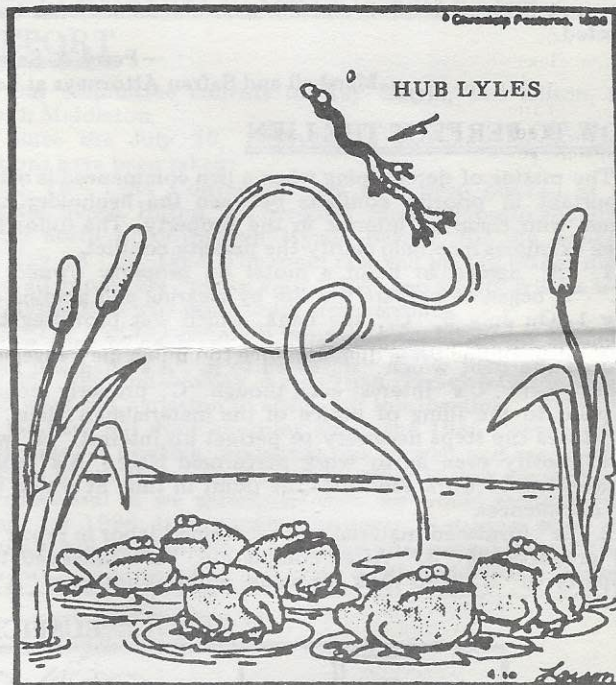
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HOW TO RUIN AN ORGANIZATION

1. Do not attend the meetings.
2. If you do attend, come late.
3. Find fault with the work of everyone.
4. If you are asked by the chairman to give your opinion, tell him you have nothing to add. But add your opinion afterwards; tell everyone except the chairman what OUGHT to be done.
5. Never accept an office. It is easier to criticize than to accept responsibility.
6. Do nothing more than you absolutely have to do; then start a rumor that one group runs everything.
7. Be remiss with your dues or pledge as long as possible.
8. Do not bother about getting new members. Let someone else do that.
9. Do not tell the organization how it can be of help to you. If it does not help you, resign.
10. Agree with everything said at the meeting, but disagree later.

— Copied from "The Pocono Moravian"
newsletter of the Newfoundland Moravian Church

A LITTLE HUMOR, 'HUB'



UH OH! HUB BLEW HIS AIR SACK AGAIN!

The group shown above consists of, from left to right: Marshall Feimster, Jack Smith, Kyle Cave, Ted Wilson, Ray Currin and Larry Thompson.

WHAT IS AN EPOXY?

"An epoxy is a super-strong, steel-hard chemical used to permanently bond two items together." Right . . . ? Not necessarily! An epoxy may also be as flexible as a thick rubberband and have low bond strength. The word epoxy is a generic term describing a family of chemicals that encompass a wide range of qualities depending on the formulation.

In simple terms, an epoxy is a combination of two chemicals, the resin and a curing agent, which when combined react molecularly to create a new substance. This reaction is called polymerization and it takes place through the oxygen molecule. Thus, the word epoxy comes from the Latin words "EPI" (outside of) and "OXY" (oxygen). In truth we use an epoxy "system" since it has two (or more) components.

THE RESIN PART — Most construction grade epoxies come in liquid form and are obtained from the processing of natural gas or coking by-products. Chemically, these products are epichlorohydrin and Bisphenol A. By varying how we combine these (ratio, temperature, pressure, time) we can form many different resins with various qualities such as chemical resistance, hardness, strength and durability under abrasive conditions, etc.

THE CURING AGENT — Resins in liquid form serve no function so we must convert them into solids by combining them with a reactive curing agent, also known as hardeners or catalysts or Part B. As the two parts react they create heat, a process called exotherm. This heat accelerates the reaction and when a certain temperature is reached the liquid converts into a solid form. By using different curing agents with different resins we can create a fast number of products with specific properties and various reaction times.

RESIN + CURING AGENT = Most basic epoxy systems tend to be brittle when cured. To overcome this we add a reactive flexibilizer to the system. Depending on the flexibilizer used and its ratio to the base system we can alter the resilience, hardness, chemical resistance, etc. Thus, the rubberband or steel-hard descriptions mentioned earlier. Some less expensive systems use plasticizers instead of reactive flexibilizers. These do not react molecularly with the epoxy and may migrate out of the cured product with aging, creating brittleness.

Further modification of the product is possible by adding a reactive diluent which will thin the system for greater penetrating ease into cracks and erose surfaces. Caution must be exercised in adding these diluents since too much may adversely affect the system's properties.

—Article appeared in Metzger McGuire's
M/M Update, Spring 1983

SPECIAL NOTICE —

COPY MACHINE AVAILABLE

Your National PCEA office will receive sealed bids until December 15, 1983 for a MINOLTA ELECTROGRAPHIC 101 Copier which has been used by National for three years. This machine has been covered under a service contract with White Business Machines, Charlotte, N. C. , which expires on November 25, 1983. The machine is approximately five years old and is in excellent shape. However, it is not a bond paper copier, which National needs. It will be an excellent machine for a small company or for use in an on-site construction office. White Business Machines advises the resale value of the machine to be between \$395 and \$495.

Minimum bid to be considered will be \$300. Bids will be opened December 16, 1983 by a committee of Ted Wilson, Keith Middleton, Darrell Barbee, Alan Kuester and John Ball. The committee reserves the right to accept or reject any and all bids.

Ted Wilson, Executive Director

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PRESIDENT'S CORNER

First of all, our sincere condolences to Ted Wilson and family, for Ted's father passed away on August 27. We know he will be missed greatly. Also, our sympathies are with the family of Ken Schneidmiller, Triad Chapter, who passed away on August 24, and to Larry Thompson who lost his father October 25.

The National Directory has been completed and the August Estimator should have already reached your mailbox. A committee is gathering proposals for computer systems for our National office to do mass mailings, rosters, billings, etc. The funds to purchase a system were approved last year, and we do plan to purchase one soon. Tim Schmahl, Dixie Chapter, and others are working to get a group of Tidewater estimators together to start the ball rolling for a chapter in that area. Tim is very busy with his vocation and welcomes any assistance for our quest in Southeastern Virginia.

The 1984 PCEA Annual Convention will be held May 18, 19, 20 at the Arcadia Shores Hilton Inn in Myrtle Beach, S. C. Mark your calendar and spread the word. Also, the 1985 convention will be held in Charleston, S. C.

A reminder to each chapter President - two of our objectives this year are to increase chapter visitation and to promote intermingling with other professional organizations. You are encouraged to see that a representative of your chapter, preferably a member of your board, attends another chapter's membership meetings on a monthly basis. This may give you insight into ways to improve your chapter. Also, by having joint meetings with other organizations, you will have opportunities to share methods and ideas. Also, National and Chapter taxes should have been filed prior to October 15.

Each chapter strives to increase membership. Each member is a PCEA spokesperson and salesperson, yet most do not possess a valuable sales tool - a PCEA application for membership. The best way to get those tools into the hands of your sales people is to issue one or more with your next monthly newsletter - try it . . . it works!

Remember . . . Promote Construction Estimating Always.

- S. Ray Currin Jr., National President

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