

2021 APCA Annual General Meeting

General Managers Update for 2020



2020 Board of Directors

Dave Schiffers, FTDRCI Edmonton - President

Terry Jennett, Calibre Coatings Ltd. – Past President

Ryan De Souza, FTDRCI Calgary – Treasurer

Mark Chambers, O'Canada Contractors Ltd. – Vice President (North)

Chris Kulbaba, Calibre Coatings Ltd. – Vice President (South)

Ryan Wagner, Derochie Painting Ltd. - Director

Nathaniel Sarabura, Foothills Decorating Ltd. - Director

Barry Exton, Foothills Decorating Ltd. – Director

James Strayer, Prime Aspect - Director

Tom Pharis, Cloverdale Paint – Technical Chair



APCA Mission Statement

APCA is committed to upholding and improving the standards of the painting and decorating industry



How is APCA accomplishing the Mission Statement?

Advocacy

ATCC (Alberta Trade Contractors Coalition)

- Prompt Payment Legislation Bill 37 In effect July 2021
- Builders Lien Act Revisions
- COVID-19 Navigation

CCA & ECA (Calgary/Edmonton Construction Association)

Lobbying for Painting Contractors in the Province of Alberta



Training

- Commercial Wallcovering Installation On hold due to Covid-19
- Blueprint & Specification Reading Course for Site Staff

Events/Networking

- Wilf Grapentine Memorial Annual Golf Tournament
 - Proceeds donated to Charity
- Trade Shows

Discounts

- MPI 10% off 1st Course
- 15% off tire services at Tire Force
- PCA (Painting Contractors Association) Membership

Bill 37 Builders Lien (Prompt Payment) Amendment Act 2020 Regulation Development Update

Background

- Alberta Government through industry consultation sessions in 2019 and spring of 2020 proceeded to develop to introduce prompt payment legislation into the existing Builders Lien Act. MCA and ATCC were part of this consultation process.
- October 21, 2020 Bill 37 introduced
- November 04, 2020 Amendment A1 Introduced
- December 09, 2020 Bill 37 receives Royal Assent
- Projected to come into force July 2021

Key Features of Bill 37 and Amendment A1

- Amends the existing Builder's Lien Act in Alberta and renames it to include (Prompt Payment) in title and Act
- Changes Lien period from 45 days to 60 days for typical works and to 90 days for work involving concrete
- Changes minimum Lien amount from \$300 to \$700
- Introduces mandatory annual release of holdback and milestone holdback payments (Amendment A1)
- Adds Section on Prompt Payment
 - Payment time clock starts with issuance of a proper invoice as defined in the act.
 - Proper invoices must be given to the owner at least every 31 days (Amendment A1)

Key Features of Bill 37 and Amendment A1(cont'd)

Prompt Payment

- Owner must pay proper invoice within 28 days unless a notice of dispute is provided within 14 days and they must pay the undisputed amount.
- Payments from contractor to subcontractor must be made within 7 days of receipt of payment. An additional 7 days is added down the chain. (Amendment A1)
- Deals with payment of disputed amounts and proportionate amounts.
- If owner does not pay contractor some or all of the amount and owner does not provide a notice of dispute, the contractor must pay subtrades amount of invoice within 35 days or provide notice to subcontractor of non payment by owner and start adjudication process within 21 days against the owner. (Deals with paid when paid issue) (Amendment A1)

Key Features of Bill 37 and Amendment A1(Cont'd)

- Adds Right to Information
 - People within contractual chain may request in writing details of the contract and statements per the state of accounts
- Adds Dispute Adjudication
 - Defines a Nominating Authority and Process
 - Defines general powers of Adjudicator
 - Defines grounds for judicial review of an adjudication decision
 - States that the decision of adjudication is final and binding

Regulation Development and Timelines

- Relative to Ontario Construction Act the legislative portion of Alberta Act is relatively vague in terms of details surrounding timelines and specifics surrounding Nominating Authorities, Adjudicators and adjudication process timelines.
- Much of this is intended to be defined in the regulations.
- Service Alberta is expected to have draft regulation recommendations to Minister by mid February 2021. They began with industry consultations with ATCC, ACA and GCAC meetings starting Dec 10, 2020. We have had 4 sessions to-date to review a discussion guide in detail and provide comments.
- They are meeting with many other industry groups including;
 Architects/Engineers, Home builders, Concrete Industry, Surety Industry,
 Quantitative Surveyors etc.

Regulation Development Issues

- Defining the experience, training and qualifications that make an adjudicator. Can adjudicators be International or from other provinces?
- Criteria for multiple Nominating Authorities and process for selection and powers
- Selection of a Nominating Authority and Adjudicator assignment. Who gets to pick: initiating party or receiving party?
- What if there are multiple related adjudications launched? Can they be consolidated and how?
- Training and certification sources and process to valid credentials
- Fee's
- When does an owner get notified if the Adjudication is down the chain.
 GC's don't want to involve owner but subtrades do.

Regulation Development Issues (Cont'd)

- Timelines for Adjudication decision, goal is swift rough justice to get the flow of money moving. 45 days same as Ontario with a maximum of a single 30 day extension agreed by both parties.
- Ability of adjudicator to accept virtual testimony and evidence.
- Is there a mechanism that can be put in the regulations that could make certain decisions interim binding while others remain final and binding? There are cases where interim binding may be preferable for either party ie dollar amount or if it involves change orders. Perhaps all decisions are interim binding for 30 days and if not disputed become final and binding?
- Are change orders or change directives allowed to be disputed if they do not form part of the contract yet?

Regulation Development Issues (Cont'd)

Holdbacks

- Details surrounding annual release in regulations
 - Suggestion is that it will only apply to projects exceeding an initial base contract value of \$10,000,000 with a projected timeline of greater than one year.
 - Annual release will be defined as being one year from the initial proper invoice date to the owner.

Right to Information

 GC's do not feel the value of the contract or terms of incentives/rewards should be included. They would also like restrictions on when this information can be requested.

Regulation Development Issues (Cont'd)

- How will projects such as P3 projects be handled in regulations:
 - Group suggests it be based only on the construction contract component and not the overall agreement including maintenance etc.
- Implementation of Legislation (Coming into effect)
 - How will grandfathering be addressed
 - Group felt language around prime contracts signed prior to or tendered within 90 days of the coming into effect date will be grandfathered but only to a maximum extent of 2 years following the in-effect date. Then they must follow legislation regardless.
- Miscellaneous items such as posting certificate of substantial completion discussed. Looking to provide alternate updated means to achieve this rather than just a billboard.
- GCAC still very aggressive regarding interim binding issue and the fact that this act does not harmonize with public works act (ie not applicable to public works projects.)

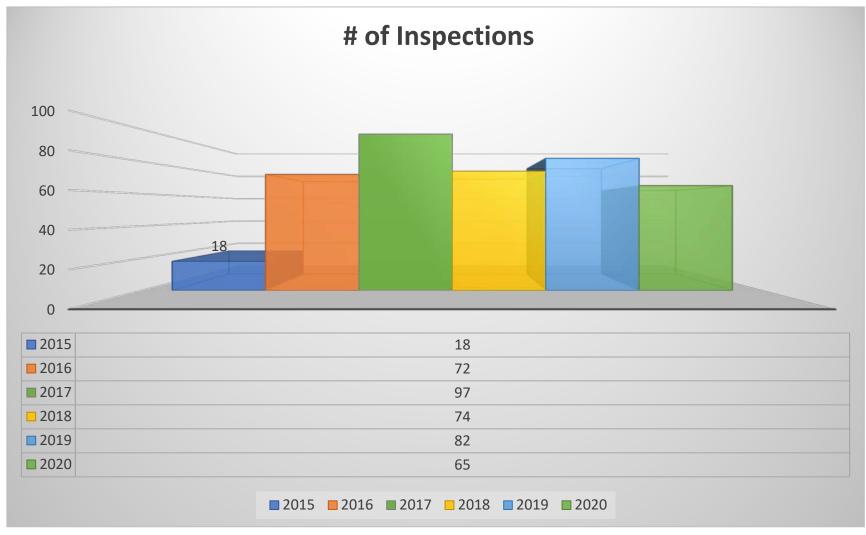


Inspection Activity

Northern Alberta - 50%

Southern Alberta - 50%







Advertising & Promotion for APCA Members







Inspectors

Southern Alberta

Kirk Beggs

- APCA Inspector #00217
- MPI Certified Inspector # 00227
- SSPC Level 1 Industrial Coatings Inspector #114281

Mike Parsons

- APCA Inspector #00719
- MPI PQA Specialist

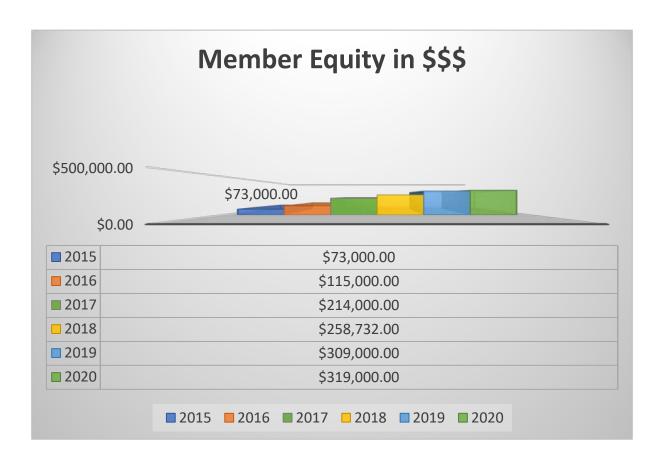
Northern Alberta

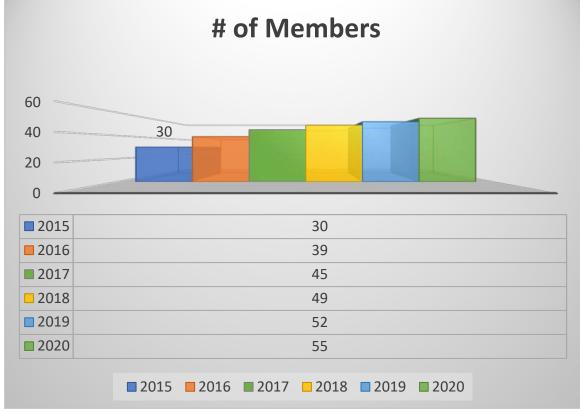
Hari Djedovic

- APCA Inspector #00417
- MPI PQA Specialist



APCA Data







What does the future hold for APCA?

- Continual advocacy for the Painting & Decorating Industry
- Collect and share information regarding COVID-19 and the recovery from the pandemic
- Increase inspections across the province
- Assist inspectors in achieving full MPI Accredited Inspector status
- Develop the inspection process and reporting to hold more value for our customers.
- Additional training courses