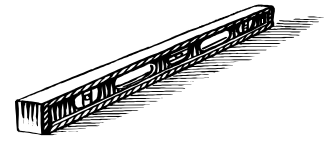


# The Straight and Level

An Independent Newsletter from the  
Home Builders Association of the Upper Rio Grande  
Established 2005  
Issue No. 32



June 2009



## President's Message

Bob Van Iwaarden

### When The Money Isn't There

In today's volatile market it is probably more likely that you will encounter a situation where the owner or the general contractor you are working for will say "I'm broke and I can't pay your bill!"

Before you break their knees with a 2x4 or hammer consider and know your options that will keep you out of jail.

The first line of defense for all of us in the construction business is the **Mechanics Lien**. A mechanics lien is a lien by someone who furnishes labor, materials or services for the benefit of a project. Mechanics lien statutes balance the rights of owners, original or general contractors, subcontractors and lenders. A properly perfected claim for lien can provide the leverage needed for the contractor; subcontractor or vender to collect amounts owed them.

In filing a mechanics lien claim you must act swiftly and aggressively in asserting your rights. If you are not being paid chances are you are one of several, including possibly, the lender! Be quick because liens will be filed for everything from services to real estate and when a job goes south often that means there is not enough equity to support all the claims.

The first step is for you to notify the owner and the lender of your claim. Notice is especially important if your name does not

appear on the pay application, i.e., you are a sub or supplier and the general contractor is billing the owner. Notice also puts the owner and lender on notice in case the law requires them to withhold the amount claimed to protect their interests. Lenders don't want a mechanics lien claim to impede their own ability to foreclose a mortgage.

Second you need to record a proper claim for mechanics lien. Care needs to be taken in drafting a claim for mechanics lien. Since they are a special right given to you by statute, they are strictly construed.

Dates of work, description of the work or materials and the legal description of the real estate liened must be accurate. Imagine a condo or town house project with multiple addresses! You may need to allocate against each property!

Avail yourself to all possible remedies. Besides asserting a claim for mechanics lien, you may have a claim against the person or contractor whom you contracted with based on your contract language. If the job is bonded there is also the potential to claim action against the surety on a payment bond in connection with the project.

Finally, don't be intimidated by a bankruptcy. File your notices and perfect your claims so that you are a part of the proceedings.

A mechanics lien is not a substitute for good credit practices but when a project goes south it provides essential leverage to secure payment.

Bob Van Iwaarden

### 2009 HBAURG Board of Directors

President: Bob Van Iwaarden

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HBAURG Board Meetings are held monthly, 2 weeks prior to the Monthly Membership Meeting and Dinner, which is held the last Tuesday of the month.

### JUNE 30TH—MEMBERSHIP MEETING AND DINNER

**Location:** Del Norte Annex Building

Catered by: Boogies

Lemon Pepper Chicken, Baked Potato, Salad, Vegetable,  
Roll and Dessert

**Time:** Social Time 6:00, Dinner at 6:30

**Cost:** \$15.00 per person—Reservations are recommended\*

\*Reservation Deadline ~ Noon, June 25th

#### **Dinner Meeting Sponsor: Phinel Garcia ~ Rhino Home Pro**

Rhino home pro products are unique to the home flooring industry. It is superior to traditional epoxy because it combines hard hitting toughness of polyurethane protection with beautiful color combinations.

Contact Bee to make  
dinner reservations,  
873-5440 or email at  
hbaurg@aol.com

**We look forward to seeing you at our last membership dinner meeting for the summer. Dinner meetings will resume, Tuesday September 29th  
Location To Be Announced**



**SAFAX**  
With Dick Shaw  
Certified Safety Professional  
Rio Grande Safety and Health, LLC  
873-5484

### Electrical Safety

Do you know what to do in the event of an electrical emergency? What are the Do's and Don'ts of working around electricity? Can you pass an electrical safety test?

Read On!

#### What do you do in an Electrical Emergency?

##### In case of Shock?

**Don't touch the victim.** Turn off power immediately if possible, and call for medical help. Use a stick or other non-conducting aid to move the victim away from the shock source. If not breathing, give artificial respiration. If the heart has stopped, give CPR. Try not to move the victim. Keep the person lying down and covered lightly.

##### In Case of Electrical fire?

**Don't use water or touch the burning object.** If possible to do it safely, unplug or turn off the current. If the fire's small, put it out with CO<sub>2</sub> or multipurpose ABC extinguisher, or baking soda. Always notify firefighters immediately.

##### In Case of Burns?

**For a minor burn,** rinse with cool water and cover with a clean dry cloth.

**Cover a major burn** with a sterile dressing and immediate medical attention.

#### Do's and Don'ts of Electricity

##### Do's:

**Stay** away from exposed electrical parts unless you are a qualified worker.

**Check** that wire insulation is in good condition.

**Keep** machines and tools properly lubricated.

**Use** extension cords only when necessary and only if they're rated high enough for the job.

**Use** waterproof cords outdoors.

**Use** approved extension lamps only.

**Leave** at least 3 feet of workspace around electrical equipment for instant access.

**Keep** the work area clean. Be especially careful with oily rag, paper, sawdust, or anything that could burn.

**Follow** manufacturer's instructions for all electrical equipment.

**Leave** electrical repairs to qualified personnel.

##### Don'ts:

**Don't** overload outlets or motors.

**Don't** let grease, dust, or dirt build up on machinery.

**Don't** place cords near heat or water.

**Don't** run cords along the floor where they can be damaged.

**Don't** touch anything electric with wet hands.

**Don't** put anything but an electric plug into an electric outlet.

**Don't** use temporary wiring in place of permanent wiring.

#### Can You Pass This Test on Electrical Safety?

1. Electrocution is one of the leading causes of death in the workplace.
2. If an electrical shock doesn't kill you, it won't harm you at all.
3. Grounding involves providing a conductor to carry current into the ground rather than into a body.
4. Water and other liquids are not good conductors of electricity.
5. Because of the water human body it is not a good conductor either.
6. Insulators are materials that do not conduct electricity.
7. Damaged or defective electrical cords are a major shock hazard.
8. A three-pronged plug should never be used in a two-pronged outlet.
9. It is a myth that touching someone who is being shocked can shock you.
10. Electrical fires should be fought with water.

#### Answers:

1. T
2. F
3. T
4. F
5. F
6. T
7. T
8. T
9. F (Touching an electrical shock victim can be fatal. Turn off the power source and call for emergency medical assistance.)
10. F (Never use water on an electrical fire.)

**[Use this information as a topic for a safety meeting.]**

## Calling All Dinner Meeting Sponsors!

The sponsorship fee for HBA dinner meetings has been temporarily reduced for the remainder of the year as follows:  
HBAURG members—\$100.00 plus two complimentary meals  
Non-HBAURG members—\$150.00 plus two complimentary meals

*Happy Father's Day to all on June 21st!*