2010 AWARDS FOR EXCELLENCE IN SURETY BOND PROMOTION AND ADVOCACY

The Gold and Silver awards recognize LSAs for conducting ten and five public relations and educational activities, respectively, in a calendar year to promote the use of contract surety bonds in construction to non-surety audiences. The Platinum award recognizes an individual NASBP or SFAA member whose efforts to promote contract surety bonds have had a significant impact on the surety industry. The Advocacy Award is for LSAs that conduct significant activities advocating for suretyship, other than public relations or educational, such as fighting legislative efforts to waive bonds or increase bond thresholds, or advocating for reasonable bond forms.

PROMOTION

GOLD AWARD

Florida Surety Association – The FSA conducted twelve separate activities to promote the surety industry in Florida. The FSA convinced the City of Marco Island to begin requiring bonds for all construction contracts above $250,000 and continues to work with the City on its bond forms. FSA members were involved in similar activities with Miami Dade County, and promoted a new contractors' license bond. Members also made seven presentations with FDOT on bonding for small and emerging contractors, presented a workshop at FSU for FDOT contractors, presented University of Florida students with a course on bonding and made two presentations to CPAs on bonding and the value of notes to the financial statement on the amount of subcontractor bonds taken.

Surety Association of Illinois – The SAI conducted presentations at IRTBA Roadbuilders’ University, Joliet Junior College, GSA, the IDOT “Get-on-Board” event, to 80 contractors and owners, and for CB Richard Ellis. The SAI also conducted a presentation during the SBA Small Business Expo and the SBA Minority Contractor’s Workshop. SAI members were key participants in the US DOT/SFAA Model Contractor Development Program, presenting both the bonding workshop and conducting intake interviews with the participants.

Surety Association of Kansas City – The Surety Association of Kansas City conducted presentations on how to obtain bonding to small business owners, bonding for design build projects to the Missouri Society of Professional Engineers and bonding 101 for small contractors at the University of Missouri, and the University of Central Missouri. The Association also presented the topics of why more surety bonds are being required of specialty contractors and why they should require bonds from their subs to the local Sheet Metal and Air Conditioning Contractors National Association and the National Electrical Contractors Association, and a similar presentation for general contractors to the Association of Builders and Contractors. A member of the Association also wrote and developed the NASBP “Red Bond Book”.

Surety Association of Ohio – The SAO was active again in 2010 on the issue of surety bonding for minority and women contractors, with presentations at the Cleveland Minority Contractor Bonding Prep Program and one on one coaching with the participants in that program, meetings with the Community Outreach & Inclusion Manager for the Cincinnati Public Schools, presentations at the Dayton Minority Contractors Business Assistance Program and the National Association of Women In Construction conference and an exhibit at the ACI Minority & Women Owned Contractors Expo. SAO also made presentations promoting surety bonding at the 2010 Contractor’s Workshop and Tradeshow, to Sherwin Williams as both a principal and obligee on surety bonds, at the Ohio Contractors Association Future Leaders Forum, the Cleveland Construction Connection Workshop, and published an article in Builders Exchange and a chapter on Suretyship for the Construction Accounting Managers Manual.
Surety Association of Southern California – The Surety Association of Southern California presented numerous programs on surety bonding and the value of bonds for various audiences including a presentation at the Stanford School of Engineering, the CFMA Silicon Valley Chapter, the Port of Los Angeles Meet the Primes event, the California Construction Expo, the Pasadena Dunn Edwards Pasadena and San Diego Contractor Seminars, the Turner School, to the Council District 13, and during the Construction Expo in Pasadena. The Association also made surety bonding presentations at a number of events targeted to small, minority, disabled veteran, and women owned contractors, including the KTTP Disabled Veterans Event, the Charo Community Development Corp event, the Fresno SBDC, the PBIS Sponsored 8-A Setaside event and to future 8-As in Glendale, to the Los Angeles County Public Works-Small Contractor Opportunity Conference, the Pasadena Unified School District’s Community Contractor Academy Program and at the Black Business Association Small Business Expo.

SILVER AWARD

Surety Association of Arizona – The Surety Association of Arizona conducted surety promotion activities with presentations to contractors at the AZ Builders Alliance, the ASU School of Construction, and with programs open to the public on Basic Bonds and Insurance, Advanced Bonds and Insurance, and Finance in the Construction Industry. The Association also conducted two programs on surety bonding to minority contractor groups. The last presentation was in conjunction with an exhibit at the 2010 American Solar Energy Society Conference, which resulted in the writing of bonds of over $4 million.

Surety Association of St. Louis – The Surety Association of St. Louis conducted various activities promoting the value of bonds such as its article in the September-October issue of CNR St. Louis Construction & Real Estate News entitled “Surety Bonds, the Pre-Qualifier”, and its presentation to the MO DOT Entrepreneur Class for M/WBE contractors. The Association also made numerous presentations on surety bonding to contractors, including “Maximizing Bonding and Credit Capabilities in Today’s Touch Economy” to the Southern Illinois Builders Association and the Southern Illinois Construction Advancement Program, and a similar presentation to the AGC.

Surety Association of Wisconsin - The Surety Association of Wisconsin presented the value of surety bonds and the need not only for general contractor but subcontractor bonds to the Wisconsin Transportation Builders Association at its annual conference, to CFMA and to two separate groups of lenders and CPAs. SAWI also was active in the area of bonding for small and emerging contractors, working with the Housing Authority of the City of Milwaukee and a group of emerging contractors on the process of bonding and what steps these contractors need to take to obtain bonds and establish a bonding program.

ADVOCACY AWARD

Florida Surety Association – The FSA continued its long tradition of advocacy for the surety industry in 2010, with its legislative day at the state capitol. The day included meetings with legislators and administration officials. The FSA also advocated on the issue of bonds for mitigation banks, and onerous contract forms and bond forms.

Surety Association of Illinois – Once again the Surety Association of Illinois fought hard against onerous language in numerous school district bonds, working closely with the SFAA to contact 20 separate school districts and achieving revised requirements in at least eight instances.

Surety Association of Louisiana – The Surety Association of Louisiana was aggressive again in 2010 in advocating for the good of the surety industry. In 2010 the SAL was active in battling against the use of unlicensed and unregulated individual sureties, including the drafting of legislation to require information on the surety on the outside of bids. The SAL also successfully advocated for changes in rating requirements, warranty requirements and for the use of the new AIA 312 bond forms.
Surety Association of Wisconsin – The Surety Association of Wisconsin worked to address proposed legislation to prevent risk transfer via construction projects (broad form indemnification) that would change the way the state bids construction projects. They also launched a proactive information/advocacy packet directed toward the school districts to address significant numbers of districts waiving bonds over the past 2 years, worked to address onerous bond forms, put together a research article for local municipalities and tax-paying citizens addressing the failure to require bonding in bid applications, addressed a project where the final bond requirement was waived and worked to ensure that final bonds are required in school districts.

TIGER TRUST

Al Hultgren, Payne Financial Group – Al persuaded an insurance company to allow the General Contractor to charge for bonding back critical path subs on a reconstruction project caused by a Tornado. The Insurance Company was reluctant to allow these as costs under the claim. Using SIO materials and through various meetings and discussions Al convinced the carrier to allow the bond back of subcontractors as a legitimate cost under the claim. The total amount of the bonds was $901,590.00.