Subject MIACCA August 2020 Newsletter

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Working hard to Protect, Promote & Educate our Profession NEWSLETTER, AUGUST 2020



## **Edition Highlights**

- Statewide Permit Update
- COC Rules FOIA Violation on LARA
- Michigan Supreme Court Clarifies Decades-Old Dispute
- 2019 Utility VAPS Reports Available
- State of Michigan COVID-19 Update Resource
- Federated Insurance Offers Free Webinar
- Service Roundtable Offers Free Webinar
- The ICC Continues tracking COVID-19 in the Construction Industry
- Product Spotlight: UltraViolet Germicidal Irradiation for HVAC Units
- Consumers Energy Business Instant Discount Program

# Michigan Legislative & Regulatory Update





### **Statewide Permit Update**

The Construction Code Commission (CCC) met on July 22, 2020, and MIACCA's proposed statewide permit was on the agenda and discussed. MIACCA's Executive Director once again advocated the need for the CCC to prescribe the form on which all permits are to be applied for while allowing each authority having jurisdiction to set their own fees. The CCC and the Bureau of Construction Codes (Bureau) acknowledged the Director Hawks' response to MIACCA's Request for Declaratory Ruling on this subject; which indicated that the CCC has the statutory authority to prescribe such permit forms. After much discussion the CCC has decided to start the process of coming up with statewide permit forms by asking for feedback from stakeholders and municipalities. The Bureau made an initial suggestion to include the statewide permit forms as part of the upcoming code change cycles in 2020-2021. MIACCA would like more detail on how to include permit forms with the new codes when the CCC needs to approve the permit forms and the Director adopts the new codes.

MIACCA would like to especially thank Commission Chair, Ken Misiewicz, President of Pleune Service Company, for his efforts in researching this issue and putting it in on the agenda. MIACCA will be following the progress of this very closely as we are strong advocates of having a uniformed mechanical permit form across the state for our contractors.

# The Court of Claims ruled that LARA violated FOIA by not allowing a subscription request to scheduled meetings documents.

Pursuant to the State of Michigan's Court of Claims Opinion and Order in Case No. 19-000145-MZ, anyone can file a FOIA subscription request through LARA for commission and board meeting packets. You can file a FOIA by using the LARA's online submission form <a href="here.">here.</a>

Michigan Supreme Court Clarifies Decades-Old Dispute and Holds that Subcontractor's Unintentional Defective Work Constitutes an "Accident" and "Occurrence" Granting Construction Manager CGL Coverage

In *Skanska USA Building Inc v MAP Mechanical Contractors, Inc*, (Michigan Supreme Court, Docket Nos. 159510-159511, June 29, 2020) the Michigan Supreme Court held, in a unanimous decision, that a subcontractor's unintentional defective work is an "accident" and, therefore, an "occurrence" covered under a Commercial General Liability (CGL) policy, allowing insurance coverage for the costs incurred by the construction manager to repair the subcontractor's defective work. The Supreme Court's decision settles a decades-old dispute between general contractors and CGL carriers regarding the plain, standard language of current CGL policies, and limited the often-quoted *Hawkeye-Security Ins Co v Vector Constr Co*, 185 Mich App 369 (1990), which insurers relied upon to deny coverage for claims involving pre-1986 CGL policies.

Skanska USA Building Inc. ("Skanska") filed suit in Midland Circuit Court against its subcontractor M.A.P. Mechanical Contractors. Inc. ("MAP"), and MAP's CGL carrier. Amerisure

Insurance Company ("Amerisure"), seeking coverage under an Amerisure policy for the cost of repairs Skanska performed to correct defective work MAP performed while renovating a Midland medical center. Skanska, acting as the construction manager, subcontracted the heating and cooling to MAP. Skanska and the medical center were named as additional insureds on the CGL policy. In 2009, MAP performed work on the medical center's heating system; two years later, Skanska determined that MAP had installed some of the expansion joints backward, resulting in damage to concrete, steel, and the heating system. Skanska repaired and replaced the damaged property. Skanska submitted a claim to Amerisure for the costs and Amerisure denied the claim. Skanska filed suit, and Amerisure moved for summary disposition, asserting, in part, that MAP's defective work was not a covered "occurrence." The trial court denied the parties' respective motions for summary disposition and on appeal, the Court of Appeals reversed the trial court's orders and remanded the case for entry of summary disposition in favor of Amerisure, concluding that there was no "occurrence" under the CGL policy because the only damage was to Skanska's work product, which did not constitute an "accident."

#### Read More

### 2019 Utility Annual VAPS Reports Available

Many utilities have submitted their 2019 VAPS annual reports to the Michigan Public Service Commission. <u>Visit the MIACCA Code of Conduct Page</u> to review reports submitted by DTE,Consumers Energy and Michigan Gas Utility. As more reports become available, we will post them on on our page.

#### State of Michigan COVID-19 Updates and Resources

During these risky and uncertain times, please keep yourself informed by using this resource and visiting: <a href="https://www.michigan.gov/coronavirus">https://www.michigan.gov/coronavirus</a> The State of Michigan is updating this page constantly to keep Michigan Residents informed.



The International Code Council continues to track how the global novel coronavirus (COVID-19) pandemic is affecting our industry.

Click here for their COVID-19 Resources





## Energy Rebates that are easy to process and drive more sales!

Consumers Energy is accepting new distributors to participate in their Business Instant Discount Program to provide rebates over the counter at time of sale. Participating distributors will also qualify to earn large bonus incentives (up to \$30,000/qtr for Gas Measures and \$70,000/qtr for Electric Measures) and other rewards programs available for limited time.

Click <u>here</u> for brochure listing currently available incentives. To enroll or inquire further, contact Todd Lohenry 517-512-0144 (todd.lohenry@cmsenergy.com) or Brandon Scott 517-243-1070 (<u>brandon.scott@cmsenergy.com</u>)

## Message from President Phil Forner

August is here and the signs of the heat letting up are not in site just yet. I am hoping this summer has brought well deserved business and that you and your staff are staying safe and practicing proper COVID-19 adopted practices.

I just want to continue stressing the importance of staying safe in the heat. please visit and post this heat illness awareness chart in your office and vehicles on what to look for and what to do if an co-worker is suffering from any signs of heat illness Also please be sure to keep plenty of water available in coolers on your work vehicles for yourself and techs.

MIACCA continues to provide you with up to date information and resources that we feel are fitting to our industry.

Please continue to utilize these COVID-19 resources from our industry experts:

ACCA resources here

Federated Insurance here

NATE recourses here

ASHRAE resources here

As always stay safe and keep up the great work!



### Webinar: Strategies for Business Succession and Estate Planning

When? Tuesday, August 4, 2020 at 1:00 p.m. CST

What? In this time of great uncertainty, you need to protect yourself, your family, and your business.
Succession and estate planning can be overwhelming. Join a conversation where we will discuss how business owners can avoid frustration, taxation, and litigation when the time comes to exit their business. When it comes to protecting your legacy, proper planning now can help avoid a lot of headache and heartache later.

Register for the Webinar



Webinar: Three
Winning Strategies
to Become the
Preferred
Contractor in Your
Area

Being the top contractor in your area is a milestone that offers profitability, community, and great word of mouth. But how do you get there?

Clear your schodules on

August 6th because Tyler Steenken of Cole Information is joining Service Nation 101 to share three winning strategies to become the preferred contractor in your area!

This webinar discusses:

1. How to dominate a specific community (in particular subdivisions of choice)

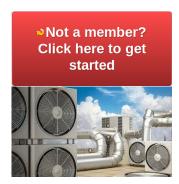
2. Leveraging technology to help with your outreach and communication

3. Micro Marketing — Deciding who your ideal prospect is and creating a strategy to do business with them

As the Director of Strategic Partnerships for Cole Information, Tyler Steenken has helped thousands of small businesses over the last 15+ years create their own pipeline of prospects and customers. He specializes in marketing to create thriving businesses.

Watch Service Nation 101 and become the preferred contractor in your area with the help of Cole Information!

#### Register Here



## Product Spotlight: UltraViolet Germicidal

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## Irradiation for HVAC Units

As Heating, Ventilation and Air Conditioning (HVAC) systems work to control indoor climates for comfort and optimized productivity, the nature of HVAC operation promotes the potential spread of contaminants throughout indoor air. While much of this potential risk is mitigated with the use of filtering technology, with the current COVID-19 crisis, there is a renewed focus on increased eradication of any potential pathogens that could be circulated.

This has led to a resurgence of interest in UltraViolet Germicidal Irradiation (UVGI) for HVAC Units.

The solution was first identified in the 1930s, when it was found to help slow the spread of other airborne diseases including smallpox and tuberculosis in some schools in Philadelphia.

#### **READ MORE**



## SEMIACCA's 68th Annual Golf Outing

August 20, 2020- Hickory Creek Golf Course

Register Here





















**Unsubscribe**