

THE OFFICIAL PUBLICATION OF THE PLUMBING-HEATING-COOLING CONTRACTORS—NATIONAL ASSOCIATION | VOLUME 2, ISSUE 3

SUMMER 2018

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PLUMBING-HEATING-COOLING CONTRACTORS ASSOCIATION Best People. Best Practices:

A VALUABLE LESSON ON SAFETY Inspections from one of Phcc's Own

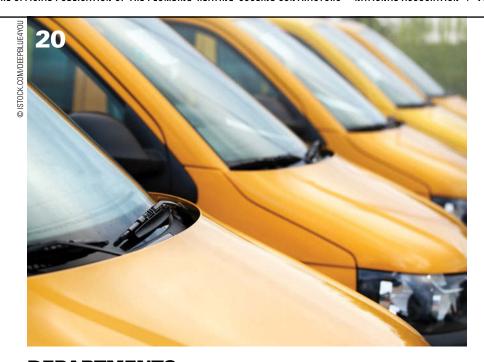
BOTTOM LINE BENEFITS OF GPS AND FLEET MANAGEMENT SYSTEMS

A NEW WAY TO FIGHT LICENSING BATTLES

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FROM SAFETY TIPS TO STOCKROOM SOLUTIONS

MINIMIZE THE RISK OF WORK-RELATED INJURIES, REDUCE INVENTORY HEADACHES, EVEN ORGANIZE YOUR WORK VAN WITH THESE HANDS-ON SOLUTIONS FROM A VALUED WHOLESALER AND DISTRIBUTOR.

From sponsoring PHCC CONNECT and supporting the association's state and local chapters to generously contributing to the PHCC Educational Foundation as a member of the Board of Governors, Ferguson goes above-and-beyond to assist PHCC and our members. Here, several associates from Ferguson – one of the largest plumbing wholesalers in North America and a major distributor of industrial and HVACR products – share how they're helping p-h-c contractors manage their inventory, organize their vehicles, and ensure a top priority - safety among their employees and customers.

PHCC: Safety is a top priority among PHCC's member contractors. Tell us about some of Ferguson's efforts to promote safety to its customers.

FERGUSON: Ferguson believes safety is a value that should be embedded in everything we do, from our own operations to the support we provide our customers. We're committed to creating a safe work environment for our own associates ... and helping our customers do the same for their teams. Among

our offerings:



Hannah Sesav Health & Safety

- We stock a wide selection of safety products and supplies, such as PPE, safety signage and barriers, first aid kits, fall protection and more to ensure our customers are equipped to perform their role safely.
- We provide special promotions related to safety products that HVAC and plumbing contractors need to do their jobs. For example, our Tool & Safety flyer provided to our customers highlights key products that help them stay safe on the jobsite.
- At www.Ferguson.com, contractors can find helpful safety tips, such as how to prevent hearing loss in the workplace or how to select the best safety glasses.

PHCC: PHCC is dedicated to the health and safety of society and the protection of the environment. How does Ferguson

support that mission? FERGUSON: Ferguson is committed to sustainability, which includes protecting the health and safety of society and being a good steward of the environment. We support that mission not only with the products and services we offer our customers but also through



Kelsey Bergan Sustainability

our efforts to support the communities in which our associates and customers live.

We offer our plumbing contractor customers a wide variety of low flow and WaterSense-certified products. For our HVAC contractors, we sell programmable thermostats, higher SEER HVAC units and ductless systems that provide greater efficiencies in both residential and commercial applications.

Many of Ferguson's HVAC locations also support the proper disposal for used R-22 through a recovery program that sells cylinders to customers for a nominal fee that they can then fill with R-22 and return to HVAC locations for a credit.

Ferguson also offers a Reliability Service through its Industrial business that extends the life of products. Through this service, critical plant equipment can be restored, adding up to 20 years of life to the product.

Additionally, municipalities can work with our Waterworks team to make their water safer through chlorination and dechlorination products.

Ferguson also invests in the communities where we live and work. Since our company's founding 65 years ago. our Ferguson Cares program has partnered with direct providers of services with a focus on education; workforce development; basic needs like housing, hunger and disaster relief; as well as military and veterans affairs.

Lastly, Ferguson is a Corporate Founder and has been a member of the PHCC Educational Foundation's Board of Governors since 1990. We are proud to support their mission of helping contractors be more successful through education and professional training.

PHCC: This publication is just one way that PHCC strives to deliver practical solutions to our member contractors. Inventory management is a big challenge for many of them. How does Ferguson help plumbing and HVAC contractors in this area?

FERGUSON: Our customers don't have a lot of time, and stockroom space is at a premium, so Ferguson provides a variety of ways for them to do business the

way they want - optimizing labor efforts and inventory. Our eBusiness Specialists in every district customize programs based around each customer's inventory needs to bring

efficiency to their purchasing and inventory management processes.

Our eProcurement solutions (like system-to-system, eCatalogs and portals) save time by targeting the materials customers purchase frequently and save them money by reducing entry errors. Customers can take advantage of inventory management tools, like Ferguson's barcode-reading and inventory-



Justin Clayton eBusiness

tracking scanner. In conjunction with customized labels, scanners also reduce entry errors and save time when replenishing stock.

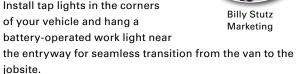
Our HVAC customers have access to BinMax, a solution that uses www.Ferguson.com, scannable codes from our HVAC flyers and our SKU app to add products to an online Ferguson shopping cart. This helps customers be more efficient and reduce inventory headaches. With BinMax, our customers don't need to keep a lot of extra inventory on hand; they simply have what they need.



FERGUSON: Ferguson understands our customers' work vehicles are also a mobile storage system for tools, parts and inventory to get work done. In addition to being well-stocked, we recommend customers organize their vehicle to save time searching for equipment. Here are a few quick tips:

· Store larger equipment at the bottom of your vehicle and smaller tools and parts near the top for ease of moving items in and out.

- · Storage doesn't have to stop at the door. Installing magnetic strips on the interior door walls will allow you to secure metallic hand tools.
- Good illumination is important. Install tap lights in the corners of your vehicle and hang a battery-operated work light near



To help our customers, we created this guide (downloadable at www.ferguson.com/vanorganization) that highlights six key areas for vehicle organization:



A VALUABLE LESSON ON SAFETY INSPECTIONS FROM ONE OF PHCC'S OWN

HOW A VOLUNTARY CONSULTATION AND INSPECTION WITH OSHA RESULTED IN SOME EYE-OPENING REALIZATIONS... AND A MUCH SAFER WORKPLACE

BY PATRICK WALLNER WALLNER PLUMBING, HEATING & AIR CONDITIONING

Lessons learned. That's the beauty of exchanging information with PHCC peers ... that we can learn from each other's experiences. With that, I share a story about my recent consultation and safety inspection with the California Division of OSHA (Cal/ OSHA) in the hopes that I can help you avoid some potentially costly pitfalls and become more vigilant about ensuring a safe work environment at your company.

As president of Wallner Plumbing, Heating & Air Conditioning in Redding, California, I received a letter from Cal/ OSHA indicating that my company had been identified as a hazardous employer after my mod rate for Workers' Compensation climbed to more than 125 percent. Over a three-year period we had three claims; two of them were minor in nature and costs, while one of them was a relatively large claim.

Even though the primary claim that triggered this mod rate increase ultimately was denied, that claim along with two other relatively small claims - raised my mod rate from 87 percent to 131 percent, a single-year rate that cost the company a whopping 38-percent increase in our Workers'



Compensation premium, money that, frankly, would have been much better spent on safety training and safety awards for my employees.

The letter indicated that – to be taken off this "hazardous employer" list and to avoid a random enforcement inspection - I had the opportunity to request a complimentary nonenforcement consultation visit and inspection by a Cal/OSHA representative. You may be asking yourself: Why I would ever volunteer

for a Cal/OSHA inspection ... that would be like inviting the fox into the henhouse!

Honestly, I always thought that my company was really "on top of it" in terms of safety, and I wanted to avoid a surprise enforcement inspection, which would have been more stressful and could have resulted in substantial fines. so I opted for the free consultation. A word of advice: this no-cost OSHA consultation inspection (see box on page 19) is free to everyone, in every state, who pays Workers' Compensation premiums, and I highly recommend it.

Preparing for the Inspection

After scheduling the voluntary consultation, Cal/OSHA sent me a packet detailing the safety review process, explaining that this full-service effort to assist me with ensuring a safe and healthful workplace would include a review of the safety programs established at my company as well as a walkthrough of my worksite. In addition, Cal/OSHA requested that I have the following items available during the visit:

- My Injury and Illness Prevention Program (IIPP) and other safety programs implemented.
- Photocopies of my completed Cal/ OSHA Log 300 & 300A Forms, 2012 to present year.
- My Heat Illness Prevention Program (if applicable).

Inspection Day

Before you know it, inspection day was here, and the Cal/OSHA representative asked to speak with several employees to review our IIPP; conducted safety inspections on a couple of our service vehicles; consulted with my brother, who is my business partner, and me regarding our safety practices, safety meetings, etc.; and completed a voluntary walkthrough safety inspection on our premises.

Fortunately, we had purchased a safety manual years ago through PHCC, and that really saved us. (As an aside, when I inquired with the representative about what kind of fine we would have incurred had we not had a safety manual, he just laughed, as I am sure that it would have been in the tens of thousands of dollars.)

For the majority of the visit, the Cal/ OSHA representative reviewed each section of our safety manual to ensure that we had all the latest updates. When he realized that we did not have a current hearing protection program or a heat injury and illness prevention program, he offered to send us updated programs for each of those areas,



which of course we agreed to implement!

We also showed him our Seven Minute Safety Manager program, available to us through PHCC Corporate Partner Federated Insurance as a Federated client. This program allows us to efficiently compile a safety training program with a trainers outline, employee handout and guiz on thousands of safety-related subjects. The average time to present the safety program to our employees (not including the quiz) is ... you guessed it ... seven minutes!

Violations and Resulting Actions

During the actual safety inspection, we were reassured that we were doing a lot of things right. Unfortunately, we also realized that we had overlooked some safety measures, which resulted in Cal/ OSHA identifying several violations that we have since rectified. Those corrective actions included:

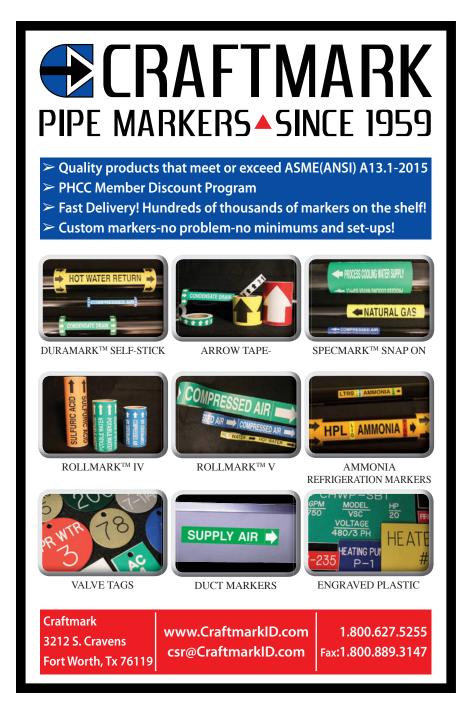
· Installing an eye wash station. We strictly enforced the use of eye protection when handling corrosive substances and warned employees of the hazard. Although we do not do any fabrication in our shop, we do store glues, primers and other



EMERGENCY EYE WASH

caustic materials (such as Clorox Clean-up) for cleaning. We also purchased and installed an approved eyewash station in the shop area, as well as a portable eyewash station for use on jobsites. These two units cost us under \$600 to purchase and install. (The eyewash cups in the first

- aid kits did not provide the 15 minutes of continuous flow, as required by regulation.)
- Installing a guard on our table saw. It is so easy to overlook safety issues like this. Even though the table saw is only used about two times a year to build shipping crates and was stored with boxes on top of it while it was unplugged and out of use, it really could cause a serious injury.
- Installing a new bench grinder and mounting it on a securely fastened floor pedestal. The hazards identified (previous bench grinder didn't have a tongue guard, was not anchored to the table/bench, etc.) were more expensive to fix than simply replace since our previous grinder was more than 30 years old. Our new grinder cost us under \$200 to purchase and install.



· Identifying branch circuit breakers in the electrical sub-panel in the shop to indicate their purpose. Our branch circuit breakers were not properly identified, so we first informed affected employees of the hazard and then labeled the five breakers and the sub-panel.

We were required to correct all these violations within 30 days and submit a certified report indicating the actions taken. Failure to do so would have turned the violations over to the

enforcement division for action against the company.

In addition, we were notified of the following:

· There were no records of the portable fire extinguishers being visually inspected monthly. As a result, we incorporated a monthly inspection of our posted fire extinguishers and dated and initialed the back of the annual certification tag. Because we have a fire safety company certify our fire

extinguishers annually, we had not given it a second thought that we needed their gauges and general condition inspected on a monthly basis.



- · There was no hearing conservation program for employees using a jackhammer for approximately 2 hours at a time. Employees use earplugs for hearing protection. We have since monitored noise levels when employees use a jackhammer to determine if the noise exposures equal or exceed an 8-hour timeweighted average sound level (TWA) of 85 decibels measured on the A-scale (slow response) or, equivalently, a dose of 50 percent. Per OSHA's request, we developed and implemented a Hearing Conversation Program and trained employees accordingly. Cal/OSHA provided a sample program for us to implement.
- Cal/OSHA Form 300A and Form 301 or their equivalents were not available. While we have always maintained the Cal/OSHA Form 300 (Log of Work Injury or Illness) for every injury that occurred over the past five years, we did not have the Cal/OSHA Form 300a (Summary of Work-Related Injuries and Illnesses) and the Cal/OSHA Form 301 (Injury and Illness Incident Report). We now maintain all these forms dating back at least five years - in a binder in our office, and we update it every time a new claim is filed.

A Reminder for All

This experience was an important reminder that it is way too easy to be complacent and overlook what some may consider minor safety issues ...



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when they actually can be quite serious. We have always strived to maintain a safe work environment by continuously being vigilant and quickly removing hazardous conditions from the workplace as soon as they are discovered.

As a result of this process, we now have a safer workplace for all our employees. Yes, I had to spend some money and a substantial amount of time to meet these compliance requirements, but that pales in comparison to what could have been a surprise enforcement inspection or, much worse, a severely injured or disabled employee.

I highly encourage your company take advantage of this free consultation service through OSHA in your state, and I credit the Cal/OSHA consultation service and their professional staff with helping me through this stressful process and giving me peace of mind that I'm now providing a much safer workplace.

OSHA's On-Site Consultation Program

- Identify Potential Hazards.
- Improve Safety Programs.
- Even Qualify for a One-Year Exemption from Routine OSHA Inspections!

OSHA's On-Site Consultation Program offers no-cost and confidential occupational safety and health services to small- and medium-sized businesses in all 50 states, the District of Columbia, and several U.S. territories. Consultants work with employers to identify workplace hazards, provide advice for compliance with OSHA standards, and assist in establishing and improving safety and health programs.

This program is completely separate from the OSHA inspection effort. Primarily targeted for smaller businesses, employers can find out about potential hazards at their workplace, improve programs that are already in place, and even qualify for a one-year exemption from routine OSHA inspections.

For more information, visit www.osha.gov/dcsp/smallbusiness/consult. html.

Patrick Wallner is President of Wallner Plumbing, Heating & Air Conditioning in Redding, California, and is a Past President of PHCC-National (2016-2017).

Note: The safety examples provided in this article are for information purposes only; they are not intended to replace independent professional advice, as circumstances vary by company and by state. Please consult a safety specialist in your area before establishing guidelines for your business.

