

Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc.



ALERT
First Quarter 2006



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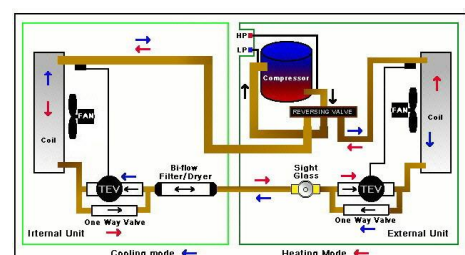
High School Vocational Program For HVACR Industry

ARCA/MCA Southern California, U.A. Local 250, and the HVACR Industry Training Center are interested in partnering with a few select high schools, initially in the Los Angeles and Orange County areas. The purpose of the program is to develop and promote a vocational program that teaches the principles of airconditioning, heating, ventilation, and refrigeration.

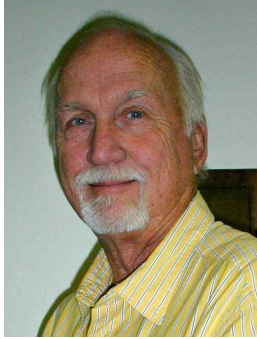
The Industry envisions a two-year program during the student's junior and senior year of study. The Industry will provide to its partnering high schools financial support, teaching materials and equipment, curriculum specific to the industry, in classroom speakers, and additional assistance to ensure the success of the program. It will be necessary for each participating student to maintain a certain minimum grade point average, and successfully complete specific classes of study that are necessary to ensure a student's success in future employment. Each student selected to participate in the program will have an opportunity to interview with a company that offers mentoring, job shadowing, paid summer intern employment, and opportunity for employment immediately following graduation.

A letter and application were mailed to numerous high school principals to determine interest in participating in the interview and selection process for this vocational education opportunity. The applications are to be submitted no later than March 1, 2006. Selected high schools will be interviewed during the month of April, and selected high schools announced in May. **ARCA/MCA Southern California** member companies that are interested in participating in this important program should contact the Association office.

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President's Message



Phil Evans

As we begin 2006, the Association Board of Directors are looking to each company for their participation and support. Our industry has challenges ahead of us that require information and input from all size companies. In fact, the more diverse the information the more valuable it will be in addressing issues and formulating our industry position.

The front page of this newsletter describes the development of a high school program designed to recruit individuals into our industry. This program comes at a time when many industries, ours included, are finding it difficult to attract qualified candidates. During the next ten years, many of the industry journeymen will be retiring. It is imperative today that we properly forecast our manpower needs for tomorrow. If you are interested in participating in the high school program by offering opportunities of job shadowing and part time employment contact the Association office.

The Association office mailed to each company a manpower recruiting survey asking them to forecast their manpower needs in 2006 and 2007 by classification. The Association and the Union will use this information in a joint effort to provide the necessary manpower needs to grow the industry today and in the future.

The Mechanical Service Contractors Association (MSCA) has mailed to each company a survey used to determine "The Cost of One Hour Of Service." The report has proven in the past to be a valuable tool in assisting companies evaluating their own performance by providing a resource to compare costs. The report is only as good as the number of companies that respond to the survey.

Take a few minutes and provide the information requested in these surveys. The product of these surveys will assist in making the industry more competitive and a greater value to our customers.

Phil Evans ...
Wittler-Young Service Company

Go to:
www.arcamca.org
for additional articles of
interest regarding the
industry!

CLC UPDATE October 11, 2005**Liability Insurance Reform Becomes Reality**

Governor Schwarzenegger signed AB 758, relating to liability insurance, into law. The California CLC co-sponsored measure addresses the skyrocketing cost of liability insurance in the construction industry specifically in the residential and condominium markets.

The new law will set forth a true comparative fault system and will outlaw Type 1 indemnity agreements in all residential construction contracts including high-rise condominium and mixed use developments. A comparative fault system will hold a contractor or subcontractor liable for only the work performed or arranged for by that contractor or subcontractor. This would also include that the hiring entity be solely responsible for any "orphan share" created by an entity that is no longer in existence.

Prior to this measure, in California, it was legal for a developer or prime contractor to contractually require a subcontractor to insure against losses caused by the negligent actions of the developer or prime contractor or any other subcontractor they may have hired. These contract agreements are commonly called Type 1 indemnity agreements.

The new law will take effect January 1, 2006 and will affect any contracts entered into after that date.

**"Alcohol Problems: Finding Solutions to Save Lives and Money"**

(Anderson, David R.; Goplerud, Eric. Benefits & Compensation Digest v42 no 10 pp 34-39 Oct 2005)

According to a national survey conducted by the Substance Abuse and Mental Health Services Administration, 11% of workers in the United States suffer from alcohol abuse or alcohol dependence. The percentage varies among different occupations, with construction workers reaching 18.9%. Alcohol problems cause absenteeism and present safety concerns. Employers can use three basic methods to address alcohol problems:

- **Employee assistance programs**
- **Supportive policies**
- **Health insurance benefits that cover treatment for alcohol problems**

The employer should set clear rules concerning drinking but must be careful to avoid punitive policies that discourage employees from seeking treatment

Baby Steps...

"The No Sweat Exercise Plan" by Harvey B. Simon, M.D.
Here's a look at the benefits of very little exercise demonstrated in various medical studies.

<u>Activity</u>	<u>Benefit</u>
55 flights of stairs a week	33% lower death rate
One hour of gardening a week	66% lower risk of sudden cardiac death
Regular, demanding household cleaning	Lowered heart-attack risk by 54% in men and 84% in women
Exercising 30 minutes just six days a month	43% lower mortality rate

IRS Standard Mileage Rate Decreases for 2006

The Federal Internal Revenue Service (IRS) announced recently that it will trim back the mileage rate that workers can deduct from their taxes for using their personal cars for business purposes. The new rate will be **44.5 cents pre mile**, down from 48.5 cents per mile set in September 2005, and it takes effect **January 1, 2006**. The new rate reflects the lower average retail price for regular unleaded gasoline.



ARCA/MCA

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Richard J. Sawhill
Executive
Vice-President

2006

January

2		ARCA/MCA office closed
4	8:00 am	SCPT Administrative and Delinquency Committees
9	5:00 pm	Inland Refrigeration Training JAC and Training Trustees
10	8:00 am	ACRT Delinquency and Benefits Committees
12	10:00 am	P.I.P.E. Board of Directors
16-17		MCAA Collective Bargaining Conference (Tucson, AZ)
17	11:00 am	A&J Board of Trustees
25	8:00 am	SCPT Appeals Committee
25	10:00 am	SCPT Board of Trustees
31	9:00 am	Inland Refrigeration Benefit Funds Board of Trustees

February

6	5:00 pm	Inland Refrigeration Training JAC and Training Trustees
8	9:00 am	MESTC Committee Meeting (LA Training Center)
9	10:00 am	ARCA/MCA Board of Directors
21	8:00 am	ACRT Investment Committee
21	10:00 am	ACRT Board of Trustees
21	2:00 pm	ACRT Building Corporation Annual Meeting
28	11:00 am	California Oversight Committee (Oakland, CA)

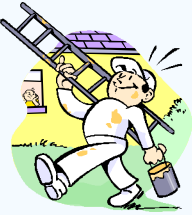
March

3	11:30 am	U.A. Local 230 Labor/Management Meeting
6	5:00 pm	Inland Refrigeration Training JAC and Training Trustees
7	11:00 am	Service Managers Roundtable
8	10:00 am	CLC Committee meeting in Sacramento
19-23		MCAA 2006 Annual Conference (Maui, HI)
21	11:00 am	A&J Board of Trustees

Mission Statement

ARCA/MCA
Southern California

The Mission of the Airconditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc. (ARCA/MCA Southern California) is to exceed the expectations of the Association's member companies. The Association will provide a link of communication that will address, advance, and inform the Association membership of the latest updates on legislation, technology, and issues pertinent to the Airconditioning, Refrigeration and Mechanical Contracting Industry. The success of the Association in achieving this Mission is to be based on integrity and loyalty to its members. We will strive to be diligent and flexible by supplying services the membership needs to be competitive in an ever-changing business environment.



Service and Repair Contracts in 2006 . . . Submitted by Politico

With the passage of AB 316, anyone doing home improvement or service and repair work should be using new contracts for that work, effective January 1, 2006. The new law revises and refines the elements of the home improvement contract (HIC) and the service and repair contract in an attempt to make the document more consumer friendly. Please be sure to contact your local vendor and place your order for updated contracts before the January 1, 2006 effective date.

Some of the new contract requirements include:

- Everything must be in writing – contracts and any changes to contracts (no matter the amount)
- Creation of a separate “Service and Repair Contracts” (Contract is: \$750 or less, buyer initiated contact and 3-day right to cancel ends when work starts)
- Adds description of license classification to Contractor information (cement, electrical, etc.)
- General Liability Insurance: A specified notice requirement replaces checklists required under old law
- “Agreed Consideration for the Work” is now called: “Contract Amount”
- Workers Compensation – The new notice requires stating that either a contractor is exempt from workers compensation requirements or the contractor has workers compensation insurance because they have employees
- Finance charges must be listed separately from contract amount
- Swimming pool contract down payments are now the same as other home improvement contracts - \$1,000 or 10% down, whichever is less
- Lien Release Notice must be furnished to consumer on request after payment is made
- Right to Cancel – The Three-Day and Seven-Day “Right to Cancel” triggered when buyer receives copy of written agreement
- Payment and performance bond requirement notices are no longer required next to signature on contracts
- Contractors must inform homeowners in writing that if they, the contractor, fails to comply with all "Change Order" requirements, the homeowner may still have to pay for the additional work.

SAFETY TRAINING A MUST WHEN USING REFRIGERANT 410A

As the phase-out of HCFC refrigerants (including HCFC R-22) continues, the use of non-ozone depleting refrigerants (such as HFC R-410A) will increase. As manufacturers begin to introduce air conditioning equipment using HFC R-410A, it is important that contractors and service technicians understand the safe handling, proper charging, operating characteristics and appropriate applications of this re-

frigerant. R-410A is not a drop-in substitute for R-22. R-22 systems cannot be retrofitted without major component upgrades to R-410A. R-410A operates at significantly higher pressures and refrigeration capacity. As a result, contractors and technicians will have to shift to different tools and equipment, adhere to different safety standards and know how to properly install, change out and repair systems in the field containing R-410A refrigerants. Although certification is not yet required for handling R-410A, there are some certifications

programs currently available that, once completed, will show evidence of your professional ability to handle and work with these new refrigerants. For example, Ferris State University offers a comprehensive training program which includes an R410A Safety and Training Manual, R-410A Interactive Training CD and certification test. For further information on this program call 866-880-7674. R410A training is now included in the new UA five-year HVACR Service Technician for apprentices.

Need a Topic For Your Next Safety Meeting?

ADDITIONAL MEMBER BENEFIT: FREE ONLINE ACCESS TO TOOLBOX TALKS VOLUME III

MCAA members now have free online access to MCAA Toolbox Safety Talks Volume III (Construction) at www.mcaa.org/private/safety, where you can also find Volumes I and II. MCAA's Toolbox Talks help you improve your company's profitability by preventing the most common injuries that occur in the mechanical construction industry. You will need a password to access the talks. To apply for one, visit www.mcaa.org/password.

If you prefer the printed version, please visit our online store at www.mcaa.org/store or call Linda Burke at 301-990-2200 to order.



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