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Certified for Top Safety Program.

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**NEWS & ANALYSIS from P.I.P.E. leadership Summer 2014**

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**Piping Industry Progress and Education Trust Fund**

**P.I.P.E. PROFESSIONAL**

Published by P.I.P.E. | Mike Layton, Secretary-Treasurer | Mike Massey, Executive Director | Jay Chase, Chairman

*Letter from the*  
**Executive Director**  
**Mike Massey**

Greetings and welcome to the Summer 2014 edition of the PIPE Professional newsletter. The P.I.P.E. Professional will be available by mail, email and also on our website. Please take a moment and update your email address with us by sending an email to: [info@pipe.org](mailto:info@pipe.org).

This issue is about how politics affects our industry.

From legislation, to codes and standards to industry relationships and alliances, politics does affect us. It's easy to scorn politics and politicians too. It's been sport to ridicule them forever in America. We have an instinctive dislike of all the maneuvers and games; of the people who promise one thing and do another.

But we must be involved. "You may not be interested in politics, but politics is interested in you," the saying goes. We owe it to ourselves, our members and our businesses to



be as involved as possible. See page 3 for plenty of information on how politics affects us.

In this issue, we also let you know about our contractors who are winning honors and recognition for their outstanding work.

Please send your comments to [info@pipe.org](mailto:info@pipe.org).

Most sincerely,

**Mike Massey**, Executive Director

**The P.I.P.E Trust Fund and Its Purpose**

P.I.P.E. is a joint labor-management trust formed in 1980 to improve communications between labor and management, to explore joint approaches to mutual problems and to raise issues of concern to the plumbing, piping and HVAC/R industries. Our organization forms a three-way partnership among labor, management and the customer.

Essentially, P.I.P.E. is the vehicle through which union contractors and union pipe trades workers advance the industry. In practice, this means:

- Maintaining and expanding market share for signatory contractors. We fight hard for workers and contractors alike so there will always be a market for good workers and the best management.
- Establishing strong standards for materials, methods and training. We support the apprenticeship and training programs of the United Association and its contractor associations. We work to improve and modernize codes and specifications.

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# WHO DOES P.I.P.E REPRESENT?

Our membership consists of the hundreds of signatory contractors and thousands of union members involved in the piping and HVAC/R trades in the southern part of California to the Mexican border. You are probably one of them. This publication is for you, to show you how your contributions are working to advance the industry, your chances for profitable employment and retirement.

In this and future issues we will profile the important actors in labor and management, giving you a look behind the scenes at union shops and union locals you may not have known about.

This is your industry and we will be your link to it.



## *The P.I.P.E. Trust Fund and Its Purpose continued from p. 1*

- Increasing opportunities for union pipe trades workers. We promote union construction and union workers as the best available.
- Defending the rights of legitimate contractors in the competitive marketplace. We pursue violators of wage, insurance, licensing and other laws to ensure that our contractors do not have to compete against unfair advantage.
- Explaining the benefits of quality, best-value construction to prospective customers. We show how a trained, committed workforce can partner with inspired management to turn a profit in the modern piping/HVAC/R industry.
- Shaping rules, standards, codes and laws concerned with our industries. We do not leave this to outsiders but maintain a presence on many boards and bodies that write and update industry codes, which are the language of our work.

# Q AWARD HONORS CONTRACTORS

*The Annual Q Award for Quality Union Construction goes to the Emerson College Los Angeles Campus*

*James Patton of Murray Company, one of the pipe trades signatory contractors that worked on Emerson, joins honorees at the Q Award Ceremony.*



Pipe trades signatory contractors, Business Managers and representatives were among more than 250 people who gathered June 24 for the annual Q Award ceremony.

Los Angeles Mayor Eric Garcetti and other officials praised the project's exquisite craftsmanship, cooperation among client, builders and local government, and success meeting strict budgets and deadlines.

Those are hallmarks of all-union construction, said Bruce Arnold, senior project manager for general contractor Hathaway Dinwiddie. "Without

unions, we wouldn't be successful," he said. "I've been at it 30 years and can't recall a time they didn't supply as much highly skilled labor as we needed to complete our projects on time and with the highest level of quality."

The Los Angeles branch of Boston-based Emerson College on Sunset Boulevard features two dormitory towers that flank asymmetrical classrooms, patios, offices and auditoriums, all within view of the famed Hollywood sign. Students moved in this past January.

# PLUMBING AND POLITICS: WHO KNEW?

*What we do in City Hall, Sacramento and Washington, D.C., affects our Industry and our jobs*



*At the State Capitol, we advocate for the Pipe Trades.*

We want to improve and safeguard our industry. There are plenty of forces against us. And they're using politics to the greatest extent to advance their cause, which may intentionally or unintentionally have negative impacts on our industry.

We've got to get in there and fight for our interests.

In California, we have a well-organized network to advocate for us. We have the California State Pipe Trades Council, with Rod Cameron, Executive Director, and Scott Wetch of Carter-Wetch and Associates to represent UA members in state government

affairs. The California Legislative Conference of the Plumbing, Heating and Piping Industry (CLC), with Eddie Bernacchi, represents Labor and Management's concerns in state government affairs.

The contractor associations represent contractor-management political concerns in our state: CPMCA with Chip Martin, Executive Director; ARCA with Richard Sawhill, Executive Vice President and the National Fire Sprinkler Contractors Association with Robert Rowe. The Sprinkler Fitters Association of California with Randy Roxson, Executive Director, represent UA Fire Sprinkler Fitters in California. On federal legislation, the United Association represents labor, and MCAA represents management.

In District Council 16, Mike Layton, Business Manager, spends a lot of time on politics, as did his predecessor, Sid Stolper. CM Consulting, with Chris Modrzejewski, represents us in city of Los Angeles government and business. All UA local union Business Managers, Agents and Organizers get involved in politics, and PIPE represents Labor and Management in local, county, state and federal government affairs.

In 2013, our influence in California politics was significant. We were successful in getting favorable legislation passed and amended, and we defeated numerous bills that would harm us.

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## 2013 Legislation that benefits the Union Pipe Trades Industry

- AB 44:** Fair practices for bidding: Bidders for public works projects must include specified information on subcontractors, including contractor license number.
- AB 164:** Infrastructure financing: Requires that payment and performance bonds be posted on all lease-leaseback and public-private partnership construction projects.
- SB 7:** Public works/charter cities: Withholds state construction funding from any charter city that exempts contractors from paying prevailing wage for locally funded projects.
- SB 54:** Hazardous materials management and trained workforce: Requires certain stationary sources related to petroleum to require that its contractors use a skilled and trained workforce for all onsite work within an apprenticeable occupation in the Building and Construction Trades.

## 2014 Legislative season is positive for our industry

The 2014 legislative session so far has yielded positive results for our industry. Gov. Brown has signed SB 854, below, into law.

SB 854: Guarantees an ongoing permanent source of funding for the Department of Industrial Relations to enforce payment of prevailing wage and apprenticeship laws on all public works projects. It established a \$300 annual contractor registration fee that will go directly to fight the underground economy. This fee benefits legitimate contractors by strengthening enforcement against illegitimate contractors. This fee is mandatory for any contractor bidding a public works project. To register, contractors must meet minimal qualifications, including: workers' compensation coverage; CSLB contractor license; no delinquent unpaid wages; must not be under debarment; not in prior violation of registration.

This new law is a huge weapon in fighting the underground economy—low-road contractors who are paid by the taxpayers, yet do not pay required wages and benefits to their workers. They cheat on wages, and often don't pay workers' compensation, Social Security, Medicare, and state and federal taxes. This creates a disadvantage for law-abiding contractors.

SB 862/AB 1467: In the 2014 session, the Legislature also approved cap-and-trade funding for high speed rail, which will provide ongoing, yearly funding of hundreds of millions of dollars each year.

## Union Signatory Wins Top Safety Honor



*Sid Stolper, recently retired as Business Manager of District Council 16, congratulates Andy Hosler, PMI president.*



*Terrence Urbanek, left, representative of United Association International, and Steve Klaus of PMI.*

The Southern California branch of Performance Mechanical Inc., an industrial and mechanical contractor signatory to UA Local 250 Steam & Pipefitters, recently achieved a major milestone. It became the first contractors' facility in California to become certified by Cal/OSHA's Voluntary Protection Program.

On May 1, dozens gathered at PMI's office and fabrication shop in Gardena for a ceremony and lunch.

"We have here probably the best labor-management cooperation of anywhere in the country," said Sid Stolper, who recently retired as Business Manager of Pipe Trades District Council 16. "That comes through trust and looking at everything in a lot of different ways."

The California Voluntary Protection Program, or Cal/VPP, recognizes workplaces that manage outstanding health and safety systems for protection of workers and go beyond basic compliance with state regulations.

The lengthy, arduous certification process changed PMI's culture, the company's president and CEO, Andy Hosler, said. "I think it's good to have somebody point out that 'good enough' isn't every once in a while," he said. "It made us question some things we thought we knew."

Victoria Heza, program manager with Cal/OSHA, said PMI was able to navigate the lengthy process because it had the full commitment of everyone involved.

"The management has to make the commitment and it can be time consuming and expensive and it takes a lot of resources," she said. "And then, it cannot be achieved without the buy-in of all the workers."

PMI has three branches, including the one in Gardena. Among the work the company does is shop fabrication, steam and combustion turbine installation and HVAC hydronics.



*These pipes are fabricated by PMI.*

## PROGRAMS AT P.I.P.E.

**Certifications and Training:** Acquire all necessary certifications and job training. [Visit www.nationalitc.com](http://www.nationalitc.com)

**Compliance:** Enforcing labor standards on construction performed in California.

**Government Affairs:** P.I.P.E. carries out an active role in political affairs.

**Go Green!** P.I.P.E. helps the industry reduce its environmental impact.

**Insurance and Workers Comp for Contractors:** Contractors and workers insurance agency. [Visit www.pipeadr.com](http://www.pipeadr.com)

**Codes and Standards for Safety:** P.I.P.E. participates in code and standards organizations.

**Advertising for Our Members and Constituents:** P.I.P.E. provides media support for affiliates.

**P.I.P.E. Careers:** Looking for a new career in the piping industry? [Visit www.pipecareers.com](http://www.pipecareers.com)

For more information on these and all other P.I.P.E. programs, [visit www.pipe.org](http://www.pipe.org)

Steve Klaus, PMI's Southern California general manager, said applying for VPP certification came with a goal to make safety the company's main priority. Even before it achieved VPP certification, safety had been of great importance for PMI. In 2012, the company accomplished a first in its 26-year history: It ended the year with a recordable injury rate of 0.00 percent. And more recently, the company has managed to exceed 11 million man hours without a lost-time injury.

In all, it took about a year between PMI's initial application for certification and the eventual approval.

"Some of the changes we had to undergo were changes in the facility itself, how we logistically set things up or making sure there's an avoidance of safety hazards," Klaus explained.

## OUR LABOR-MANAGEMENT LEADERSHIP

P.I.P.E.'s main direction is provided by its labor and management stakeholders. These are Mike Layton, Business Manager of UA District Council 16, and Jay Alan Chase of Muir Chase Plumbing Company. Mr. Layton is Secretary Treasurer of the P.I.P.E. Trust Fund and its subsidiaries; he represents labor's interests in P.I.P.E.'s organization and programs. Mr. Chase is a partner in Muir Chase Plumbing and represents management's interests in our organization. Future editions of the P.I.P.E. Professional will feature articles on both men, as well as other members of our Board of Trustees.

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