

# CPMCA PIPELINE



*Newsmagazine of the California Plumbing and Mechanical Contractors Association*

*Summer 2013*

## MISSION STATEMENT

*The mission of CPMCA is to provide representation of its members to enhance their business and profitability through education and labor relations. This Association will provide a partnership for progress between Labor and Management; setting aside differences, to unite in the common goal of expanding the market share of the Union mechanical contracting industry.*

*Cover photo:*

*This beautiful view of the Santa Barbara coastline is from the Sandpiper Golf Club, just down the beach from Bacara Resort & Spa, site of the 2012 CPMCA Annual Retreat. (See story and photos on pages 20–23.)*





# On the Road to Recovery

By Chip Martin, CPMCA Executive Director

**2**013 IS WELL UNDERWAY AND THINGS definitely feel like they are on the mend. After what can only be considered a miserable downturn for the industry in '09, '10 and '11, in 2012 our Association saw a dramatic increase in man-hours:

1,500,000 over the hours generated in the 2011 calendar year. Year to date in 2013 we have increased man-hours 500,000 over a healthy 2012 year.

We have positioned ourselves to take full advantage of the expected market expansion. The pent-up demand created over the past downturn is significant. The drive through Los Angeles easily demonstrates the healthy recovery with the amount of crane towers in the Los Angeles horizon. With projects such as the Wilshire Grand Tower construction we expect even more crane towers to come.

The difficulty of the last three years has caused us to work even more closely with our Labor business partners, as we continue to look for ways to help the competitiveness of signatory contractors. The MLA contract extension through June 2018 will help maintain industry stability.

Our abundant educational classes continue to highlight how successful mechanical companies are structured. Our instructors work nationwide and are able to gather the best in class management techniques and

explain them in detail. Their teaching material is the best in the industry as well. Please take full advantage of our extensive education curriculum. We believe everyone can pick up valuable information at each class. One common theme emphasized over and over in our classes... change or become extinct.

Marketing and organizing continue to be at the forefront of our efforts.

We have plenty to sell non-signatory contractors, architects, engineers, city officials, policy makers, and end users. It's a matter of systematically getting out our information to them. The slogan, "This isn't your grandfather's union," couldn't be more appropriate. We need to market the changes that have taken place and our tremendous relationship with Labor. We recognize we cannot significantly grow market-share with only the current signatory contractors. We need to attract non-signatory contractors to utilize Union labor.

My enthusiasm has never been greater about the future of "our" industry. There are no sacred topics that can't be discussed. Labor and Management fully understand what needs to happen to grow market-share. We recognize the importance of "now" and act

accordingly. The most refreshing part is that both Labor and Management are aware of and understand the needs and values of the other party. As long as this continues, we will continue on the road to recovery. ■

**We have positioned ourselves to take full advantage of the expected market expansion. The pent-up demand created over the past three years is significant.**

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# Keys to a Successful CPMCA Year: Your Participation, and Building on Our Relationship with Our Labor Partners *By Steve Klaus, CPMCA President*



**L**ET ME FIRST START BY SAYING what an honor it is to serve as CPMCA's President for the 2013-2014 term. I am looking forward to working with all elements of our organization – Contractor Members and Associate Members, Board of Directors and staff, as well as our Union friends – to further develop what the leaders that have gone before us have worked so hard to provide for CPMCA and our industry.

Our Past Presidents (some of whom have served more than once) deserve our thanks for their vision and, in many cases, their tough decisions in making CPMCA the industry leader among the MCAA chapters. We hereby recognize Steve Shirley 1997-1998; John Odom 1998-1999, 2010-2011, 2011-2012; Tim Brink 1999-2000; Jack McMackin 2000-2001; Robert Hollowed 2001-2002; Don Chase 2002-2003, 2012-2013; Don Giarratano 2003-2004; Kevin Ray 2004-2005; Dennis Castaldo 2005-2006; Tim Healy 2006-2007; Steve Shirley 2007-2008; Steve Malczewski 2008-2009; and Robert Felix 2009-2010. Thank you again for your wisdom and tireless dedication to CPMCA!

Getting back to this year, it is my firm belief that, with your involvement and continued support, together we can build upon the excellent foundation from previous administrations in ways that will dramatically benefit our membership and association this year. Our achievements will also positively impact the future of mechanical contracting, not only here in Southern California, but nationally as well.

There are several measurable goals that we have targeted to accomplish this year. They include the following critical areas:

- CPMCA Participation
- Building on our Relationship with our Labor Partners at DC 16
- Marketing and Recruitment
- Building Market Share
- Maintaining our Budget

We'll address the first two goals in this issue.

## Participation

Although CPMCA is recognized as the leading association of its kind in our industry, we can't rest on yesterday's achievements. We must work even smarter/harder to improve and grow. In order to meet our goals for the 2013-2014 term, we must first have representative participation. Simply put, to grow as an organization we need your participation. We also need your leadership, your ideas and your feedback on our lessons learned and our opportunities. There are so many ways in which you and your company can participate.

If you are new to the association or have been a member for several years, I challenge you to get more involved. Participation can come in many ways. We have Board seats that will be available in 2014. There is also a host of committees that would cherish your involvement, including Task Force committees, Trust Funds committees, Joint Apprenticeship committees, Pipe Trade committees, and involvement in the Cal Poly Pomona CPMCA Student Chapter, to name a few. By getting involved, you will not only better serve your company and the association, but you will also personally benefit through education and networking opportunities.

## Building on the Relationship with our Labor Partners

Previous leadership has made building on our excellent relationship with our Labor partners CPMCA's top priority. The relationship between Labor and Management remains our single strongest asset. We will continue to build on that through participation, marketing, recruitment and communication. *We will only get better if we are communicating.* Communication is essential to any relationship, and as we

continue to take advantage of the many opportunities to communicate with our Union partners, our relationship can only become stronger. Get to know your business manager and business representatives. Talk about your projects, your needs, and your expectations. Listen for

ways where we can improve. Make it an open door policy regarding information concerning upcoming projects. Consider visiting clients or potential clients together.

***If you are new to the association or have been a member for several years, I challenge you to get more involved.***

In closing... we cannot rest on what our past leadership has provided for us. We need to keep working, thinking and progressively challenging ourselves to be even more effective leaders in our industry. I will have more to review with you in our Winter Edition of the *CPMCA Pipeline*. Again... it is indeed an honor to be involved in the leadership of this dynamic association and industry, and I look forward to working with all of you over the next year. See you at our next event. ■



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### CPMCA Board of Directors 2013/2014

#### Executive Committee

**Steve Klaus, President**  
Performance Mechanical, Inc.

**Rick Moreno, Vice President**  
Astro Mechanical Contractors, Inc.

**David Quirk, Secretary**  
Performance Mechanical, Inc.

**Don Chase, Treasurer**  
Muir-Chase Plumbing Co., Inc.

**John Odom, Past President**  
Murray Company

#### Board of Directors Term Ending 12/31/2014

**Scott Baker**  
University Mechanical &  
Engineering Contractors –  
Los Angeles

**Scott Burson**  
Xcel Mechanical Systems, Inc.

**Mike Cables**  
Kinetics

**Michael C. Davis**  
H.L. Moe Company, Inc.

**Jim DeFlavio**  
Murray Company

**Bryan Suttles**  
Suttles Plumbing & Mechanical  
Corporation

#### Board of Directors Term Ending 12/31/2013

**Steve Cornelius**  
University Mechanical &  
Engineering Contractors –  
San Diego

**Steve Felix, Jr.**  
All Area Plumbing, Inc.

**Steve Fosdick**  
Pan-Pacific Mechanical

**Reed McMackin**  
Pan-Pacific Mechanical

**Les Osterberger**  
A.O. Reed & Company

## CPMCA's John Odom is Forever 'Odom Strong'

By Marta Martin, CPMCA Director of Education

**T**HE NAME "JOHN ODOM" AND HIS candid photos will appear quite frequently in this publication. This is because John makes an appearance and impact at nearly every CPMCA function. He is a staunch supporter of the Association, having served as the CPMCA President for three terms 1998-1999, 2010-2011 and 2011-2012.

Since April 15, 2013, the day of the Boston Marathon, John's life was forever changed. He was in Boston that day, more specifically, was one of the severely injured standing just feet away from the finish line where he was cheering on his daughter Nicole, a first-time marathon runner. Surrounded by several family members, including his son, grandson, grandchild and wife, John was the only one in the group affected by the blast.

And in that instant John began the fight for his life. In the hands of brilliant masterminds, doctors, battle-field-wound surgeons, and therapists, along with the most perfect dose of miracles and divine intervention, an amazing human being's life was spared. His body has endured far more than it was designed to, yet John, fueled by the heart of a "Bruin," fought on the front end and today, continues to push through the challenging recovery. With his determination and drive, he has defied the odds and shattered statistics.

In the five months of recovery so far, John and Karen, and the entire Odom family, have created lifelong friendships with the people whose paths they crossed and who crossed theirs. They share a bond that is so unique and so extraordinary, that only those who share it can understand its depth. Thanks to these people, from ordinary civilians to the skilled medical staff, the state-of-the-art Spaulding Rehabilitation Hospital and most simply, thanks to the strength of the human spirit, John was given another chance.



John and Karen Odom

Many of you have been following this journey. Through social networks and the online medium, Karen has kept John's fans attune to his progress from the beginning. In the September 4th post on CaringBridge.com Karen shares, "We look forward to one last night with Matt, Nicole and our wonderful grandsons. Saying goodbye to them is the hardest part of going home, we will miss them

desperately!!! Two days until we are reunited with family, friends, our home and a more normal, new normal, we can't wait."

After this five-month detour, unbroken in his desire to live life fully, John has finally come home! Friday, September 6, 2013 marked the day of his return. Karen shares the update; "Today was overwhelming but one thing is

for sure – there's no place like home!" With the most honest, heart-felt sincerity, John and Karen were greeted by their So Cal followers and of course their family here at CPMCA. The guest list for the 2013 Labor/Management Retreat in Las Vegas September 11-15 includes special guests – the Odoms. This will be John's first industry appearance and CPMCA is most honored with his RSVP.

Looking a bit further ahead, we anxiously await the 2014 MCAA Convention in Scottsdale, Arizona March 9-13. John will be receiving MCAA's Distinguished Service Award. He will be spotlighted for his local and national industry contributions which continue to have a far-reaching impact. The inspiring manner in which he has handled and persevered through his circumstances after that April day will undoubtedly be commended as well.

Embrace life today and all of its blessing! Live "Odom Strong."

We hope to feature John's full story in the next edition of CPMCA Pipeline Magazine. ■



# Oh, What Changes We Have Seen in the Last 10 Years

By Don Chase, CPMCA President 2002-2003 & 2012-2013

IT WAS JUNE 2002 THE LAST TIME I was elected as president of CPMCA, it seems like just yesterday. We were at the peak of the biggest stock run in the history of the NYSE. CPMCA had its first table top event, its first student chapter, and the Past Presidents Council was created. We were developing a relationship with our Labor partners that is now the envy of the nation.

This past year was both rewarding and extremely difficult. The rewards were seeing the development of our extensive education program. We offer training for everyone from the office staff, Foremen, Project Managers, to the CEO's. We are also providing OSHA classes for certifications. These classes are available to Associates and Affiliates as well as Contractor members. If you are not taking advantage of these education opportunities, shame on you.

Another reward was the successful negotiation of a 4-year contract extension. While this took a lot of time, effort and input from members, it made permanent many of the working rules that were on a test basis. This will allow us to bid long term contracts with certainty of our labor costs. We appreciate the spirit of commu-

nication and interest in our industry that we have with our Labor partners. There were many task force meetings, and sub-committee meetings that lead up to an agreement like this. I would like to thank the CPMCA negotiating committee for all of their efforts and vision.

When I created the Past Presidents Council in my 2002-2003 term, my goal was to create an environment where CPMCA has the input and wisdom from those who have gone through the chairs, but give opportunities for new contractors to sit on the board. Our previous association had what I called revolving chairs, past presidents would go right back on the board many holding board seats for more than 20 years. I am proud of the fact that there is almost a completely different board than we had ten years ago. In fact all of the incoming Executive Committee members were not on the board 10 years ago. This brings a lot of fresh ideas and energy to our association.

While we have strived to maintain our high standards we realized after 3 years of running over budget, we could no longer continue to operate like that. It was difficult cutting stipends, reducing meeting costs, and prioritizing what was important. I am happy to report

that our goal of a balanced budget was not only met it was exceeded. We met our mandate to create an accurate budget and live with it.

Difficult is not a big enough word for what happened on April 15th. We were supposed to be in Boston to support family and friends and to enjoy that wonderful city. That all changed in a moment of insanity. John Odom, my friend and predecessor as CPMCA president, was struck by a bomb. I had just left the finish line about 20 minutes before the explosion. I cannot express how motivating it has been to see how John has dealt with it all. He has been focused on one thing: to get mobile again, and enjoy his retirement as planned. Karen has been an inspiration with her daily posts, we thank her so much for that. We will have a chance to do that personally at CPMCA's Labor/Management Retreat mid-September.

I look forward to the upcoming year with Steve Klaus as president. There are so many opportunities to participate in CPMCA, please take the time to come to meetings, you will get back three times what you put in. ■



## CPMCA Launching a New Website

By Dana Francesca Giambalvo, CPMCA Office Manager

AS PART OF OUR ongoing efforts to deliver outstanding value-added service and support to our members, CPMCA is proud to announce the launch of a brand new website at [www.cpmca.org](http://www.cpmca.org).

We are proud to debut this dynamic, user-friendly website designed to make it easier for our members to update information regarding Contractor Membership, Affiliate & Associate Member Services and Products, CPMCA Education Courses and Labor Resources.

For potential clients, the new CPMCA website will promote the high quality work of our contractors, by spotlighting contractor projects.

Any client searching for a contractor will have the ability to click and view the projects showcased on the CPMCA website!

### New Site Features and Enhancements:

Here is just a sampling of what to expect!

- **Navigation and Organization** – Access all important functions with just a couple of clicks.
- **New Drop Down Menus** – The website information is organized into 9 sections: About CPMCA, Membership, Projects, Labor Resources, Industry, Education, Events, and News.



Here's a sneak peak:



We are in the final phase of the website development and the site will go live any day. Next step in our website

launch is communicating member's login and password information. Be on the lookout – in the very near future, CPMCA members will receive new login and password information for the members-only section.

We hope you find the new [www.cpmca.org](http://www.cpmca.org) to be a valuable, user-friendly resource! ■



## Labor/Management Cooperation – Overcoming Challenges Together

By MCAA President (and proud CPMCA member) Michael R. Cables

I AM HONORED TO BE serving as President this year representing my fellow contractors. It's been a busy year working on your behalf. I appreciate having this opportunity to share some of the things we've been working on in the area of labor/management cooperation.

Our unionized mechanical industry has had some challenges: continued competition from the open shop; a prolonged recession; and that recession's impact on our pension funds, to name a few.

Fortunately, with the leadership being shown nationally by General President Hite and here in Southern California by District Council 16 Business Manager Sid Stolper, we are working together to address these challenges. Especially here in Southern California we are forcefully responding to market challenges so we can compete with our real adversary – the open shop.

I'd like to highlight some of our recent achievements at the national level to illustrate my point. They include:

**JOINT STRATEGIC PLANNING** – Thanks to General President Hite, our ongoing joint strategic planning effort is making a real difference. In our UA-MCAA joint meetings we are addressing the issues that negatively affect our ability to compete in the marketplace, and I believe this is a very effective way for the unionized sector to regain market share.

Our strategic planning effort has two main focuses – education and competitiveness.

**Education:** Our first and most tangible product to date on the education side is the excellent training program called *"Understanding the Full Cost of an Hour of Labor."* MCAA's Past President Mark Rogers has presented it live to thousands of UA members across the US and Canada. I know some of you are familiar with it, and I'm very pleased that Mark will present it here in Southern California several times this fall.

The UA's Training Department has turned the program into a training module for the UA's apprenticeship program. That module, which consists of a DVD and student and instructor workbooks, has been sent to all Business Managers and Training Coordinators and to all MCAA affiliated local associations.

At MCAA we feel that by helping our workforce better understand us as contractors, we deepen their understanding of the challenges we face every day as we strive to get work, keep our people employed and enhance our joint position in the marketplace. This training module does just that. It is a shining example of what great teamwork can produce!

As a counterpart to this program, Sid Stolper and other UA leaders have made a parallel presentation to MCAA local affiliate executives on *"A Day in the Life of a Business Manager."* The joint goal of these programs is in-depth understanding of the mutual interests and challenges members of both the UA and MCAA face together.

**Competitiveness:** The second side of our Joint Strategic Planning effort is the Competitiveness Task Force that I chair.

The benefit of **removing the restriction in the yellow label agreement on comfort heating/cooling and plumbing piping** has been a central topic of discussion at our joint meetings. General President Hite agreed that this change should be a top priority, and on August 23 he announced that comfort heating/cooling and plumbing piping would be added to the yellow label agreement scope of work.

I congratulate General President Hite and the UA and believe that this is a big step in the right direction. It will increase the competitiveness of our unionized contractors on a number of projects, and as contractors we are anxious to use this new opportunity to increase our industry's market share.

**RETIREMENT INCOME SECURITY FOR UA WORKERS** – MCAA and the UA are also working together as a team to secure a more stable future for the pension plans that

our valued UA workforce relies on, and to which we as MCAA contractors contribute.

It's no secret that our multiemployer defined benefit pension system has been severely stressed by the deep recession and unfavorable demographic trends. Nor is it a secret that Congress needs to act before the expiration of current law at the end of 2014 to reinforce our multiemployer pension system.

We agree that it is critical that federal policy incorporate solutions – other than just additional contributions by employers – that protect workers' retirement security while also maintaining the competitive position of union contractors – and therefore our ability to continue to contribute to these plans.

For the last two years MCAA and the UA have worked within a coalition of labor and business organizations to draft comprehensive legislative proposals designed to reform the private sector multiemployer pension plan system. We believe that it is essential that plan trustees and bargaining parties have much greater flexibility in plan funding adjustments and future plan designs to make sure benefits are sustainable and contributions are maintained into the future.

It's fair to say that, from our perspective, there is no more important legislative goal than pension reform for our industry going forward.

We believe that if we are successful in getting these reforms enacted into law, we will have achieved a significant victory for our industry – one that protects our workers' pension security while promoting union market share recovery and expansion.

You can bet that the open shop's lobbyists won't be our friends on this. So, political action by the MCAA and the UA is more important than ever. UA and MCAA collaboration on federal legislation has never been stronger. And with all the political gridlock recently in Congress, joint labor/management positions have more of a chance for success in Washington than ever before. We need to get pension reform enacted, and working together I am confident we will.

Continued on page 11



## 2012 MCAA Convention "Ears" by Dana Francesca Giambalvo, CPMCA Office Manager

**W**E WERE DELIGHTED WITH THE terrific group of Contractors, Affiliates and Union Partners who attended MCAA's 2012 Convention in Florida! We had a magical time March 16–22, 2012.

Walt Disney once said, "We keep moving forward, opening new doors, and doing new things, because we're curious and curiosity keeps leading us down new paths."

The MCAA Convention at Walt Disney World, Florida was the perfect place to come together, to foster our desire to know and to learn new things – to spark our curiosity!

We are so glad that our members took advantage of the many magical Convention opportunities. Listening to famed speakers and gaining

knowledge in one of the many educational sessions. And, last but not least, to share the Convention experience with family, friends and colleagues!

The Convention schedule featured activities for an array of talents including a Golf Tournament, Fun Run/Walk, and a Tennis Tournament. The opening party set a colorful and musical tone with "Spirit of the Animal Kingdom." The next day's opening session welcomed Dr. Robert Gates, the 22nd

United States Secretary of Defense. And have you ever heard of no lines at Disney's Hollywood Studios!? All MCAA guests attending

the closing ceremony have! Convention guests enjoyed VIP treatment with a red-carpet welcome and a private, MCAA-exclusive event at the Studios. The following day, the Convention came to a close with

a speech by UA Assistant General President Steve Kelly and Bob Schieffer. A sad farewell it was, leaving the happiest place on earth. ■

**"We keep moving forward, opening new doors, and doing new things, because we're curious and curiosity keeps leading us down new paths."**

**– Walt Disney**



CPMCA's Dana Giambalvo welcomes guests Candy Layton and Ann LeVangie.



Dave Quirk, Sid Stolper, Ray LeVangie, Jr. and Chip Martin in CPMCA's hospitality suite.



San Diego friends Theresa Angelo and Vicky Cornelius are always in good spirits.



The Spouse Breakfast – a fan favorite! The program featured Bobbie Thomas and Gretchen Rubin.



CPMCA's social hour at Epcot enjoyed by Cheri Healy and Karen Odom.



Tom & Deanne Duddy with Jay and Grace Chase gear up for dinner at the GM Test Track Lounge.

Additional Convention photos on next page



## 2012 MCAA Convention, continued



*Sandy Chase, Karen Odom and the Shirley's having a magical day.*



*Cheri Healy with daughter Sarah and friend Molly – two very talented vocalists!*



*Jordan, grandson of Rick and Jenny Moreno, dreaming of Spaceship Earth, not dinner!*



*Sean O'Brien (left) of Milwaukee Electric Tool engages contractors.*



*A red carpet welcome for Chip, John and Diane Koontz. They can get used to this!*



*Silly Disney fun.*



*Disney's interpretation of Darth Vader.*



*CPMCA 2011 Scholarship recipient Evan Shirley (left) with buddy Dominick Tocci.*



*Mike Hazard, Chip Martin, and Mike Layton make friends with Toy Story characters.*

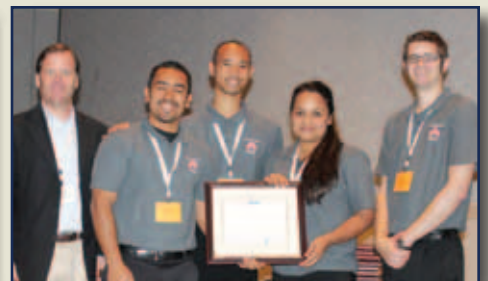


*The Odoms with daughter Nicole and grandson Jacob.*

## CAL POLY POMONA STUDENT CHAPTER HONORS



*Cal Poly Pomona team members showcase their successful year.*



*Cal Poly Pomona receives a Merit Award for a 5th place finish in MCAA Competition.*



## Our Team is Your Team *By Mike Massey, Executive Director of P.I.P.E.*

**A**S I WRITE THIS PIECE, I REFLECT on 37 years in the piping industry; even longer actually, because I was a plumber for a swimming pool company one summer at 17, than I was a pipe welder in a shipyard at 18 before I became a UA apprentice at 19. My father, a member of Local 230, San Diego, wanted me to have a trade. A World War II veteran, he had virtually no skills suited for civilian life after his discharge. He had been in a tank crew and saw welding being performed; had an idea that becoming a welder would put food on the table. So he went to the Lincoln Electric's Welding School and became a welder. My father worked on pipelines, power plants, chemical plants and other projects, and was always employed somewhere, even when construction would slow down.

When I began my apprenticeship I had no idea I would be where I work today. I have had a 23 year career in Labor-Management Relations at PIPE. I have learned a great deal about our industry and about the contracting industry. I have learned that as contractors you face specific challenges, and the most important are mainly financial. I don't believe it can be understood what it's like to run a business until one actually runs a business and is faced with the reality of finances. All the hopes and dreams of success and best intentions don't pay the bills. Pricing, collecting payment, planning for pay and business cost increases, labor and customer relations, business development, estimating, marketing, project management and of course the actual work itself are all daily challenges.

At PIPE, our team is your team. We will work to assist you with anything we can possibly do to make your company more successful.

One example of this is our insurance programs that are for you. I encourage you to take a look at them. We have a workers' compensation program, a business liability program, and a complete line of contractor insurance. If our prices are not right, let me know so I can fix the problem.

We monitor legislation that affects your business. I will soon attend a meeting of the California Legislative Conference CLC, where future state legislation affecting Labor and

Management will be discussed. Jim DeFlavio of Murray Company has asked me to monitor Senate Bill 758, which has to do with water conservation, specifically requirements for water sub metering applications. This could have good or bad consequences for us depending on the final version. We will be monitoring and giving input to our lobbyists as this bill moves through the legislature.

Energy efficiency is a growing part of our industry, and we all know water conservation has long been a significant factor in our work. While the Green-Sustainable movement has been a "Buzz Word" recently, we know being green/sustainable has been mainstream for us for a long time. PIPE has been involved in energy efficiency for years, as we have the water conservation movement. We are currently working state wide with SCE, PGE and SDGE on their energy efficiency programs, pushing for high contractor and workforce standards. We are making good progress establishing OUR positions, which are contractor prequalification requirements that actually result in high quality contractors being preapproved, and workforce standards such as apprenticeship, experience, and certifications with some real "teeth" in them.

One of my proudest moments came with my selection to the Los Angeles Business Council Board of Directors, and also being selected as Co-Chair of their Energy and Environment Committee. These positions give us access to the financial, design, development and construction communities at the highest level. I take every opportunity I have to promote and represent the interests of our industry. PIPE is respected and well thought of by this group. Since many of you do business with the members of LABC, let me know if I can set up a meeting or arrangement that would be beneficial to you.

Another industry relations area that PIPE has been involved is with the owner-user community. The Construction Users Round Table (CURT) west coast chapter is the Western Council of Construction Consumers (WCCC). PIPE participates in this group and we have a Tri-Partite agreement with them. Our Tri Partite Agreement gives us access

to the owners and user members of the WCCC. We meet once a year to discuss issues and developments between our industry and the owner-user community. Again, if we can use this to your benefit, please contact us. My personal objective in all of the business and industry groups we are involved in at PIPE is to get more profitable work for you.

PIPE is involved in virtually every significant part of our industry: including codes and standards, certification, marketing, labor compliance, and industry relations. Jay Chase is the Chairman of PIPE. He and Chip Martin represent CPMCA's member interests well. When I look at the business, educational and labor relations support that CPMCA offers, I wonder why any contractor in our business would not belong to CPMCA. A key aspect of being a member of CPMCA are the social and business networking opportunities with your peers and labor partners. All good successful business relationships really are about trust and good will; and through the years, CPMCA, DC 16 and PIPE have all worked hard to establish trust and goodwill in our industry.

I want to extend a permanent invitation to attend the PIPE quarterly board of trustees meetings, and to visit our offices. Your involvement improves us and makes our industry stronger.

In closing, I want to let you know that PIPE is there with you and for you. Let us know what we can do to help you. In case you are wondering why I might know what it's like to run a business, I am also the Executive Vice President of the National Inspection, Testing and Certification Corporation (NITC). NITC operates in all 50 states and in numerous countries outside the US. We have all the same challenges you do, with this one always being foremost in my thoughts: "How am I going to pay for this?" Sound familiar?

Please contact us if we can be of service.

Mike Massey  
Executive Director  
The PIPE Group ■





**ISRAEL TORRES**  
Managing Partner  
Torres Consulting  
and Law Group

# The Likelihood of Getting Away with Cheating on Public Contracts is Diminishing

*"Please be advised that Torres Consulting & Law Group, LLC (TCLG) is actively monitoring the above-mentioned project to ensure compliance with all provisions mandated by California's prevailing wage law. Cal. Lab. Code § 1720 et seq."*

IT'S A SIMPLE STATEMENT HITTING contractor mailboxes throughout Southern California, and it's getting attention. We're watching. The likelihood of getting away with cheating on public contracts is diminishing.

A growing number of non-signatory, Southern California plumbing and mechanical subcontractors who cheat and general contractors who look the other way are feeling angry, frustrated and burdened as the number of warning letters sent by TCLG approaches 100. We're putting them on notice, and it doesn't stop there. These same people will be notified that their certified payrolls have been requested for review. They can also expect formal investigations into their actions once a complaint is filed. In short, the heat is on.

### TCLG's first year with CPMCA

As with all of its clients, TCLG works with California Plumbing & Mechanical Contractors Association (CPMCA) contractors and District Council 16 (DC-16) members to raise the compliance presence in their region.

TCLG understands that, particularly for contractors, the identity of a party that reports a potential violation to TCLG must be kept confidential. Indeed, we created an extra level of confidentiality for CPMCA by enabling its contractors to refer cases anonymously.

We are pleased to have earned the trust of CPMCA contractors and are impressed with the increased pace of referrals that we are seeing. Currently, we are monitoring 31 projects worth \$3.16 billion on behalf of CPMCA

and DC-16's joint compliance initiative, including:

- UCLA Luskin Hotel and Conference Center
- C1 Baggage Handling Systems GMP
- University High School
- McKinley School K8 Phase 1 New Construction
- C1 Terminal GMP (Terminal Expansion)
- High Desert Multi-Service Ambulatory Care Center
- San Diego New Central Library
- HVAC Replacement & KIT Hood Upgrade at Nightingale Middle School
- Pier G, Berths G230-G236, Terminal Redevelopment East Terminal Building Demolition and Site Redevelopment
- Pier E Middle Harbor Terminal Marine Operations Building and Power Crane Maintenance Shop
- UC Riverside Student Recreational Center
- University Apartments Water Closet Retrofit
- Glendale Community College Lab Services Building

### Diverse TCLG Staff

TCLG's staff includes individuals with diverse backgrounds in compliance and regulatory enforcement.

Director of Compliance and Regulatory Affairs Jessica Fotinos previously served as chief legal counsel for the Arizona Registrar of Contractors. Her experience working at a public regulatory agency gives Jessica insight regarding the best ways to frame public-records requests and navigate the agency regulations that TCLG's compliance team works with on a daily basis.

Assistant Director of Compliance and Regulatory Affairs Matt Menning has extensive experience in California labor compliance. Matt worked for a third-party labor compliance firm, where he directed the daily operations of the regulatory and labor compliance program. Matt authored contract proposals and legis-

lative opinions on behalf of the organization that were submitted to the Department of Industrial Relations and other California state departments and labor organizations.

The TCLG team also includes compliance specialists with experience performing compliance monitoring for construction contractors and working as paralegals. Finally, the team is supported by in-house counsel and administrative staff to ensure that TCLG provides the highest

quality work for CPMCA and DC-16.



### Enhanced Programs

A compliance program succeeds by applying pressure on non-signatory contractors so that cheating the system becomes unprofitable. We create an atmosphere where CPMCA contractors can adhere to their agreements with the union on pay and benefits and still remain competitive. When underpayment is taken out of the picture, CPMCA contractors' reputation for high-quality work will easily win them bids.

CPMCA contractors and DC-16 members provide cases to TCLG so that we can produce the pressure. Just like a fluid system, it takes time to fill the pipes and prime the pump. Now that we have more than 30 cases in the pipeline, we are starting to see results and are excited about the potential in the upcoming year.

Letters of intent are the first way we apply pressure. Since these letters began hitting mailboxes, TCLG compliance specialists regularly field panicked calls from non-signatory contractors wanting to know who we are and why we are sending them letters. Our specialists explain to callers that they need not fear the process as long as the contractor is following the law—for some, this is of little comfort.

TCLG battles on behalf of our clients over public-records disclosure. This process itself often leads to more pressure on targeted

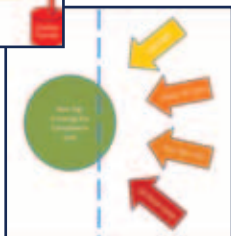


contractors. In California, and across the country, the contracting agency notifies a contractor that his certified payrolls have been requested. Frequently, the contractor will claim that the most crucial information—hours worked, fringe benefits paid, etc.—for one reason or another should not be disclosed.

When we object, sometimes in federal court, the contractor gets pulled into the fight as well. Once again, contractors must think about whether they are complying with the law.

And, of course, the most potent sting comes when we file a complaint against a contractor for violating prevailing wage law. So far, TCLG has filed third-party complaints against the following contractors:

- Kreit Mechanical Associates, Inc. – UCLA Weyburn Terrace
- Kreit Mechanical Associates, Inc. – Pauley Pavilion renovation



- Brian Cox Mechanical, Inc. – The New Central Library
- PCL Construction, Inc. – Goleta Sanitary Wastewater Treatment Plant upgrade
- Hensel Phelps Construction Co. – San Ysidro Border Station Phase I

While this reporting method may discourage future cheating, it does nothing to give a CPMCA contractor the contract that was lost. For that reason, TCLG developed its Job Walk Referral process. This step takes place before the job begins.

CPMCA contractors alert TCLG of projects that they intend to bid. Then TCLG works with DC-16 organizers to make sure that someone is at the job walk passing out brochures, discussing the penalties for violating prevailing wage and letting bidders know that TCLG will be monitoring the project for compliance. The end game is to level the playing field for signatory contractors by discouraging non-signatory contractors

from incorporating unfair underpayments into their bids in the first place.

### In for the long haul

TCLG is excited about the potential to keep working with CPMCA contractors and DC-16 members to change the compliance culture in Southern California. As state and federal authorities roll out new initiatives—such as the recently revamped state Compliance Monitoring Unit and the DOL's increased focus on directed investigations—TCLG will keep you abreast of the changes. In the meantime, TCLG will be a constant presence to help you keep the pressure on by spotlighting cheating contractors.

*Israel Torres is a licensed attorney and managing partner of Torres Consulting and Law Group (TCLG), which provides regulatory compliance and public and government relations services to clients across the United States. Prior to establishing TCLG, Mr. Torres served as director of the Arizona Registrar of Contractors. ■*

## Message from the MCAA President continued from page 6

**INNOVATIVE WORKFORCE DEVELOPMENT PROGRAMS** – The UA played a key role in creating the Helmets-to-Hardhats recruitment program, and then took recruitment to the next level through its Veterans in Piping training program. Both of these efforts were strongly supported by MCAA and the International Training Fund. As management co-chair of the ITF I have seen first hand these fine examples of labor/management cooperation serving the mutual interests of the workforce, the UA, the MCAA and our public and private owners.

Recruiting and employing veterans is our joint civic duty to the military and our country, and it helps employers and owners satisfy any public affirmative action requirements that public owners may require.

**WORKFORCE CREDENTIALING** – Starting with the UA Smart Dispatch system, and continuing with the joint UA/MCAA Substance Abuse Testing and Treatment program, our labor/management collaboration has also built a solid system to meet the

need to establish workforce credentialing in response to owner project security concerns.

No doubt, these challenges will only increase in scope and depth as project security requirements become even more widespread in the private sector. Moreover, any immigration reform measure adopted by Congress will increase the use of electronic workforce background and legal work status verification that could easily be adapted for use in a SMART Dispatch-type system.

**AND OTHERS** – Together, the UA and the MCAA are working to correct some major inequities in the Affordable Care Act that, if left unchanged, will severely penalize the multiemployer health care plans our valued UA partners depend on. We also provide a solid defense in Congress guarding against the constant onslaught of proposals to repeal federal prevailing wage laws and ban project labor agreements.

And our joint work on the International Train-

ing Fund has never been better, as that fund is fast showing its full potential.

I could go on, but my basic point is simple. We are a team. And the UA leadership and the MCAA leadership – nationally and here in Southern California – are working well together on your behalf. As a team, we can't be beat.

**A PERSONAL NOTE TO MY CPMCA COLLEAGUES** – We are well along in the planning the next MCAA Convention, March 9-13, 2014 at the JW Marriott Desert Ridge in Scottsdale, Arizona. **I want to give you a heads-up that our Opening Session on Monday morning, March 10th, will be one that no CPMCA contractor will want to miss!** So do yourself a favor and save those dates!

Michael R. Cables  
MCAA President ■

## 2012 Annual Table Top Event

### CPMCA ASSOCIATE & AFFILIATE MEMBERS – 2012 TABLE TOP PROGRAM PARTICIPANTS

COMPANY	REPRESENTATIVE
AB&I Foundry	Ron Izuno
Ahern Rentals	George Gadbois
Bakersfield Pipe & Supply	Richard Travis
Bradley Corporation	Greg Wolfe
Columbia Specialty Company, Inc.	John Fitzgerald
Delco Sales	Steve Klapp
Delta-Q, Inc.	Vic Grassington
Elmco Duddy	Richard Root
Express Pipe & Supply	Bob Routledge
Farwest Insulation Contracting	Matt Hacker
Ferguson Enterprises, Inc.	David Luman
George Yardley Companies	Anne Yardley Caldwell
Grinnell Mechanical Products	Susanne Messmer
Howard C. Fletcher Co.	Greg Puskas
K-C Insurance Agency, Inc.	George Kent
Marking Services, Inc.	Cheryl Coenen
Mason West	Todd Noce
Mega Western Sales	David Dicken, Jr.
Merrill Lynch	Rick Baer
MG Piping Products	Danny Campos
MIFAB	Gene Loftus
Milwaukee Electric Tool Corp.	Sean O'Brien
Mueller Industries	Albert Alvara
NIBCO, Inc.	Pamela Erb
Orange County Windustrial	Gary Kujak
P & E Insulation	Paul Rohrbacker
P.I.P.E./NITC	Jarrold Ferruccio
QuickPen	John Santangelo
Rapid Recovery	Tim Frazee
Renco Sales	Roger Albitre
Shurjoint Piping Products	Eric Anderson
Signature Sales	Ron Bradford
Smardan Supply Co.	John Kmet
South Coast Engineering Group	Peter Kraut
Specification Sales	David Hutchins
Symmons Industries, Inc.	Eddie Ellard
Tax & Financial Group	Debbie Paul
Todd Pipe & Supply, LLC	Dan Patrick
Victaulic Company of America	Andrew Tisdale
Weil Aquatronics	Jim Weil
West Coast Firestopping	Karl Stoll
Westmark Enterprises, Inc.	Shaw Turnage
Zurn Engineered Water Solution	Joe Theiss

## 2012 Table Top Includes McMackin Recognition

IT WAS BUSINESS AS USUAL AS THE ALLIANCE OF CPMCA members gathered at the 2012 Table Top at the Anaheim Marriott Suites on May 17, 2012. Contractors sauntered the aisles lined with vendor displays, learning about the newest technologies, products and services available to them.

CPMCA presented Jack McMackin of Pan-Pacific Plumbing & Mechanical with an Industry Advancement Award for his impact and involvement in the industry. Jack served as the 2001-2001 CPMCA President, and was a member/chairperson of numerous committees.

On behalf of CPMCA, Jeff Discount, business and personal friend from Delco Sales, presented Jack McMackin with the Award and spoke publicly about Jack's significant mark on the industry. The recognition came as a surprise to Jack and was accepted with grace, appreciation and his always-crowd-pleasing repartee. ■



**Jack McMackin (left) receives an Industry Advancement Award.**



**Cal Poly gals Helen Ochoa and Yuridiana Luevano.**



**Jack McMackin, Tim Healy and Joe Saenz attend the Board Meeting.**



**Bakersfield Pipe & Supply has quite the spread.**



**Howard Fletcher and Co. participates.**



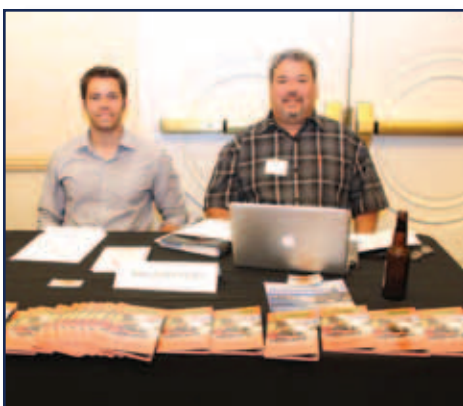
**Associate member Shurjoint Piping Products attracts new business.**



**Bob Felix inquires within at George Yardley Companies' exhibit.**



## 2012 Annual Table Top Event





## 2013 MCAA Convention – Unconventional Thinking in Texas

**T**HE JW MARRIOTT HILL COUNTRY IN SAN ANTONIO, Texas gave 2013 MCAA Convention goers a boot-scootin' welcome as they hosted the organization's annual meeting in mid March of this year.

Disney's Michael Eisner, one of several impressive speakers at the event, added to this year's "unconventional thinking" theme. His appearance was fitting, as Walt Disney World in Florida hosted the 2012 Convention. In San Antonio, he stressed the importance of taking chances, building your name and standing back up after failure. Mark King, TaylorMade's CEO, spoke about why his company has enjoyed success in these turbulent times. "Understanding all aspects of your business," he said, is key.

Educational sessions included topics such as technology, competitive advantage, profitability, generational differences and recruitment, Leed-Free requirements panel discussions, and many more. CPMCA's Steve Shirley and Dave Morris of UMEC talked about what's in the wood-work for BIM and IPD.

Dr. Nancy Snyderman's presentation at the Annual Spouse Program tackled the issue of women's health. Among practical tips and personal stories, she discussed the importance of the following – always eating dinner together at the family table, and having a family dog!

The Dessert Party was a sweet event with entertainment by the Spazmatics. Wednesday night, a country music concert was most appropriate with *Margaritas, Memories and Martina McBride*. On closing day, UA General Secretary-Treasurer Mark McManus gave a presentation along with former Navy SEAL Eric Greitens, speaking about how the world's best maritime warriors are made.

The Convention concluded with the changing of the guard. Stepping down as the 124th President was Mr. Mac Lynch. CPMCA Board Member Michael Cables of Kinetics stepped in. We look forward to seeing the Cables family at many CPMCA events. ■



*Don Giarratano and Mike Layton visit CPMCA Suite.*



*Dinner neighbors Israel Torres and Chip Martin at Silo Elevated Cuisine.*



*Super cool guy Bryce Myers chats with ACCO's Dave Quirk.*



*One of the presenters is our very own Steve Shirley of UMEC.*



*Lovebirds Bob Felix and Tammy.*



*President Don Chase and Sandy, his First Lady.*



*The incoming Presidential couple, Michael & Jennifer Cables.*

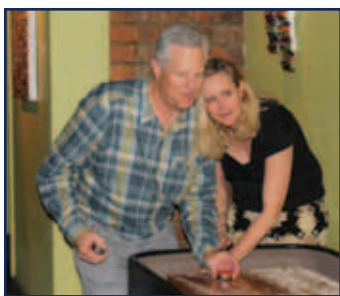


*Tim Healy and Elizabeth Taylor, or Dana Giambalvo. So hard to distinguish!*

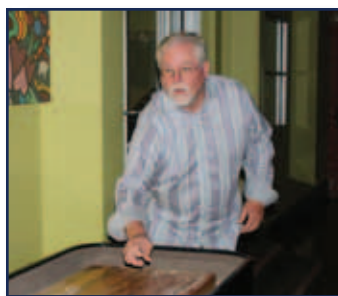




*Sid Stolper of DC 16 and Candy Layton chat with friends.*



*The Muirs vs. the King at shuffle board...*



*...a fierce competitor!*



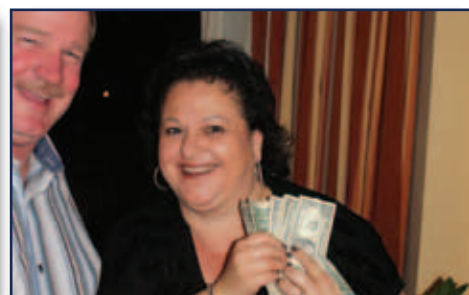
*Retired astronaut Mark Kelly and his journey on the Endeavour.*



*Left-Right-Center = IRS 1099s in the mail to the winners.*



*Judy Bernacchi – winner, winner, chicken dinner.*



*Grace Chase sweeps it all!*



*Jennifer, Chip and Bryce cross paths at the JW Marriott.*



*Steve Shirley with MCAA's Director of Safety & Health, Pete Chaney.*



*Castaldos rockin' out at the Martina McBride concert.*



*Margaritas, Memories and Martina McBride.*



*Outgoing President Lynch passes the reigns to 2013 President, Michael Cables.*



## 2013 MCAA Convention









## 2012 Affiliate/Associate Appreciation Night

### An Evening of Classics in Orange County *By Marta Martin, CPMCA Director of Education*

**C**REVIER CLASSIC CARS MUSEUM - Orange County's premier classic and exotic vehicle sales, storage, and event venue - where beauty, elegance, class, and CPMCA Contractors and Affiliates meet. CPMCA

hosted its first Affiliate/Associate Appreciation Night last year on August 29, 2012. If you have an appreciation for such fine and distinctive automobiles, and even if you aren't necessarily a car enthusiast, this evening would have left a lasting impression.

Amidst a 1929 Ford High-Boy and a 1932 Lincoln KB Victoria, CPMCA Affiliate/Associate Members and Contractors came together to rev their networking engines, wine, dine and admire some pristine pieces of history. At this time, the Crevier Classic Cars showroom had 100 glistening vintage classic cars and custom built hot rods that lined the walls of the museum. Some vehicles are for sale while others are technically in storage, doubling as show pieces of a private collection. Put those together and viola! - a museum comes to life.

The Classic Car Club of America has categorization schemes for ages of cars with distinctions between them. The Club maintains that a car must be between 30 and 49 years old to be a classic, while cars between 50 and 99 fall into a pre-antique class, and falling into the Antique Class are cars of centennial

age and beyond. These are the senior citizens of automobiles.

American car shows typically feature classic cars from the 30's and 60's. The line-up is likely to include a 1949 Ford Model-T, Dodge Charger, Chevrolet Bel-Air, Ford T-Bucket, Chevrolet Deuce Coupe, and



others. Meanwhile, the prestigious Concours D'Elegance car shows held each year in Pebble Beach (and other parts of the world), features extraordinary

um's Manager explains, "this is a coach built (custom body) car made from Aluminum and is one of six that were ever built and one of three left. The car was purchased from the original family who owned it for 70+ years. The car took 3 years and 6,000 hours to restore to the condition it is in today. It was shown at Pebble Beach, Amelia Island, La Jolla, Dana Point and San Marino Concours in 2012-2013 winning Best in Class, Best In Show, Best Design for prewar car and Best Paint at the different shows. The car is Black with Butterscotch and tan interior."



In closing, some international trivia ... "Concours", in French, means "a public contest or competition" while "D'Elegance", well, no translation is necessary. Vroom, Vroom! ■



automobiles such the Cadillac V16, old Rolls Royce's and sometimes even an entry from Mr. Crevier's collection.

The museum today



holds Mr. Crevier's stunning 1931 Chrysler CG Imperial by Waterhouse. As Larry Anderson, the muse-





## 2012 Affiliate/Associate Appreciation Night



# 2012 ANNUAL RETREAT.... World Laughter Day and the '12 Retreat

*By Marta Martin, CPMCA Director of Education*

**B**EAUTIFUL BACARA RESORT & SPA just north of Santa Barbara was the stomping ground of the 2012 Annual Retreat held on June 21-24, 2012. CPMCA members escaped for a few days to network, laugh and socialize at this 5-star destination.

The program set sail with a casual welcome reception that, the next day, was followed up with a round of golf at Sandpiper Golf Club. Meanwhile, the ladies spent their afternoon in a different rhythm. They let loose at the Ladies Event to an afternoon of Zumba. Instructor Andrea Ramirez, from Curves in LA, demonstrated how to salsa, twirl and wiggle their way to dancing bliss. She made it look so easy! Some were challenged and sore from sheer effort while others were in post workout pain from the laughter alone. Outdone by Zumba's complex and fast moves, some ladies gracefully surrendered, opting to giggle from the sidelines instead.

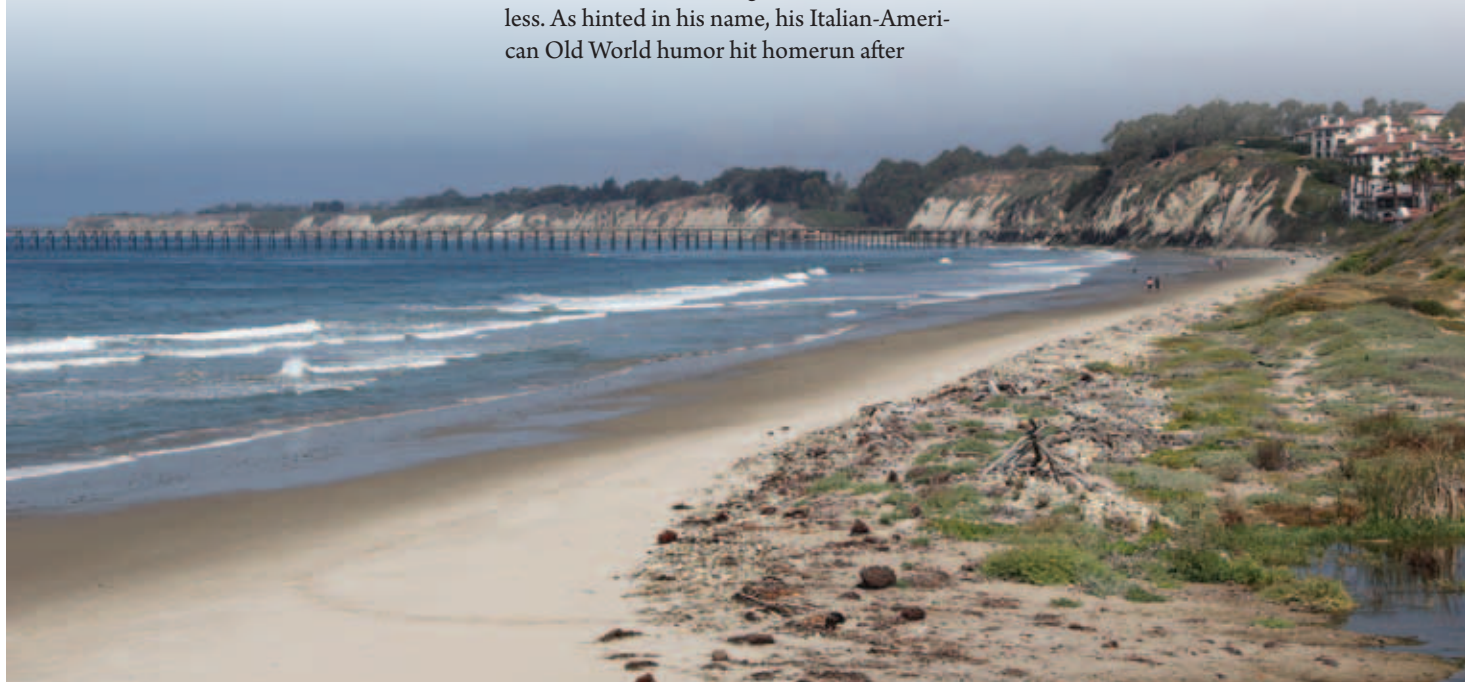
The Board Meeting is standard operating procedure. Torres Consulting Law Group made its debut and introduction. Managing Partner Isreal Torres, Counsel Jim E. Barton II, Joe Romer, Anna Clark, and attorney Ashley Walkup spoke about contractor compliance in the prevailing wage market place. The meeting concluded with keynote speaker Mark Matteson who had Board Members cracking up, fired up and inspired on a personal and professional level.

Laughter seemed to be the theme of the Retreat. The Closing Reception welcomed Chicago-born stand-up comedian Sebastian Maniscalco to the stage. You might have seen Sebastian at Jay Leno's Magic & Comedy Club or his Tonight Show or maybe on The Late Late Show with Craig Ferguson. We discovered him at Leno's Comedy Club in Hermosa Beach and knew he'd be a great fit. Sebastian's transition from those stages to ours was seamless. As hinted in his name, his Italian-American Old World humor hit homerun after

homerun. In fact, the dinner rotunda occupied by 100+ guests was at times reminiscent of the first Sunday in May, the World Laughter Day. This Day, by the way, was first celebrated on January 11, 1998 in Mumbai, India. Now, it's celebrated all across the world to promote peace, brotherhood and good health. Being proponents of healthy activity, through Zumba, Sebastian and the good company of friends, the Retreat was akin to a 3-day detox. OK, sans the crème brulee and cheesecake.

During the Closing Reception, Beni Monaco of All Area Services, Inc./Monaco Mechanical received CPMCA's Distinguished Service Award for his contribution to the industry. Also, then-CPMCA President John Odom presented CPMCA's Executive Director Chip Martin with a plaque recognizing 10 years of service to the Association.

We thank the 2012 Retreat Sponsors! ■







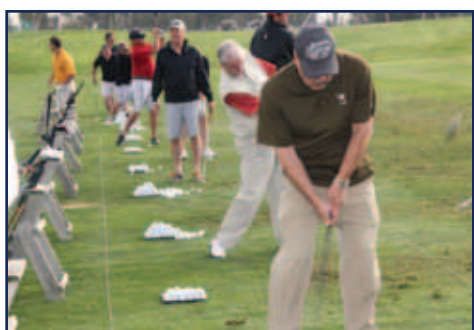
Theresa Angelo and Vicky Cornelius are avid readers of the CPMCA magazine.



Steve Klaus of PMI with retreat sponsor Bob Routledge.



Orange is in!



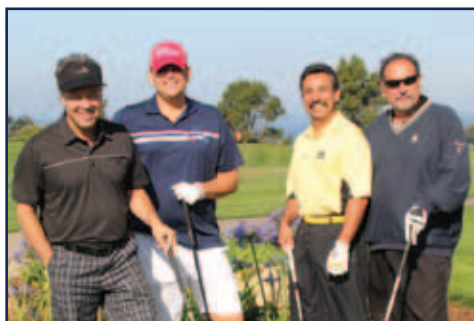
Sandpiper Golf Club – the “before” shot.



The Suttles Family.



Opening reception....where the fun begins.



Tim Healy, Chip Martin, Jaime Valdivia and John Ferruccio.



Jay and Debbie McEntire with the Odoms.



Ready to Zumba!



CPMCA ladies workin' it!



Beautiful ladies Charron Castaldo, Carmen Routledge and Donna Payne.



Irvin Pike of Pike Plumbing and Pamela Elisheva.

More Retreat photos on the following pages

## CPMCA 2012 Annual Retreat



*Ferguson's Gary and Peggy Grosslight enjoy Bacara.*



*Vicky and Steve Cornelius have a grand time.*



*John and Karen Odom's Presidential farewell. Welcome Don Chase!*



*Chip is recognized for 10 years of service to CPMCA. John receives a President Service award.*



*Comedian Sebastian Maniscalco entertains.*



*Beni Monaco receives CPMCA's Distinguished Service Award.*

## CPMCA 2012/2013 Scholarship Recipient

**C**PMCA OFFERS A SCHOLARSHIP EACH YEAR TO employees/students pursuing careers in the plumbing/mechanical industry. In 2012 the Scholarship was awarded to **Joseph DeFlavio**, son of Jim DeFlavio of Murray Company. Joe is attending Boise State pursuing a major in Construction Management. Congratulations, Joe!

Read about Joe's progress:

As I enter my third year as a full time college student and second year at Boise State University, I am well on my way to achieving my set goals. In good faith, within two years I will be working within the construction community and contributing to the industries' strive for excellence and further progression in technologies and efficiency.

The opportunities I have been gratefully provided with including this scholarship have truly made it worthwhile for me as a student. By alleviating some of the pressures of tuition fees and textbook costs, I can really focus on my studies and try to get everything I can out of my academic career during these three years attending Boise State. I

feel I have already benefited so much throughout the first year of my Construction Management program and am excited for more.



The staff at Boise State and within the Construction Management Department are extremely helpful and really create a learning environment unlike any other. What I mean is they do not just tell you what is what and how to do things, but instead, they relate the class to real life construction projects/processes and we enact in hands on activities to give us a better understanding of how things work in the real world. That is perhaps what I love most about my time at Boise, they actually have the opportunities to work hands on with students and also work with local companies for class assignments such as job-walks along with detailed tours and demonstrations of all areas of the construction process, such as estimating, management, labor, and even AutoCad detailing and BIM modeling.

All in all, I cannot be any happier and grateful for attending Boise State and I thank CPMCA for the opportunity they have given me to help with my finances and strive to be the best I can be. ■





*Bob Felix and Southland's Steve Fosdick  
at closing reception.*



*Rich and Carol Atlas of Astro Plumbing  
Supply.*



*Charming couple Mike and Lynette Davis  
of Moe Plumbing, Inc.*



*VIP guests John Ferruccio of DC 16 and Pat.*



*Nina Fosdick and Kathy Thiermann  
chat about the Zumba class.*



*Retreat sponsor Joe Stepanski  
of Victaulic and Barbara.*



*Special guests Anna Clark and Israel Torres  
of Torres Consulting Group.*



*Charming couple Jeanne and Grant Muir.*



*John Rankel and Susanne Messmer of  
Grinnell are retreat faithfuls.*



*Tom and Deanne Duddy of Elmco Duddy.*



*Lew Johnston of Orange County  
Windustrial and Patrice.*

***Our 2013 Retreat  
at Terranea  
will be covered  
in our next issue!***



# CPMCA 2012 Annual Retreat

## 2012 CPMCA Associate/Affiliate Member Sponsors

*Many thanks to these Sponsors  
for making the retreat such a  
success:*

**RON IZUMO**

*AB & I Foundry*

**MICHAEL LOWE**

*AB & I Foundry*

**RICH ATLAS**

*Astro Plumbing Supply  
Company*

**RON BRADFORD**

*Bradford White/Laars,  
Signature Sales, Inc.*

**TOM DUDDY**

*Elmco Duddy*

**RICHARD ROOT**

*Elmco Duddy*

**BOB ROUTLEDGE**

*Express Pipe & Supply*

**GARY GROSSLIGHT**

*Ferguson Enterprises*

**DAVID LUMAN**

*Ferguson Enterprises*

**SUSANNE MESSMER**

*Grinnell Mechanical  
Products*

**JOHN RANKEL**

*Grinnell Mechanical  
Products*

**JESSE PEREZ**

*Mega Western*

**LEW JOHNSTON**

*Orange County Windustrial  
Company*

**GARY KUJAK**

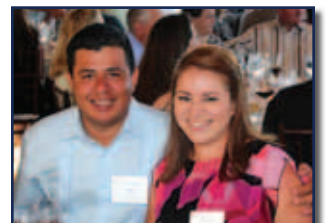
*Orange County Windustrial  
Company*

**DAN PATRICK**

*Todd Pipe & Supply LLC*

**JOE STEPANSKI**

*Victaulic Company of  
America*





## Tax Deductions Often Overlooked by Contractors

By Glenn M. Gelman CPA, MS-Tax, CFF

**A**LTHOUGH CONTRACTORS ARE among the most heavily taxed under the Internal Revenue Code there are many options within the tax code that allow contractors to minimize their tax as follows:

**1. Methods of Accounting** – Contractors have more methods of accounting available to them than nearly any other taxpayer. A contractor may be eligible for use of the cash method, the accrual method, the modified accrual method, the completed contract method or the percentage of completion method. There are many rules and regulations that must be addressed relating to accounting methods but if one qualifies for a favorable method, significant opportunities may present themselves. Consult your C.P.A.

**The use of pension plans can lower prevailing wage costs significantly and save payroll taxes not to mention income taxes. Exploring the use of fringe benefit plans can also accomplish similar objectives.**

**2. Depreciation Methods** – Since contractor are equipment intensive, use of bonus depreciation, accelerated depreciation and treatment of idle equipment all can result in significant income tax and property tax savings.

**3. Sales Tax** – A strong understanding of our state's sales tax and use tax laws can result in significant property tax and use tax savings.



Consult your C.P.A. as to how using a leasing structure may save overall sales tax.

**4. Tax Credits** – Many contractors work in enterprise zones and employ individuals eligible for hiring credits. Understanding how tax credits work can be a major cash flow enhancement tool.

**5. Pension Plans** – The use of pension plans can lower prevailing wage costs significantly and save payroll taxes not to mention income taxes. Exploring the use of fringe benefit plans can also accomplish similar objectives. Certain types of plans have greater deductions than others, but beware the requirements to fund may not be optional as is the case with a profit sharing plan.

**6. Home Construction and Residential Contractors** – There are exceptions built into the code for residential contractors to escape some of the reach of the dreaded alternative minimum tax and even look-back regulations that force the contractor to pay interest to the IRS on jobs in progress that are more profitable than originally projected. The definition of residential or

home construction has been broadened and should be explored with your C.P.A.

**7. Carryback of Net Operating Losses** – During these troubled times losses should be reviewed as carefully as profits. Under the code a contractor should be eligible to carry back losses at least two years and if this is the case, maximizing losses to capture previously paid taxes before they expire, as to statutes of limitation should be explored.

**8. Shifting of Income** – Contractors should consider shifting income when possible to other entities, possibly to adult children in lower brackets and from year to year. This can only be done by following the laws in the code of having a business purpose and support for doing so.

**9. Gifting** – A wonderful opportunity is being presented to taxpayers in 2009 in that gifting would be far more tax effective than in the recent past. Due to the recession, you may be able to value your business at a much lower multiple than before and thus make gifts to reduce your estate and possibly your taxes as well. Consult your C.P.A. or estate tax attorney. ■

# Southern California Pipe Trades Trust Funds Update

By Joel Brick, CEO and Administrator/So. Cal Pipe Trades Administration Corp. (SCPTAC)

**S**EVERAL MILESTONES WERE recorded in 2012 at the Southern California Pipe Trades Administrative Corporation. Most significant were the retirement of Milton D. Johnson as CEO and Administrator, and Peggy Heng as Operations and Compliance Administrator. Milt and Peggy devoted many decades of service to D.C. #16 Members and their families, their employers, and the employees of the Administrative Corporation. Both will be greatly missed. We're lucky that Milt and Peggy developed a strong team with many years of experience to step into their shoes.

Our main goals continue to be administering benefits for United Association District Council #16 Members in Southern California, and efficiently serving the contributing employers that make those benefits possible. By pooling resources, CPMCA employers get more bang for their benefit buck through these trust funds.

### Health & Welfare Fund

Established in 1951, the Southern California Pipe Trades Health & Welfare Fund provides benefits to more than 14,000 individuals. The Affordable Care Act continues to be the primary focus for the Fund. Benefit improvements have included the elimination of life-

time benefit limits, the establishment of a Health Reimbursement Arrangement (HRA) and the improvement of out-of-network emergency service benefits. In 2014, annual benefit limits will be eliminated, and prescription drug benefits substantially increased. New discounts for prescription drugs through Blue Shield of California will further improve benefits. The



Labor/Management Board of Trustees have carefully nurtured the fund over many years so that, with more than \$130 million in assets and more than 30 months of reserves, it is financially well-prepared to absorb the near-term

costs and other changes required by federal law.

### Pensioners & Surviving Spouses Health Fund

Separated from the Health & Welfare Fund in 2011 in order to avoid the substantial costs associated with the Affordable Care Act, the Pensioners & Surviving Spouses Health Fund continues to provide valuable, affordable benefits to about 2,500 retirees in the Southern California Pipe Trades Retirement Fund. Half of the cost of these benefits is paid by employer contributions, and half by premiums paid by covered retirees. In 2014 covered retirees will benefit from new prescription drug discounts through Blue Shield of California. Assets exceed \$15 million and reserves exceed 12 months.

### Retirement Fund

Established in 1957 the Retirement Fund, a defined benefit pension plan, despite the lingering effects of the 2008 economic meltdown, continues to improve its financial position. With more than \$740 million in assets, the Fund is 86.8% funded and remains in the Pension Protection Act's "Green Zone". It pays benefits to approximately 5,800 retirees, continues to accrue benefits for about 4,200 Active participants, and maintains accounts for about another 2,500 inactive vested participants. This employer-funded trust is a valuable and increasingly rare benefit in America today, and a vital tool to improve Members' retirement security. In 2013, Members voted to allocate part of their July 1 wage and benefit package increase to improve future benefit accruals by increasing contributions.

### Defined Contribution Fund

Established in 1991, the 401(k) plan's assets exceeded \$100 million for the first time in 2013. The Trustees have made several important changes intended to improve the savings rate and retirement security of participants. In addition to the regular Pre-Tax 401(k) contributions Participants were permitted to make After-tax Roth 401(k) contributions effective July 1, 2013. Members save approximately



The SCPTAC team, left to right: Norma Jean Beserra, IT Manager; Joel Brick, CEO; Peggy Heng, Operations & Compliance Administrator (retired); Marcus Chin, CFO; Milt Johnson, CEO (retired); Angela Panomchai, Employer Compliance Manager; Raquel Gallardo, H.R./Administrative Manager; Armine Hovhannessian, Pension Manager. Not pictured: Dan Vela, Health & Welfare Manager



## A & J Van Nuys Training Center Now Open!

By Armando Pulido, Executive Director, Apprentice & Journeymen Training Trust Fund

**T**HE A & J IS PROUD TO ANNOUNCE that we have completed the final phase of construction at our Van Nuys Training Center, 7850 Haskell Ave., Van Nuys, CA 91406. If you get the chance, please come by and see it! We are also excited to inform you that we have recently purchased a new 40,000 sq. ft. building at 7650 Convoy Court in San Diego, CA 92111 and are working on a beginning design for construction. With this new purchase, we will be able to increase our training capacity in San Diego and offer more hands-on training for apprentices and journeymen. For Phase updates, please visit our website.

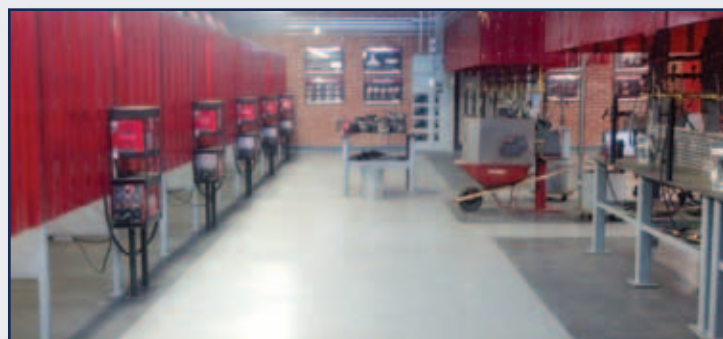
Armando Pulido, Executive Director, and John Blas, Training Coordinator, are dedicated to

ensure the apprentices and journeymen receive the best training in our industry. Our Metal Trades Industrial and Pipeline student enrollment has

increased and is now at 147 at Bakersfield, Compton and Gardena Training Centers. We have walk-in welding at all our nine Training Centers. We

offer several journeymen weekend classes in Orbital Welding; Instrumentation (Basic, Advanced and EPRI); Rigging (Techniques and UA Certification); Fitting; Medical Gas Renewal and much more! Please go online to [www.ajtraining.org](http://www.ajtraining.org) for upcoming

classes and walk-in welding times. Since A & J is committed to the contractors, receiving the most up-to date technology and training for their employees, if a class is not available online, please contact Michelle Ponce at [michellep@ajtraining.org](mailto:michellep@ajtraining.org), to schedule one. ■



## Trust Funds Update, continued from previous page

\$500,000 each month to help secure their retirement.

### Vacation & Holiday Fund

Based on about \$30 million in employer contributions annually, the V&H Fund has since 1970 helped eligible Members save for family vacations and other periodic expenses like property taxes. It pays normal semi-annual benefits and will pay benefits as often as monthly if desired by the participant.

### Christmas Bonus Fund

Providing retirement benefits to Members is a long-term commitment. Funding such bene-

fits through a qualified pension plan like the Retirement Fund can be complicated, expensive and a permanent liability. Active Members have helped to support retired Members since 1990 by devoting part of their benefit package to the Christmas Bonus Fund. The benefit varies each year depending on the number of hours worked, but the approximately \$4 million annual benefit is always a welcome extra check for eligible Retirees in December.

### Other Trusts

In addition to the six Southern California Pipe Trades trust funds discussed above, the Southern California Pipe Trades Administra-

tive Corporation also handles several other trusts related to the industry in Southern California. The **Landscape, Irrigation and Lawn Sprinkler Industry Defined Contribution Pension Fund and Health & Welfare Fund** provide benefits to U.A. Members in that industry. The **Inland Refrigeration & Air Conditioning Retirement Fund and Health & Welfare Fund** provide benefits to cold-side Members in the Inland Empire.

Please contact us to ask questions, make suggestions or arrange a tour of our offices. We can be found online at [www.scptac.org](http://www.scptac.org), or at (800) 595-7473. ■

# 2012 Golf Tournament at Oakmont Country Club in Glendale Features a Special Guest Appearance *By Marta Martin, CPMCA Director of Education*

**T**HE 2012 CPMCA CAREER DEVELOPMENT Scholarship Golf Tournament benefiting the Cal Poly Pomona Student Chapter reeled in a terrific crowd! A flood of 100+ members, industry friends, and special guests hit the greens on a 100+ degree day at Oakmont Golf Club in Glendale, home course of our 2012 President, Don Chase.

CPMCA guests were overjoyed with the arrival of a special guest that evening. Mr. Bill Chase, one of the founders of Muir-Chase Plumbing, Don's father. Mr. Chase mingled with old business friends and people he had

known for decades. He applauded raffle winners and enjoyed seeing the camaraderie of industry folks from an industry that he cared for so much. Mr. Chase basked in the heartfelt attention he received from all around. His warm aura and infectious smile made everyone's day that much brighter.

Bill had impacted the lives of so many. Mr. Chase passed away peacefully on November 21, 2012 after a long bout with liver cancer. He was loved and respected by many in the industry. For a personal insight on Mr. Chase, please read Don's "Reflections on Bill Chase" on the next page. ■



*Special thanks to our industry partners at DC No. 16.*



*Cal Poly Pomona students lend a hand at registration.*



*Joe Stepanski of Victaulic sponsors the tourney.*



*Cheryl Coenen is a staunch volunteer at this event.*



*Chip welcomes MVP Donny Odom.*



*Executive Committee Member Rick Moreno (right) and George Moreno.*



*Triumphant is longest drive winner Matt Chase of Bolton & Company, a sponsor.*



*Dave, of sponsoring firm Nuveen, is gung ho about his longest drive.*



*Ray LeVangie, Jr., Jeff Sherman, Murray Co.'s Jae Rim and Noel Santos.*



## Personal Reflections on Bill Chase *By Don Chase*

**T**HE MOST DIFFICULT THING I faced this year was the passing of my father. **He was an inspiration to all.** He started in the plumbing trade in 1951 as an apprentice for L.Z.

Brown, one of the 10 founding members of the Employers Council formed in 1944. Note: Murray Co. and Pacific Plumbing are the only ones still in existence.

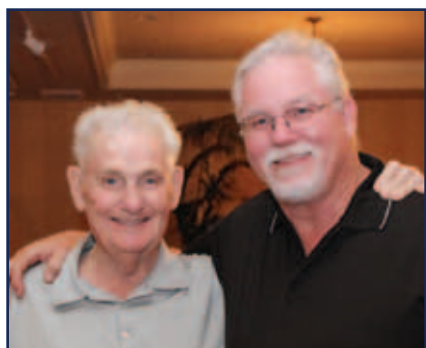
As was common in those days he continued to work for L. Z. Brown until in 1975 when "Brownie" called everyone into his office and announced that he was closing the company and moving to Napa. Dad had run their most difficult jobs through the

60's and in 1969 was made the field superintendent, managing over 100 men in the field. His best friend Neal Muir had been the head estimator since 1964. Neal and Bill looked at

each other and asked, "What are we going to do?" They had never worked anywhere else, and until then had no desire to work anywhere else.

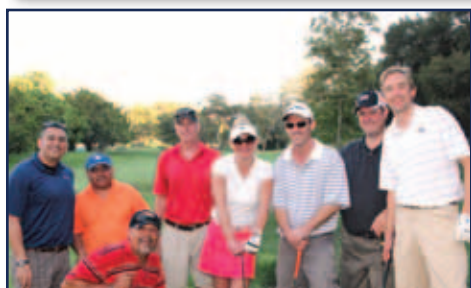
They decided to work for themselves. The only problem was they didn't have any money. They did have great reputations,

great desire and they each had a life insurance policy that they could borrow \$6,000 from. They did something that is not done



*Mr. Bill Chase (left) and son Don Chase.*

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## Thanks to our 2012 Tournament Sponsors

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### Twain & Obama on Education *By Marta Martin, CPMCA Director of Education*

**E** DUCATION IS OUR MOST VALUABLE investment. Isn't it clear? Just ask Samuel Langhorne Clemens, better known by his pen name Mark Twain, the author and humorist ...

*Every time you stop a school, you will have to build a jail. What you gain at one end you lose at the other. It's like feeding a dog on his own tail. It won't fatten the dog.* – Speech 11/23/1900

*Training is everything. The peach was once a bitter almond; cauliflower is nothing but Cabbage with a College Education.* – “The Tragedy of Pudd'nhead Wilson and the Comedy of the Extraordinary Twins”

*It is noble to teach oneself, but still nobler to teach others – and less trouble.* – Doctor Van Dyke speech, 1906



*From LIFE magazine, August 29, 1907*

Propelled by the visions and progressive mindset of our Executive Committee and Board Members, CPMCA invests heavily into its educational program. Our contractors, in turn, invest in their employees who gain skills and new perspectives by attending sessions led by the industry's best. These are experts who, more often than not, have once walked the same paths as our members' foremen, project managers, supervisors and office staff.



*ARB, ACCO, PMI and Xcel Mechanical personnel engage in group exercises.*



*HL Moe's Jeff Hachey & Brian Harman of American Landscape, Inc. feel the pressure in a mock negotiation in Smart Negotiating.*



*Counsel Dale A. Ortmann of Hunt Ortmann Palffy Nieves Darling & Mah, Inc. presents on current laws affecting the industry.*



*MCAA presenter John Koontz - Project Management 5 & 6 in February 2013.*

It's indisputable that education leads to success and is the backbone of any organization that needs to change or maintain its operations in a positive way. Continued education in our industry, for any industry quite frankly, can never be underestimated. At the heart of every organization, of every successful contracting company, of society, is a good education.

Stressed in the words of President Barack Obama, “In an economy where knowledge is the most valuable commodity a person and a country have to offer, the best jobs will go to the best educated – whether they live in the United States or India or China.” Through education come new discoveries, growth, and internal reforms. Brewing here is a recipe for success.

Our pool of instructors includes local experts such as construction attorneys from the offices of Hunt Ortmann Palffy Nieves Darling & Mah, Inc., and construction industry focused CPAs at Glenn M. Gelman & Associates. In our quest for the most qualified presenters, we reach out on a national level. Here we find the MCAA and its National Education Initiative (NEI) featuring in its arsenal presenters like John Koontz, Kathryn Crosby, and Thomas Williams to name a few.

It's no wonder that our educational program remains one of the most diverse and well-attended in the nation. Although the core of our program targets foreman and project management training, we offer classes on writing skills, leadership, negotiations and time management.

**Continued on next page**



## What Impresses Your Surety...and What Alarms Them

By Glenn M. Gelman CPA, MS-Tax, CFF

### What Sets Off The Alarm?

- 1. Surprises** – No one likes surprises unless it is winning the lottery. The surety hates surprises such as lawsuits you did not disclose or a job that is going south fast and you continue to show it as profitable on your work in process.
- 2. Profit Fade** – The surety hates to see a pattern of projected profits being overly optimistic or unrealistic. Next to surprises, this is the single largest “deal breaker” with sureties.
- 3. Under Billings** – The surety is alarmed when the contractor shows significant “costs in excess of billings” (under billings) on their balance sheet. While this varies from trade to trade, in general, consistent under billings area a warning sign for profit fade (see number 2 above). Its also indicates possible unapproved change orders.
- 4. Too Much Iron** – Sureties know that equipment depreciates in net realizable value very quickly. The investment in equipment either carries a great deal of debt with it, which alarms the surety, or at best the equipment represents an asset that is difficult to sell and recover the cost.



CPA/Director Mr. Richard M. Squar with Managing Director Glenn M. Gelman (top row), Larry M. Kane, CPA/Director and Mr. Warren E. Hennagin, CPA/Director.

- 5. Inventory** – Sureties dislike inventory since it is often inflated and distorts profitability. Most sureties will discount the inventory by 50 percent of the amount shown on the balance sheet.
- 6. Prepaid Expenses** – Sureties discount prepaid expenses and do not view them as a current asset or a component of working capital.
- 7. Intangible Assets** – Goodwill, covenants not to compete and other intangible assets are worthless to the surety.
- 8. Due From Shareholder** – This account is also written off by the surety as uncollectible.
- 9. Lines of Credit and Long-Term Debt** – The sureties like the fact that you have a line of credit to go to before you turn to them for help, but they are concerned when you actually use the line of credit. Long-term debt also concerns the surety since it is an obligation that must be met each and every month. ■



## Education, continued from previous page

Even though attending CPMCA's educational program won't, akin to Twain, make you a master at rendering colloquial speech nor will you (necessarily) make friends with Presidents, artists, industrialists, and European royalty, you'll certainly gain first-hand knowledge of our industry's best-practices.

Our courses are open to members and non-members alike. So please join us and explore our offerings. Contact Marta Martin, Director of Education for additional information at [marta@cpmca.org](mailto:marta@cpmca.org) or 213-417-9178. ■



Murray Co. Training Facility is host to Real Cost of Change Orders with Troy Aichele and David Ashcraft.

## Personal Reflections on Bill Chase

continued from page 29

very often anymore, they put their names on the letterhead. They felt they had great reputations and were honest and hardworking. The recognition of the Muir-Chase names helped them get out of the gate. They grew the company from four employees two years later to over 100 when they retired in 1990, one hell of a 15-year run.

When they retired they were still best friends and usually played golf twice a week together. You never saw one without the other. My father treated me to some of my fondest memories. He started a tradition of taking his three boys on a golf outing each year for 18 years. We went everywhere from Pebble Beach to Scotland and Ireland. He always told us he was spending our inheritance with warm hands. He celebrated his 80th birthday by taking us and our spouses to Europe for three weeks. With his energy and enthusiasm we thought he had another 10 years in him. In January of 2012 he was diagnosed with liver cancer. He fought a courageous fight, but the big “C” won the battle on the night before Thanksgiving. Dad, We love you for those memories. ■



## Building a Culture of Safety *By Steve Klaus, Performance Mechanical Incorporated*

**P**ERFORMANCE Mechanical Incorporated, or PMI, started in 1985 as a small industrial construction company dedicated to providing quality union craftsmanship in Pittsburg CA, servicing Bay Area chemical plants and refineries. We have grown over the last 28 years, but our commitment to quality and safety performance has never wavered. Our Safety and Employee Training programs have far surpassed the standard requirements of the industry. We at PMI have a safety philosophy of buy in at each level in the company. Safety is embedded in our culture. Bottom line: if we are not working safely, we are not working for our clients in the Industrial Market. Building our Safety culture has not come easy. However, with the Total Buy In at each level of PMI, we have earned the repu-

tation as one of the safest contractors in the country.

PMI is continuously looking for improvement; we are always on the search to work safer. We have built our safety culture on, but not limited to, a knowledgeable safety staff consisting of a Safety Director, Injury Management/Training Administrator, DMV/Background check

and Drug test Administrator, Subcontractor Pre qualifier Administrator, 3 regional safety reps and project specific safety professionals on projects that become larger than 25 craft persons.

These resources allow us to keep our thumb on

the pulse of every project. Our commitment to safety and continually building our safety culture has resulted in safety achievements such as attaining the CPMCA Top Statistics Award for the past 6 years and MCAA Contractor of the Year in 2010 in the Large Company category.

With PMI's commitment to safety, we reached two milestones that have been a long time coming: Zero recordable injuries for 2012 (over one and a half million man-hours) and over 10,000,000 man-hours without a lost time incident. These milestones are possible through the buy-in to manage incidents at a NEAR MISS LEVEL, keeping things small and really focusing on behavioral-based incentivizing. We are staying away from lagging indicators, such as incentivizing craft personnel for a result. Numbers or results are just that, and they come when truly focusing on desired behaviors.

Recently PMI's fabrication shop in Gardena partnered up with Cal OSHA to become the first independent (contractor) VPP star site in the state of California. This was a grueling process but worth it. Not only have we learned a lot from Cal OSHA consultation but we now have allies in Cal OSHA.

Safety is something that we as an industry must feel strongly about and it must be more important than anything else. It cannot be just a "check off" in the bid process. Safety must be a value for it to make a difference in any company. It has to be more than a priority because let's face it, priorities change all of the time ... Values don't. ■





## 2012 AWARD RECIPIENTS

25,000 to 50,000 Hours  
**Verne's Plumbing, Inc.**

50,000 to 100,000 Hours  
**UMEC – Los Angeles**

100,000 to 250,000 Hours  
**Couts Heating & Cooling, Inc.**

250,000 – 500,000 Hours  
**Pan-Pacific Plumbing**

500,000 – 1,000,000 Hours  
**Performance Mechanical, Inc.**

>1,000,000 Hours  
**ARB, Inc.**

Overall Winner  
**Performance Mechanical, Inc.**



**Top Row, left to right:**

- Scott Baker accepting on behalf of UMEC – LA.
- Justin Myburg and Murray Co. receives "Most Improved Contractor" recognition.
- From Couts Heating & Cooling, Mike Martin accepts.

**Bottom Row:**

- Tim Healy/ARB wins the >1M man hours category.
- Herman Davis of PMI is a happy contender.



## The 2013 Safety Recognition Awards

**T**HE PURPOSE OF the Safety Awards Program is to recognize and reward safety excellence, and provide statistical reports to all participants for evaluating their company's safety performance. Each year in March, the CPMCA Safety Committee will collect injury and work-hour data from the preceding calendar year from CPMCA contractor member companies. The data is used to calculate incidence rates, which are used to reward safety excellence. CPMCA awards are given by company size and type of company, either service or construction. Awards are based on Recordable Case Incidence Rates (T.R.I.R.) and Lost Workday



*Lyle Ferguson of Verne's Plumbing, Inc., recognized for its flawless record.*



*On behalf of Scott Baker of UMEC – LA, Steve Shirley from the San Diego division accepts the award.*



*In the 500K-1M Man Hours category, Mr. Osterberger of A.O. Reed & Co. accepting.*



*PMI, Inc. winner of >1M Man Hours & Overall Winner picked up by Tom Richey.*

CPMCA would like to once again take this

opportunity to congratulate these award recipients listed below. ■

Cases Incidence Rates (D.A.R.T.), in each category of company size and type of work. Companies with the lowest incidence rates and workdays lost will receive awards. Companies with the most improved incidence rate will also receive awards based only on the previous year's data. All participants will receive a confidential report from the CPMCA Safety Committee that allows them to compare their incidence rates with the incidence rates of the other participants.

Companies maintaining the lowest incidence rates that year were in the spotlight.

opportunity to congratulate these award recipients listed below. ■

## 2013 AWARD RECIPIENTS

25,000 to 50,000 Man Hours  
**Verne's Plumbing, Inc.**

50,000 to 100,000 Man Hours  
**University Mechanical & Engineering Contractors – Los Angeles**

100,000 to 250,000 Man Hours  
**Critchfield Mechanical of Southern California**

250,000 - 500,000 Man Hours  
**None**

500,000 – 1,000,000 Man Hours  
**A.O. Reed & Co.**

>1,000,000 Man Hours  
**Performance Mechanical, Inc.**

**OVERALL WINNER**  
**Performance Mechanical, Inc.**

# End of School Year Banquet and a Strong Bench

By Marta Martin, CPMCA Director of Education

**E**ACH YEAR CPMCA HOSTS THE CAL POLY POMONA End of School Year Banquet. This dinner event at the Pomona Valley Mining Co. was attended by Contractors, Affiliates, Cal Poly Pomona faculty, Student Chapter members and of course, the graduating class. On this evening, the graduating seniors soaked up rays in the limelight. Although this very informal ceremony pales in comparison to the grandeur of their true graduation day, it gives CPMCA the chance to recognize the students embarking on this journey called "life" (after college).

CPMCA hosts such functions by design, bringing together employers and job-seekers. CPMCA Contractors and Affiliates are athirst to find the brightest stars and meet their company's next greatest talent. Opportunities are available for summer internships, part-time and full-time positions. Having face-time allows contractors and students to determine if they are a good culture-fit. Contractors want a strong bench. And considering that our world is about network, network, network, an event as such is a great place for both sides to start.

Awesome raffle prizes are a staple at the Banquet along with industry speakers. Breawn Oliver and Travis Craven of All Area Plumbing, Inc., both Cal Poly Pomona grads and ex-Chapter members, spoke about their personal experience, acquainting students with the industry, inducing curiosity. The motivation too for our events, this speech, for instance, is to clarify for any students who are addlepatated, that our industry is the way to go! Working for a non-CPMCA member, a GC?! No way! We hope that through exposure and discussions with real-life success stories, students ascertain that the plumbing/mechanical industry is their destiny.

**P.S. – Students!** Remember that recruiting happens year-round! Contractors are continually identifying competencies and scouting young and talented candidates like you. Contractors/Affiliates are anxious to build relationships with you from the beginning and won't necessarily wait until your senior year to start hiring. So please make attending all CPMCA functions a priority and be sure to submit your resume to us. For more information, please contact Marta Martin at [marta@cpmca.org](mailto:marta@cpmca.org) or 213-417-9178. ■



*The 2013 graduating class.*



*Justin Kirchart (far left) of ACCO Engineered Systems recruits.*



*Faculty Advisor Mr. Mario Alvarez receives special recognition.*



*Guest speakers Breawn Oliver and Travis Craven of AAP.*



*2013/2014 SC President Allan Sosa and graduating senior Nathan St. Clair.*



*KINETICS' Richard Cooper and Keith Kenner are on the lookout for talent.*



*Scott Baker and John Modjeski seek employees for UMEC.*



*Don Chase, Bryan Suttles and Ira Schumer inspire the next generation.*



## Certificate of Merit for a Strong 7th Place Finish

By Marta Martin, CPMCA Director of Education

THE MCAA CAREER DEVELOPMENT COMMITTEE HAD their work cut out for them. A line-item on their to-do list was the task of reviewing 25 bid proposals for the MCAA Student Competition submitted by universities in the U.S. and Canada. Among them was a presentation from our very own Chapter at California State Polytechnic University at Pomona.

With rigorous rules/guidelines to follow, a punctilious panel of judges, and fierce competition lurking all around, our team was motivated for success. The project involved a 50,000 square foot building that housed NASA's Space Exploration Center. The MCAA explained they were accepting "proposals on a project involving the installation of the HVAC and plumbing systems in the Space Exploration Center Building at the NASA Research Park in Cape Canaveral, FL. Bidders were also encouraged to propose design features that exceed

LEED Platinum requirements



*Cal Poly Pomona is recognized at the 2013 MCAA Convention in San Antonio.*



and a post-construction service component." A cosmic task for non-engineers!

Contending against schools like Purdue and Illinois State, our Cal Poly Pomona project team placed 7th! They missed the top 4 by just a few seats, a fate affecting last year's team as well (which placed 5th). The 2012/2013 project team included: Mark Hurlbut, Angel Lopez, Thomas Lovejoy, Fedra Momen, Christian Raygoza, and Blong Vang. The core team appreciated help intermittently from other Chapter members. Overall,

everyone's efforts converged and paid off. Job well done!

The grand prize of \$5,000 and a first place finish in the 2012/2013 Student Chapter Competition went to the Milwaukee School of Engineering. Taking second place was the University of Washington. ■

## CPMCA Members Galvanize Students at General Meetings

EVERY TWO WEEKS IN A TYPICAL QUARTER, THE Student Chapter hosts General Meetings on campus. CPMCA Contractor members and Affiliates guest-speak at these mini-assemblies. Contractors hope to galvanize students, to inspire them to action and address questions about this unique industry. "Get involved," they exclaim. Vendors too open new doors and shed light on the opportunities available through them.

### A big "Thanks" to the 2012/2013 academic year lineup of Speakers:

Bob Felix, Bryan Felix and Breawn Oliver – All Area Plumbing, Inc.

Rick Baer – Merrill Lynch

Joe Stepanski – Victaulic Company

Harry Reynolds and Dee Davis – KINETICS

Patrick Kramer and Anthony Gomez – Southland Industries

James Carrido, Andy Kim and

Rokas Markevicius – Limbach Company LP



*Bob Felix (right), Bryan Felix and Breawn Oliver guest-speak on February 5, 2013.*



*Sean O'Brien and Matt Zeilhofer of Milwaukee Electric Tool explain the vendor's perspective.*

# 2012 Annual Dinner – Santa, His Sleigh and CPMCA

By Marta Martin, CPMCA Director of Education

**I**N THE SPIRIT OF THE HOLIDAYS AND as a token of appreciation to all, CPMCA hosts an Annual Dinner which in 2012 was held at charming Lakeside Golf Club in Toluca Lake.

This was an extraordinary evening, one that we will not soon forget. As the doors opened for arriving guests, we detected something quite a distance away flickering in the sky. It wasn't a misfired firework from the neighboring Universal Studios, nor was it Superman in flight. Puzzled yet intrigued we gazed at this mystery, anxiously awaiting its landing. To our amazement and complete disbelief we were soon staring at Santa himself! He arrived with

helpers, a custom sleigh and all, gracefully landing on the putting green near the clubhouse. What a coincidence that our photographer John Hernandez was prepared with stage lighting and that Lakeside's lobby had the perfect parking spot for this exquisite sleigh! CPMCA members posed and confessed their wishes directly to the source.

We know that Santa's always watching and encourages everyone to speak the truth, so here it is. This sleigh was actually custom-built by CPMCA friend Richard Barnes (Santa himself). The sleigh features all sorts of gadgets including a "naughty/nice" electronic sensor. CPMCA purchased this aircraft from

Richard, and on behalf of the organization and its members, and will be donating it to the Children's Hospital of Orange County in time for Christmas 2013.

The dinner event flowed in the holiday spirit with laughter, appreciation and great moods in abundance. Two hundred guests enjoyed a delightful dinner and lucked out on some nifty raffle prizes (some of which probably ended up as holiday gifts for others).

We thank all of our members and industry friends for their support and active involvement throughout the year. We look forward to seeing everyone again in 2013 at Lakeside Golf Club! ■



*PIPE's Jaime Valdivia and Rachel spread the cheer.*



*New CPMCA member Jason Strauss of American Landscape, Inc.*



*According to Santa, "nice" year-round is Doug Wilson of DC 16.*



*Steve Cornelius of UMEC and ACCO's Dave Quirk are apprehensive to board.*



*Michael Lopez of UA Local 114 challenges Mr. Claus' beard.*



*Santa replies on a lot of helpers from Victaulic.*







*Delco Sales rep Jeff Discount (left) and Chris Reinhardt of K-C Insurance Agency.*



*Steve & Cristi Felix with Bryan Felix and Breawn Oliver of All Area Plumbing.*



*Venessa Darnell and ARB's Rick Valdez expect many gifts under the tree.*



*Counsel Casey Elford and Richard Barnes (sans the Santa gear).*





## 2012 Labor/Management Retreat – Modern Day Negotiations

*By Chip Martin, CPMCA Executive Director*

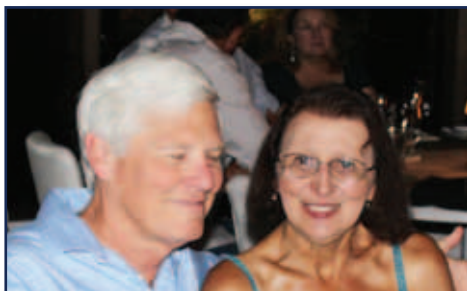
**T**HE 2012 LABOR AND MANAGEMENT Retreat served as a forum to negotiate a successor Master Labor Agreement. Fifteen Labor Representatives and eight Management Agents met over the two days utilizing the services of Richard Barnes and Casey Elford of C. Richard Barnes and Associates to help facilitate the discussions.

A successful Master Labor Agreement extension through June 30, 2018 was the result of the deliberations. The contract extension will prove to be beneficial for Labor and Management as it continues to add stability to the industry. Wage and Fringe modifications were implemented as well as contract language modifications continuing to help improve the employers' competitiveness.

The long term Agreement shows end users, policy makers, city officials, general contractors, architects and engineers that Labor and Management are committed to doing what it takes to regain market share. Negative marketing campaigns, strikes, lockouts and other harmful actions that have taken place in decades past during previous negotiations are a definite thing of the past. Labor and Management are able to objectively discuss and negotiate successful successor Agreements. ■



*Dave Quirk, Steve Klaus, Bob Felix, Don Chase and Glen Nolte.*



*Business Manager of UA Local 78  
Gary L. Cook and wife Linda.*



*From Long Beach Local 494, Ruben Magaña  
and Christine.*



*Bakersfield Local 460 Business Manager  
Mike Rock and spouse, Gayle.*



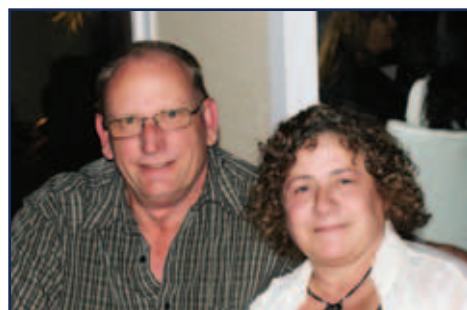
*UA Local 230's Kirk Crosswhite and  
Kitty arrive from San Diego.*



*The Great & Powerful Sid Stolper of DC 16  
welcomes guests.*



*Christine and Ken Jenkins of UA Local 761.*



*Local 114's Business Manager Mark  
Foreman & Lucette Zura.*





*Steve Klaus amidst Walt French of Local 403 (right) and Richard Edwards of 364.*



*Pierre Sprinkler's Joe Lowden and Sid Stolper debate over dinner.*



*Richard & Audrey Barnes enjoys the sights and sounds of Vegas.*



*High School sweethearts 2012 President Don Chase and Sandy.*



*Ray LeVangie, Jr. of UA Local 398 with Ann cruise in from Pomona.*



*Representing Local 582 is Glen Nolte and Rodney Cobos from Ventura Local 484.*



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Contractors Association  
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## 2012 Labor/Management Retreat....a Successful Round of Negotiations – *See full story and more photos on pages 38–39*

