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May 2018 Newsletter

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Message from President Bill Krestakos



Greetings MIACCA Members. We are well into our Spring Season and have been busy as a board prioritizing our mission and goals. We have been working a lot with student outreach and the beginning stages of developing an apprenticeship program. We will be planning student meet and greets for the new school year starting September 12th at FSU for a Student MIACCA chapter cook off from 4 p.m. -8 p.m. As MIACCA is a non profit organization, we would be grateful if anyone would like to sponsor a MIACCA/Student event. We will be sending out details on how you can help us reach our future HVACR contractors.

Message from Executive Director M.J. D'Smith



Hello MIACCA Members! Well, it seems we have finally found warmer weather and your busy season will now be underway! April has been a very busy and fun filled month. I attended the Service Roundtable Conference in New Orleans and had the opportunity to network, sit in on educational sessions and meet Executive Directors from other states. It was a wonderful opportunity.

MIACCA also had the privilege to host two HVAC school events. The first was at LCC (pictured bottom left) with over 20 students. We threw them a pizza party as a way introduce ourselves and offer the students a one year free membership. We also went up to Ferris State University and took over 10 students to Buffalo Wild Wings (pictured bottom right). We feel it is beneficial to get the students involved in our organization and offer them information as well as networking opportunities with our members.

A big "Thank You" to board member and workforce development committee chair Michael Cain for setting up these meet and greets!





Michigan Legislative & Regulatory Update

MIACCA Supports Timely Construction Code Appeals and Contractor Due Process at Michigan Court of Appeals

On April 23, 2018, MIACCA asked the Michigan Court of Appeals for permission to file its Amicus Curiae brief in Case No. 341017 to support the principles that:

- Mechanical contractors must be allowed to perform mechanical work just in accordance with the plainmeaning of the 2015 Michigan Residential Code (MRC) and not be forced in to complying with inspector made up provisions that are not specifically in the MRC;
- That an appeal to the local construction board of appeals must be timely heard and decided within 30 days as required by the <u>Single State Construction Code Act</u>, <u>1972 PA 230</u> (SSCCA) in <u>Sec. 14, being MCL 125.1514</u>;
- That an appeal of a local construction board of appeals decision or enforcing agency that principally
 relates to mechanical issues is to be heard by the Board of Mechanical Rules instead of the Construction
 Code Commission (Commission) or panel thereof as required by Sec. 16(2) of the SSCCA, MCL 125.1516;
- That an appeal decided by the Commission must be timely heard and decided within 30 days as required by Sec. 16 of the SSCCA, MCL 125.1516;
- That an appeal of a code official's decision cannot be heard and decided by another full-time code official in accordance with the Michigan Supreme Court's holding in <u>Crampton v. Dep't of State</u>, 395 Mich. 347, 349-350, 235 N.W.2d 352 (1975); "that it is impermissible for officials who are entrusted with responsibility for arrest and prosecution of law violators to sit as adjudicators in a law enforcement dispute between a citizen and a police officer".

Fraud, deceit, or dishonesty in practicing an occupation is a violation of the Skilled Trades Regulation Act (STRA)

<u>Sec. 607(b) of the STRA</u> states that a person that "practices fraud, deceit, or dishonesty in practicing an occupation" is subject to the penalties described in <u>Sec. 603 of the STRA</u>. Bureau of Construction Codes (BCC), Director Keith Lambert, in his presentation titled "<u>Complaint Documentation</u>", lists an example of this as an unlicensed person performing work which requires a license.

This to a mechanical license holder with limited classifications means performing mechanical work for which another license classification is required under <u>Sec. 809 of the STRA</u>, constitutes fraud, deceit, or dishonesty. As <u>Sec. 601</u> of the <u>STRA</u> states: "(1) A person shall not engage in or attempt to engage in the practice of an occupation regulated under this act or use a title designated in this act unless the person possesses a license issued by the department for the occupation." Additionally Sec. 601 of the STRA goes on to states:

- (3) A person that violates subsection (1) is guilty of a misdemeanor punishable by a fine of not more than \$500.00 or imprisonment for not more than 90 days, or both."
- (4) A person that violates subsection (1) a second time is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 or imprisonment for not more than 1 year, or both.
- (5) A person that violates subsection (1) a third or subsequent time is guilty of a felony punishable by a fine of not more than \$25,000.00 or imprisonment for not more than 5 years, or both.
- (6) The remedies or penalties imposed for a violation of subsection (1) may include a requirement that restitution be made, based on proofs submitted to and findings made by the trier of fact as provided by law.
- (10) The remedies under this section are independent and cumulative. The use of 1 remedy by a person does not bar the use of other lawful remedies by that person or the use of a lawful remedy by another person.

The next edition we'll look at Sec. 607(c) of the STRA, "Violates a rule of conduct of an occupation" and what are the mechanical rules of conduct.

The Bureau of Construction Codes (BCC) indicates that Executive Order 2017-3 prevents the Board of Mechanical Rules (BoMR) from issuing an interpretation of the mechanical licensing provisions of the Skilled Trades Regulation Act (STRA).

According to the chair of the BoMR, Mr. Ken Misiewicz, the BCC will not be placing a request for the BoMR to interpret the licensing provisions of <u>Sec. 809(2) of the STRA</u> on the May 23, 2018 BoMR Agenda due to BCC's reading of <u>Executive Order 2017-3</u>. Despite <u>Sec. 315(2) of the STRA</u> stating: "A board's duties shall include the interpretation of a licensure or permit requirement of a specific article of this act"; BCC contends that this STRA board authority, that took effect on April 4, 2017, was transferred to BCC on April 17, 2017, with Executive Order 2017-3. However neither Governor Snyder nor BCC explains how stripping most of the STRA boards' authority by transferring it to the BCC is consistent with the letter and intent of <u>Art. V, § 5</u> of the Michigan Constitution; which states:

"Sec. 5. A majority of the members of an appointed examining or licensing board of a profession shall be members of that profession."

MIACCA believes the mechanical license holders that serve on the BoMR provide a valuable and needed expertise for the proper and effective regulation and development of the Michigan mechanical industry and will continue advocating for such.

Michigan Department of Licensing and Regulatory Affairs (LARA) admits that it cannot charge fees under the Freedom of Information Act (FOIA) when it does not use its published form showing how it calculated the amount.

On April 17, 2018, at a Michigan Court of Claims hearing in case No. 16-000192-MZ, <u>on remand</u> from the Michigan Court of Appeals, LARA representatives told the judge that LARA was not entitled to collect FOIA fees when LARA did not follow its own written <u>FOIA policy</u> or use its published "<u>Detailed Itemization of Fees</u>" form to charge \$459 for documents related to LARA's adoption of the 2015 Michigan Residential Code and its handling of MIACCA's public testimony. In addition to refunding the \$459 fee, LARA also agreed to pay for all appeal costs and to pay \$500 in punitive damages.

Two public meetings Monday in Lawrence to address Consumers Energy's proposal to end Palisades power purchase agreement

LANSING, Mich. – The public will have a chance on Monday, May 8, to comment about Consumers Energy Company's plan to end a power purchasing agreement with Entergy Nuclear Palisades LLC as part of the decision to close the Palisades plant.

The Michigan Public Service Commission (MPSC) has scheduled two information meetings at the Van Buren Conference Center, 490 S. Paw Paw St., in Lawrence, MI to hear from community members and interested parties. The first will be from 3-5 p.m. and the second from 6-8 p.m. Both meetings will cover the same case material.

MPSC Chairman Sally Talberg and Commissioners Norm Saari and Rachael Eubanks are scheduled to attend both hearings, along with other MPSC staff. The commissioners will explain their role in Case No. U-18250, its timeline, the administrative process for possible termination of the agreement, and financial aspects of the case.

For those unable to attend, meeting transcripts will be filed in the case docket.

Palisades Nuclear Generating Station in nearby Covert Township is scheduled to close in October 2018.

For more information about the MPSC, please visit <u>www.michigan.gov/mpsc</u> or sign up for one of its <u>listservs</u> to keep up to date on MPSC matters.



Regulations Bring Opportunities & Concerns for Contractors

SIDNEY, Ohio – A survey of HVAC contractors by Emerson shows that many are entering 2018 focused on growing their businesses as they navigate residential and commercial regulations.

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Product Spotlight- GPS Insight Fleet Tracking

GPS Insight Fleet Tracking and E-Log Solutions provides complete fleet visibility for businesses with vehicles and trailers. The software provides access to real-time vehicle and trailer locations, powerful on-demand and automated reports, maintenance scheduling and reminders, and automated exception alerts used for coaching driver behavior or taking action on check engine lights.

"Customers use our software to help control idling, speeding, unauthorized usage, route efficiency, and many other components that affect safety and operating costs for their fleets," said Jenny Shiner, marketing communications manager for GPS Insight. "Using our software provides insight into historical events as well as allowing fleet managers to take a proactive approach to fleet management."

For more information, visit www.gpsinsight.com.



ACCA Releases Residential Zoning Design Requirements

The Air Conditioning Contractors of America Educational Institute Standards Task Team announces the release of the revised ANSI/ACCA 11 Manual Zr – 2018 (Residential Zoning).

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Can HVAC Upgrades Improve Worker Performance?

Key Points

- Research has shown HVAC upgrades can create a healthier workplace and improve productivity.
- A 72°F indoor temperature is best for worker performance, according to the U.S. Department of Energy.
- Have your HVAC system regularly inspected and replace systems that are older or in need of repair.

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"Success over Survival" – Do you know how much is your business is really worth?

More than 70% of family businesses will not survive the transition to a second generation while nearly 90% fail to make it to a third. Those are sobering statistics to anyone who intends to pass their business on. Any number of reasons can cause this, some of which are simply beyond your control. But... the unfortunate fact is that most family business survivals are not due to market downturns or changes in consumer behavior, they fail to survive due to a lack of proper planning for succession.

Anyone planning to pass a business on, needs a **continuation plan**—a strategy to help ensure that the business and the people whose incomes and lives depend on it will succeed when the current owner is no longer at the helm. And the first step in creating a valid continuation plan is getting a **Current Business Valuation**! A Business Valuation is the process of determining the worth, or value, of a business. The primary reason for a valuation is to estimate what an informed buyer would pay to an informed seller to purchase your business.

But even if the business will never come up for sale, there are many other important reasons to know your business' worth. For instance, if the owner ever plans to gift or sell the business to heirs, or passes away unexpectedly, or buys or sells shares to employees, or many other strategies.

Now for the Good News... as a MIACCA member, a Business Valuation is available to all qualified business owners **at no charge**. To find out more, simply <u><Click Here Now></u> to email your request for a Current Business Valuation, because proper planning is a key ingredient to your company's <u>"Success over Survival"</u>.



The Unhappy Reality of Slip and Fall Accidents

Although it varies by industry, claims made by businesses for slip and fall accidents account for more than 20 percent of general liability claims each year, and have an average payout of more than \$20,000. Every business has the potential to experience these incidents, but the retail and commercial industries are often prime targets for slips and falls, most likely due in part to their frequent interaction with the public.

Likewise, certain times of the year also seem more prone to slip and fall incidents, such as colder months and the autumn and winter holidays. The causes definitely vary, but three particular circumstances commonly increase a business's risk.

Read full article here: Slip and Fall Accidents.pdf



What Happens When You Join?

Join Service Roundtable today and get instant access to our network of solutions – downloadable content, online access to experts who have answers to your questions and a reward program to help you put cash back in your wallet. No waiting. No contracts. Just immediate answers.

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