Legislative Conference Recap

Industry Issues Presented

South Dakota

Plumbing • Heating • Cooling
Contractors Association

Inside this Issue:
- President's Message
- Upcoming Webinar
- Brainstorming Tips
Take advantage of your member benefits with the State and National PHCC!

- Educational seminars and webinars to improve profitability and efficiency
- Apprenticeship programs
- Monthly publications and online updates
- State and national websites
- Intra-Industry representation and lobbyist activity at state and national levels
- Opportunities to network with peers during state and national conventions

605-271-7255
www.sdphcc.org

Not all water heaters are created equal.

Because not all applications are the same.

Unique solutions for every commercial application.
The South Dakota Pipe Chatter

Official publication of the South Dakota Association of Plumbing-Heating-Cooling Contractors, Inc.

SDAPHCC
707 E 41st St, #220    605-271-7255
Sioux Falls, SD 57105    1-800-640-PHCC (7422)
www.sdphcc.org
Kristie Brunick, Executive Vice President
kristie.phcc@midco.net

Association Officers
- President: Tom Hines, Frisbee Plumbing & Heating - Sioux Falls
- 1st Vice President: Missy Sheesley-Johnson, Action Mechanical Inc - Rapid City
- 2nd Vice President: Ryan Brozik, Winner Plumbing - Winner
- Secretary: Ryan Sheesley, Mitchell Plumbing & Heating - Mitchell
- Treasurer: Andy Bruce, Allied Plumbing & Heating, Inc - Pierre

Zone Directors
1. Brett Kaltvedt, Midwestern Mechanical, Inc - Rapid City
2. Jeremy Seeman, Redlinger Bros Plumbing & Heating - Watertown
3. Dan Hartman, Wolff's Plumbing & Heating - Spearfish
4. Frank Krohmer, Krohmer Plumbing & Heating - Mitchell
5. Brian Ames, Northwest Pipe Fittings - Rapid City (Sustaining Member)

Upcoming Events

PHCC CONNECT 2019
Oct 2-4, 2019
Indianapolis, IN

SDAPHCC Convention
February 27-28, 2020
Deadwood, SD

Please consider these companies who show their support for SDAPHCC by advertising in the Pipe Chatter:

- Dakota Supply Group
- Energy Dynamics, Inc.
- Federated Insurance
- Goodin Company
- G & R Controls
- Northwest Pipe Fittings, Inc.
- Bradford White
- Plumbing & Heating Wholesale, Inc.
- Sioux Falls Winnelson
- T & S Brass

The South Dakota Pipe Chatter is published monthly and is the official publication of the South Dakota Association of Plumbing-Heating-Cooling Contractors, Inc only insofar as notices, bulletins, and reports are concerned. Editorial and personalized new stories reflect the opinion of the writers and not that of SDAPHCC. Neither SDAPHCC nor this magazine accepts responsibility for statements or claims made for their products by advertisers.

Permanent Media Filters  Separators Disc Filters  Pump Packages  Control Panels

ADVANTAGES

✓ Disc Filtration. Maximum safety. Its patented design and high quality materials used in manufacturing guarantee an extended life with high resistance.

✓ AZUD HELIX System. Helix created Centrifugal Action optimizes the filtration performance and reduces backwash frequency and maintenance.

✓ Self-cleaning filtering element. Backwashing uses minimal water maintaining an efficient cleaning action. Large filtering surface. AZUD filtration units available from 5 to 500 micron.

G & R Controls Proudly Represents

PUROFLUX CORPORATION  FILTRATION AND CONTROL SYSTEMS

Sioux Falls • Rapid City • Fargo • Bismarck
GRCONTROLSINC.COM | 605.336.3788
President’s Message

I recently had the opportunity to attend the National PHCC Legislative Conference in Washington, DC on May 7 & 8th. There were approximately 110 PHCC members from all over the country in attendance.

This was my first trip to Washington, DC. I found it very interesting to visit the Capitol Building and see many of our national monuments.

It’s hard to describe the feelings I had once inside the Capitol. It’s overwhelming and amazing to think about all the history connected to that building. So many important individuals once stood in the same places that I was standing in. Those people established the liberties that we still live by today.

I will admit that politics is something I have never been too involved in. Most of my knowledge or understanding has been received from what I’ve seen on TV or read in the paper. Sadly, many of the reported political stories are rarely positive. They are always filled with B.S. and finger pointing.

But being in DC, even just for one day, allowed me the opportunity to see the other side of things. There are good things happening in our nation’s capitol. Unfortunately, these activities don’t make exciting news stories.

The first day of the conference gave us the opportunity to meet our National PHCC leaders and specifically the leadership that deals with legislative affairs.

They did a great job of preparing us for our day at the Capitol. Most everyone in attendance had scheduled appointments with their elected state officials, just as we did with our South Dakota Legislators.

The PHCC had put together a nice brochure which spelled out the 4 major federal issues, supported by the PHCC, that directly affect our industry.

1. A level playing field with utility companies that compete with our industry.
2. Infrastructure funding that includes below ground projects and not just roads and bridges. Most water systems in our country have exceeded their life expectancy.
3. A pathway to sustainable immigration.
4. Association Health Plans that offer access to affordable healthcare for small and family owned businesses.

For more details on these issues, visit www.phccweb.org.

Over all, our day at the capitol was very rewarding. We met with the offices of all three South Dakota Legislators and got our message out. Hopefully, we will see these items addressed in a way that benefits our industry.

The greatest lesson I learned from this trip was the importance of getting involved with the political process, especially as it pertains to our industry. Our National PHCC has about 3,200 members representing over 64,000 employees. We certainly have a voice on Capitol Hill and it’s important that we don’t let them forget that.

As always, I totally enjoyed the opportunity to network with contractors from all over the country. I never fail to learn a great deal from those interactions. You can only get that if you are there participating. I would encourage anybody that gets an opportunity to attend events like this to please take advantage of them.

The education is PRICELESS!

Tom Hines, SDAPHCC President
VITODENS 200-W

Equipped with the industry’s first intelligent combustion management system and powerful control technology, the new generation Vitodens 200-W gas-fired wall-mount condensing boiler delivers unparalleled performance, reliability and comfort.

Highest Efficiency of up to 98% at full modulation and up to 96.1% A.F.U.E.

VITODENS 200-WB2HA

<table>
<thead>
<tr>
<th>MODEL</th>
<th>BTU_RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>12–67 MBH</td>
</tr>
<tr>
<td>28</td>
<td>19–100 MBH</td>
</tr>
<tr>
<td>35</td>
<td>19–125 MBH</td>
</tr>
<tr>
<td>45</td>
<td>60–160 MBH</td>
</tr>
<tr>
<td>60</td>
<td>60–212 MBH</td>
</tr>
<tr>
<td>80</td>
<td>104–285 MBH</td>
</tr>
<tr>
<td>100</td>
<td>104–352 MBH</td>
</tr>
<tr>
<td>112</td>
<td>113–399 MBH</td>
</tr>
<tr>
<td>150</td>
<td>113–530 MBH</td>
</tr>
</tbody>
</table>

VIETSSMANN

climate of innovation

ENERGY DYNAMICS inc

| 121 WEST HOYT ST | CARTHAGE, SOUTH DAKOTA 57323 |
| P#: 800-444-8583 | F#: 605-772-4632 |
| www.energy-dynamics.com |

Represented By:

MULCAHY

2700 Blue Water Rd #100 Eagan MN 55121
PH: 651-686-8580 Fax: 651-686-8588 www.mulcahyco.com
Tips for Better Brainstorming

It’s practically a sacred ritual of organizational culture: The brainstorming session. Often these sessions are presided over by a manager, armed with markers and a flipchart, guiding workplace warriors on a vision quest for the next best idea.

Brainstorming is an important tool that can help organizations thrive and grow. But no matter how pure your intentions are, your sessions may not render the useful results you desire. Watch out for these barriers that can undermine your best efforts:

Inhibitions

In theory, brainstorming works because people feel free to suggest any idea, no matter how outlandish. In reality, people are frequently intimidated by others, especially managers. You might try brainstorming in smaller groups where people don’t feel exposed. Or encourage participants to write down their ideas anonymously.

Bad Ideas

Contrary to conventional wisdom, brainstorming can generate some monumentally bad ideas - strategies that have already failed, techniques that rely on improbably good luck, solutions calling for unrealistic allocations of resources. These can drown out the promising suggestions or drive away people with something genuinely valuable to contribute. Try asking participants to support their ideas with facts that reinforce their concept so they’re not just throwing our random thoughts, or break the problem down into smaller segments so everyone can concentrate on a single defined issue.

Domination/Non-Participation

One or two participants can discourage everyone else from talking and overpower the exercise. You don’t want to slow the rate of ideas by forcing everyone to wait for his or her turn, though that’s a common solution. Try to facilitate the discussion so everyone has an equal chance to speak. Prod the quiet ones for their input; ask the aggressive members to wait for a moment while someone else speaks. Don’t be afraid of silence; a few quiet seconds or minutes can provide people with an opportunity to gather their thoughts for another round of ideas.
Advocacy Means “Calling for Action”

By Michael Copp, Executive Vice President

The PHCC Federation represents (as described back in 1883) a membership of “allied contractors” engaged in a “movement” dedicated to the “advancement and education of the plumbing and HVACR industry for the health, safety, and comfort of society and the protection of the environment.” This movement requires engagement at the local, state, and national level to ensure that members mobilize in lockstep when our industry is being attacked either by faulty and wasteful legislative or regulatory requirements. Advocacy is the primary way that the PHCC Federation advances critical issues that keep members up at night and influences legislative and regulatory efforts with a call for action.

In a recent survey, PHCC members ranked “legislative and regulatory leadership/representation” as a critical driver of membership in the association. As one member said in an interview: “If we have a problem and we want to see laws changed, we have a say and that’s awesome.” We are delighted to hear comments like that because they indicate PHCC is providing exactly the type of representation that the PHCC founders envisioned so many years ago.

In 2019, major PHCC advocacy issues include unfair competition, Association Health Plans and infrastructure spending. I was pleased to be part of a PHCC delegation at the 2019 Legislative Conference that talked directly with national lawmakers about our organization’s positions on these crucial issues. During this annual conference and other visits on Capitol Hill throughout the years, I have seen firsthand that these elected officials do listen to us.

In addition to the priority issues at this year’s Legislative Conference, other areas of focus directly affecting our members over the past several years include:

- Department of Labor’s Task Force on Apprenticeship Expansion
- $1.2 billion Carl D. Perkins Career and Technical Education Act
- Support for 529 savings plan being opened to technical education
- Gas Furnace Efficiency Version 2 proposal from AHRI to consolidate multiple component standards to a single furnace standard
- Rulemaking process for VRF HVAC products
- National Association Health Plan
- Immigration reform
- Waters of the U.S. rulemaking (WOTUS)
- Reauthorization of the Water Infrastructure Finance and Innovation Act (WIFIA)
- Reauthorization and making permanent the appropriation for WaterSense
- Lead paint renovation rules
• EnergyStar funding and EPA oversight
• Tax reform
• Permanent, full expensing of all business expenses (179D)
• Affordable Care Act Individual Mandate to $0
• Eliminate Alternative Minimum Tax

A UK campaigner, Saira O’Mallie, remarked “If you ever feel like you’re just one person trying to change something, I promise there are hundreds, thousands, if not millions of people out there who feel the same way as you, who want to make a difference.”

There is power and influence in numbers, and the bigger the PHCC organization grows, the more meaningful our movement becomes. We encourage members like you to “tell your story” and call for action that protects this great industry.

Member Benefit Spotlight: PHCC Action Center

Did you know that as a member of PHCC, you have access to a free online PHCC Action Center?

Tap into this service to contact your elected officials on key advocacy campaigns managed by PHCC National. Check out the helpful background resources about how our political system works, who represents you, the status of legislation, and much more.

To access this benefit, visit the PHCC National’s website at: www.phccweb.org. Under the “Policy & Advocacy” Header, select “PHCC Action Center” and select “Engage”.

![Member Benefit Spotlight: PHCC Action Center](image-url)
PHCC Members Advocate for Key Issues at 2019 Legislative Conference

By Staff Writer, PHCC-National Association

During PHCC’s Legislative Conference held May 7-8, 2019, a very focused and energetic group of professional PHCC contractors, association executives and industry partners took to Capitol Hill to advocate for PHCC members before Congressional members to ensure:

- legislation is passed to address America’s infrastructure needs, especially water system upgrades;
- a regulatory environment that promotes fair competition; and
- affordable health care access for small businesses through Association Health Plans.

PHCC President Ken Nielsen kicked off the event by telling the more than 110 registrants that, “I am pleased to report that PHCC continues to position itself as THE voice of the p-h-c industry. PHCC’s continued commitment to protecting the interests of our members, our industry and health and safety of the nation is critical.”

Conference attendees were treated to a presentation on the current political climate by keynote speaker Carl Cannon, Washington Bureau Chief of RealClearPolitics and Executive Editor of RealClear Media Group, who underscored the importance of grassroots involvement as part of an effective advocacy campaign.

During an issue briefing prior to departing for meetings on Capitol Hill, PHCC members were armed with information about how Association Health Plans will improve health care access and affordability for small businesses and families. PHCC, which has been pursuing the formation of an AHP, supports solutions offered in S.1170 in the Senate sponsored by Sen. Mike Enzi (R-WY) and HR.2294 in the House sponsored by Rep. Tim Walberg (R-MI). “These companion bills would allow contractors who would otherwise be prohibited under the ruling in N.Y.et al vs. U.S. Department of Labor to participate in an AHP,” Nielsen said. “The ability for small businesses and self-employed tradespeople to have a variety of healthcare options from which to choose ensures a competitive healthcare marketplace that keeps costs low.”

The briefing also focused on other key issues, including unfair utility competition. PHCC supports a regulatory environment that promotes fair competition by requiring total separation between a publicly- or investor-owned utility and their related affiliates, and prohibiting the use of ratepayer funds or any other anti-competitive advantage gained as a government sanctioned monopoly to enter a marketplace outside of the provision of utilities. “Taking these steps will ensure a fair and competitive marketplace for the thousands of small and family-
owned businesses we represent,” Nielsen said.

At the PHCC Congressional Reception in the U.S. Capitol, lawmakers including Reps. Chris Collins (R-N.Y.), Steve Chabot (R-Ohio), Jim Langevin (D-RI) and David Schweikert (R-AZ) encouraged PHCC attendees by stating that infrastructure spending is the one issue on which Republicans and Democrats can agree. In a May 14 speech to road construction stakeholders, House Speaker Nancy Pelosi told industry stakeholders “I’m confident that it will happen.” Her sentiment echoes comments made by President Trump during his Feb. 5 State of the Union: “I know that the Congress is eager to pass an infrastructure bill, and I am eager to work with you on legislation to deliver new and important infrastructure investment...This is not an option. This is a necessity.” PHCC will meet again with White House officials to follow-up on discussions about PHCC members’ role in rebuilding America’s infrastructure.

Rep. Tom Suozzi (D-NY), the featured speaker at the PHCC Congressional Breakfast on May 8, shared his regional approach in Long Island to address workforce shortages. “We need plumbers, electricians, welders, computer machinists...People have to get the skills to meet demand,” he said. A bipartisan proposal to include career and technical education funding in a potential infrastructure package lists Rep. Suozzi as an original co-signer, and enjoys the support of PHCC.

PHCC’s next advocacy event will be an education session at CONNECT 2019 featuring legislative and regulatory updates on key issues from PHCC Vice President of Regulatory Affairs Chuck White and Director of Legislative Affairs Mark Valentini.

Insert Federated Insurance Article—Vehicle Preparedness
Protecting your life’s work.

Helping to shield your business and those who matter most. Learn more by contacting your local Federated marketing representative today.

Federated Mutual Insurance Company and its subsidiaries* | federatedinsurance.com

*Not licensed in all states. © 2017 Federated Mutual Insurance Company
We build our products for you, the professional. That means on every job, you can count on:

- **Cutting-Edge Innovation.** Our engineers embrace the latest technology to develop innovative new products and improve our current products.

- **Every Possible Online Tool.** We help you save time and get the job done right, with sales materials, tech videos, spec sheets, sizing tools and more.

- **The Right Products to Help You Meet Your Customers’ Needs.** We provide you with a wide variety of quality products so you can meet the specific needs of your customers.

Our products deserve a skilled, professional installation from pros like you. That’s why our business is being here for your business.

**We are proudly built For the Pro®.**

See more at our website dedicated to the Pro
bwfortheopro.com
Happy Summer! As I write this message, the sun is trying to peek out from behind the rain clouds. Hopefully, we will soon be seeing more summer-like weather.

**Legislative Conference**

Last month, I had the privilege of traveling to Washington, DC, with SDAPHCC President, Tom Hines, for the PHCC National Legislative Conference. We were able to meet and network with individuals from across the country. There is so much to be gained by meeting with one’s peers.

In addition, speakers shared with us some of the latest happenings in our nation’s capitol. I find it interesting to hear a perspective that is different than what the media reports.

The highlight of our trip was the day we spent on Capitol Hill. With Congress in session, it was very exciting to be in the center of all the legislative activity. We were able to meet with the offices of all three South Dakota Congressmen and presented four points of interest for their consideration (see article on next page). In all three meetings, our concerns were well received with no push back.

**Apprenticeships Available**

If you have employees that would make good journeyman candidates, please consider registering them for our federally approved Apprenticeship Program. Simply contact our office to get them started. I would be happy to meet with them and help them take the first steps to a new career.

---

**Invest in the Future of Your Industry**

Your tax deductible donation to the SDAPHCC Educational Foundation helps provide scholarships to students entering the p-h-c industry.

Mail you donation to SDAPHCC, 707 E 41st St, #220, Sioux Falls, SD 57106

For more information, contact the SDAPHCC Office.

Phone: 605-271-7255 or Email: kristie.phcc@midco.net
Four Issues Presented to Law Makers

PHCC members were armed with the following legislative issues as they met with Senators and Representatives during the Legislative Conference on May 8 in Washington, DC.

1 - A Level Playing Field with Utility Companies

Many utility companies offer products and services to compliment the utilities they provide. The use of ratepayer assets to create new retail service companies means utilities are abusing their position as a state-sanctioned monopoly.

- Utilities are using resources financed by ratepayers, while contractors must pay for these expenses out of business revenue, putting them at an economic disadvantage to an entity that’s able to subsidize these expenses through profits earned as a state-sanctioned monopoly.
- Considering every commercial and residential dwelling depends on energy and water usage, utilities have direct marketing access to every individual and business entity in their service regions.
- Utilities leverage the universal recognition of their name and logo. The inferred authoritative nature of utilities, and the link between the utilities provided, and the products and services advertised, may lead consumers to falsely assume upon seeing the utility’s name and logo that the utility is the best or only option available for the peripheral services being offered.

PHCC supports a deregulated utility environment that promotes fair retail competition for small and family owned businesses.

2 - Infrastructure Funding

America’s infrastructure is falling apart. Our bridges and roadways are in visible disrepair. But the infrastructure that is underground is equally as important, and it too is in dire straits.

- In its most recent “report card” on US infrastructure, the American society of Civil Engineers (ASCE) gave America’s drinking water a “D”.
- The American Water Works Association estimates that it would cost $1 trillion to not only address drinking water infrastructure shortcomings but to meet demand for the next 25 years.
- Wastewater treatment is not much better, having received a D+ from ASCE.

It is critical for Congress to pass an infrastructure bill this year with authorization for water infrastructure projects.

3 - Pathway to Sustainable Immigration

Immigrant workers comprise nearly 25% of the overall construction workforce and account for an average of 30% in the construction trades. PHCC recognizes and greatly values immigrant workers in the industry in order to advance our mission. As such, PHCC:

- Supports immigration reform - the goal of which would eliminate illegal immigration.
- Supports expansion or creation of a viable guest worker program that will meet the needs of all sectors of our nation's economy, leading to a skilled labor workforce which contributes to the advancement and productivity of society.
- Supports an efficient employment verification system.
4 - Health are Access and Affordability for Small Businesses and Families

Providing affordable health care options, such as Association Health Plans (AHPs) ensure employees’ overall health, ready access to care, and increased productivity; and cost savings to businesses that free up capital to expand services and workforce. PHCC supports the Department of Labor’s 2018 final rule regarding AHPs, but also believes that AHPs must be exclusive to the association members they serve. They can be achieved by:

- Recognizing the necessity that only employees and former employees of employer members (and family members) be allowed to participate in a group health plan sponsored by the association and that the group or association does not make health coverage offered through the association available to anybody else to promote the integrity of the program.

- Allowing working owners, such as sole proprietors and other self-employed individuals, to act as both employers and employees for purposes of participating in an employer group or association.

PHCC has been pursuing the formation of an AHP, and we stand behind the solution offered in Senate Bill 1170 and in House Bill 2294. These companion bills would make it possible for PHCC contractors to participate in an AHP. The ability for small businesses and self-employed tradespeople to have a variety of healthcare options from which to choose ensures a competitive healthcare marketplace that keeps costs low.
Take advantage of this free webinar provided by PHCC National.

“Three Ad Strategies That Can Earn 10x Returns (and Your Competitors Won’t Get Around to Using)"

June 19, 2019 - 1pm CST / 12pm MST

If you’re like most of us, you want new calls from customers, more referrals and better conversion of word-of-mouth referrals. That means putting yourself in front of your customers again and again and again. To help you do that, we’ve put together our top three ad strategies for 2019...

1. Remember, most of your competitors don’t get around to running proper ad strategies.
2. Or more commonly, they’re still running outdated strategies because it’s easier than trying something new. Who could blame them?
3. That means, now’s your chance to make a go-ahead move for 2019.

So why not use your time to listen to 3 simple advertising strategies, from a group with 15+ years of experience in your field? Our goal is to put these strategies into plain English that even the least tech savvy business owner could follow.

**Learning Objectives:**

- Understand and implement strategy that creates repeat customers
- Understand how customer experiences can lead to business referrals
- Develop a winning ad strategy

Join Matt Horn, Director of Search Products, Lisa Benezra, Search Industry Consultant, and Alain Parcan, Director of Education for this presentation.

To register, visit www.phccweb.org. Under the “Events” Tab, select “Upcoming Webinars”. Scroll down and click on the event. Follow the links to register.
Designed for beauty. Engineered for reality.

Introducing Avery, the hands-free faucet from American Standard. Engineered with touchless Selectronic® functionality, the Avery faucet allows you to turn the water on or off with a wave of a hand. Its soft, transitional design works beautifully in a wide variety of styles and design settings. It’s high-tech performance with stunning design for everyday life. Learn more at americanstandard.com
Whole-House Ventilation

Inside air can be up to 10 times more polluted than the air outside. To combat the issue of poor ventilation, many studies and building science experts indicate that today’s homes need balanced ventilation throughout the day to maintain a healthy indoor environment. *Ask your DSG Sales Rep for details.*

Aberdeen | Mitchell | Pierre | Rapid City | Sioux Falls

dakotasupplygroup.com