

Boiler and Pressure Vessel Bureau
3rd Quarterly Performance Review for FY 2016-2017
6th floor CR, Old Revenue Building
April 18, 2017 at 10:00 AM

Attendees: Art Britt, Phil Hooper, Cliff Dautrich and Don Kinney

Absent: Jack Brinson and Gwen Williams

Scribe: Charity Locklear

Reviewed Boiler's 3rd Quarterly Performance Report and charts.

Strategic Plan Objectives

All objectives were met.

1.1 Combined State and Insurance inspection backlog of items due 30 days after certificate of inspection expiration.

- YTD Actual: 0.97%
- Art – What happens when an insurance company falls behind in inspections, do we charge the insurance company when Boiler inspects the overdue items? Cliff – No. Don will make a call to the insurance companies about the past due object/s and they are good about getting the overdue object/s inspected. When Boiler inspects an insurance covered overdue object, Boiler charges the company that owns the object for the inspection. Some states have it written in their statutes that if a State inspector does an inspection for the insurance company the insurance company must reimburse the company for the inspection fee. N.C. doesn't have any fee legislation stating Boiler has the authority to charge the insurance company for completing their inspection. A 15% backlog is considered good for some states. So, Boiler's numbers are great.

New Strategic Plan

Boiler is creating a new strategic plan. A new strategic plan is made every 4 years. The new strategic plan will be ready for the new performance year starting on July 1, 2017.

S.W.O.T. –

- Goal for Inspectors – Reduce the time to clear violations and if necessary assess penalties.
- Goal for office staff – Create new forms for the bureau.

Art – Does Boiler use assistance from Publications for creating new forms? Don – Spoke to IT about creating forms and IT stated they are often busy, and it would be fine for Boiler to create their own forms. Cliff – Boiler's has a lot of forms that need to be improved and some new ones to create. Boiler's office staff can work on creating the forms. Art – If you can use your office staff that is great. Also, Jackie Stump in Publications went to school for graphic design. Jackie is an additional resource Boiler can use for assistance with creating forms. However, it is fine for Boiler to send their staff to classes that will teach them how to create forms for the bureau. Don – The Boiler Bureau forms are very old.

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1.2 – State inspection backlog of items due 30 days after certificate of inspection expiration.

- 0.27% is great.
- The blue line represents the State backlog and it is still decreasing and this objective 1.2 will end up being better this year than the past 2 years.

1.3 - % of follow-up inspections of pressure retaining equipment for which violations were identified by State inspectors.

- The inspectors are at 100%. They are doing great meeting this objective.
 - Boiler's goal is to stay at or above 95% for this objective.

1.4 – Develop a program to increase public awareness of the dangers associated with the operation of pressure retaining equipment and the inspection requirements of Chapter 95, Article 7A.

- Completed date 12/31/2016.

1.5 – Conduct training for inspection staff. Include in-service and new construction relate curriculum.

- is conducted twice a year in the Spring and Fall.
 - Aug 1-4, 2016 – Completed Fall training.
 - March 8-9, 2017 – Completed Training Spring training

3.3 – S&H Policy 9 and required safety training is reviewed with supervisor and staff

- Policy 9 safety training: Safety training is on schedule.
- There were no workplace injuries this quarter.
- JoAnn did the safety inspection for the Boiler section and had a safety meeting with M&Q and Elevator.

Reviewed Performance charts:

Combined Inspection Backlog >30 Days

The blue bar graph line reflects combined inspection backlog >30 days. The chart looks great still remaining below target.

State Inspection Backlog >30 Days

The State inspection backlog is down and looks great.

The Percent of State Violations with Follow Up Inspections Conducted Within 90 Days

The inspectors are doing great and are at 100% for follow-up inspections.

Inspector Statistics Through the Third Quarter 16/17

Art – Are the inspectors listed in any type of order? Cliff – Yes. Bailey through Harrell are eastern inspectors and Sims through Kirkman are western inspectors. There are no problems with any of the inspector's inspection numbers. One inspector has 0 expired objects in his territory.

Insurance Inspection Statistics Through the Third Quarter 16/17

Hartford Steam Boiler is at 1.82% of objects expired 16/17 YTD. Their numbers of expired objects decreased from last quarter.

Zurich is getting out of the in-service business. Zurich has 3,444 objects to inspect. Hartford will be taking over most of their clients.

Art – Do insurance companies only inspect their insurance objects? Cliff – Yes.

The ASME and NB accredit “Third Party” inspection agencies that are not insurance companies. The statute prohibits them from getting NC inspector commissions and it is likely that they will one day request us to change the statute.

Total Objects Registered in North Carolina Through the Third Quarter 16/17

The Boiler Safety Bureau and insurance companies have a total of 92,198 total registered for the Third Quarter. Approximately 2/3's of the objects registered in North Carolina are inspected by insurance companies and 1/3 of the registered objects are inspected by the State.

BSB Registered Objects July, 2007 – March, 2017

The number of insurance objects are inching up a little bit and the State objects are trending down a little bit.

New Objects Registered in North Carolina (All new objects inspected by BSB)

North Carolina is on target to beat the last 2 years for total number of registered objects.

Staff Statistics

Hard Copy Reports – Third Quarter 16/17

100% of hard copy reports were processed by staff within 5 days of receipt. HSB still sends in hard copies to that are entered in by the office staff.

Print Jobs – Third Quarter 16/17

Reviewed chart.

Nuclear Objects

HSB inspects objects at operating nuclear plants. Cliff – This is allowed under a variance because of security concerns and exposure to radiation. Phil – Please look at finding the literature that the BSB not doing the first inspection of a nuclear object. Cliff – Is looking into it.

Penalty Worksheets for the Third Quarter 16/17

- Penalty worksheets delivered = 50
- Invoices Paid = 6
- Total Payments = \$490
- Total Businesses Closed = 11
- Total New Owners = 1
- Total Outstanding Invoices = 108

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Cease Operation Letters

Art – What is the process of ceasing the operation of a boiler? Cliff – We send a certified letter and explain the history of inspections and violations. We order them to “Cease Operation” and notify them of their right to appeal. Cliff – Dry cleaners with boilers and mobile home parks with hydropneumatic tanks are the likely recipients of “Cease Operation” letters, usually because they don’t have the money to replace them.

Art – Is there a Boiler market for used boilers? Cliff – Yes.

Shop Activity and Income Through the Third Quarter 2016/2017

Controls SE went to HSB.

Boiler does R Stamp review audits. Art – What are R stamp reviews? Cliff – Boiler is accredited by the National Board to audit companies in North Carolina that do repairs and alterations. Cliff, Don, Greg Davis and Ray Payne are certified NB Team Leaders. Phil – Why does Boiler do inspections for the National Board? Cliff – Boiler does the inspections for the National Board because it saves the business in North Carolina money when a local Team Leader does the audit. The audit fee and travel expenses are much less than the National Board would have to charge. Shop Activity: 294 visits = \$137,722 Audits and Reviews Income: R Stamp Reviews 4 = \$2,451 and 17 Audits = \$15,009.

Boiler Safety Bureau Income and Expenses

Cliff reviewed Jason Holtz new Income and Expenses for Boiler’s 3rd Quarter. Art – What are the red numbers? Cliff - Negative numbers. Cliff 1310 Boiler Expenditure Report (04/12/17) – **Bottom line \$283,067.59**. The bottom line is the most important. Boiler is doing good.

Incidents

There were 2 incidents during the 3rd Quarter:

1.

NCSU - January 20, 2017 – Still under investigation

- Heat exchanger may have frozen and cracked. Pressure from refrigerant leaked into piping that was worked on.
- A worker was working on some portable piping that was sealed and he didn’t know it was under pressure. A sealed cover that was under 50 lbs. of pressure blew off the piping and killed the worker. Art – Why was the piping on the outside of the building on portable trailers? Cliff – The trailer is moved from location to location when existing units are being worked on.
- Six pressure vessels found on a trailer that had not been registered and inspected.
 - Cliff – Attorneys showed up while Boiler’s investigators were out there. Cliff – Boiler had to tell NC State that Boiler is required to inspect pressure vessels. Art – Do we penalize them for non-inspection of the pressure vessels? Cliff – No. Boiler usually doesn’t. Boiler wouldn’t issue a civil penalty having objects not in operation and completely disconnected for a couple of months. Phil – When was the last time the items were in use? Not known.

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2.

Lake James Lodge - April 12, 2017 – CO Poisoning in rest home

- Eight residents admitted to hospital and doctor discovers elevated CO levels. One resident was admitted to the hospital and the other seven residents were released.
- Doctor notifies fire department, they found 300ppm CO in building and evacuated it.
- Eight more residents taken to hospital.
- No problems found with the boiler! Possible atmospheric conditions?
- CO detectors were upgraded.

Cliff - The Alarms for carbon monoxide were set at 400 ppm. Alarms should be set at 35ppm CO which is the OSH threshold limit. Many alarms are sold to alarm at 400 ppm and there is no law that requires otherwise. Art – What is the normal level for CO. Cliff – Zero.

General Information

Ray Payne is officially out on short term disability.

An interim supervisor will be appointed.

A Wake County position will be posted.

Boiler passed their ASME survey for renewal of AIA accreditation.

Don had a BSB information booth in Greensboro at the PHCC on 4/12/17 and had some free handouts, Labor Law posters and DOL pamphlets. Don – There were about 75 people that showed up. Art – Did they ask many questions? Don – Yes. The attendees asked several questions. Don – Definitely, it is worth the time and travel to attend the PHCC.

Mark Hutchens has been driving Enterprise because of a safety recall on his current state vehicle and Motor Fleet stated there is no way to fix the vehicle. Cliff – Definitely, Enterprise car rental is cheaper than Motor Fleet. The monthly cost for the rental has been less. \$654 vs. \$700 per month. Motor Fleet will not replace the car. Art – When there is a recall, Motor Fleet is supposed allow a trade in for another vehicle. Turn in the vehicle that has the recall and send an e-mail to both Phil and Art. Phil – Is Motor Fleet still charging Boiler the \$35.00 per month? Cliff – Yes. Phil – Turn the vehicle in. Cliff – Derek's State Caravan has bad brakes and is riding on a spare. Art - Motor Fleet stated that they need a two week notice when turning in a car and they will provide a new car to replace the old one. Phil – Turn in the old car. Art – The vehicle is unsafe to drive and the NCDOL will not allow employees to drive an unsafe vehicle nor will NCDOL pay the fee to Motor Fleet for an unsafe vehicle. Cliff – It is cheaper to use Enterprise. Art – Will follow-up with Kevin at Motor Fleet about turning Motor Fleet vehicle in. Phil – Cliff can follow up with Wage and Hour about turning vehicles in to Motor Fleet.

Survey Card

Survey comments were passed and reviewed. About 15 % of the survey cards that are mailed out are returned.

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Phil – Do your inspectors call in advance prior to an inspection? Cliff and Don – No. Yes, if it is dealing with shutting equipment off.

Next Boiler Quarterly Performance Review meeting will be held July 18, 2017 at 10:00 A.M. in the 6th floor CR, ORB.

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