

Boiler and Pressure Vessel Bureau
1st Quarter Performance Review for FY2016-2017
6th floor CR, Old Revenue Building
October 18, 2016 at 10:00 AM

Attendees: Art Britt, Phil Hooper, Cliff Dautrich and Don Kinney
Absent: Jack Brinson and Adrienne McLean
Scribe: Charity Locklear

Cliff Dautrich reviewed Boiler's First Quarter Performance measures report & charts.

First Quarter Performance Measures Report FY2016-2017

Boiler is currently meeting all standard objectives for the 1st Quarter except:

93% of follow-up inspections of pressure retaining equipment for which violations were identified by State inspectors.

- Don Kinney is going to look into objective 1.3. It is the toughest objective to meet. Google switched over from Insurance inspections to State inspections. 95% is the goal and Boiler is at 93% for the first quarter report.

Art – How many inspections were not followed-up on? Cliff – You have to look at the violations. Don – You have to try to figure out the total number of inspections and inspectors. It is a %. Eight follow-up inspections were not done for the entire Bureau for the first quarter.

Combined Inspection Backlog >30 Days

Cliff – The combined backlog >30 days is doing better than the past few months. Art – The bureau had a vacancy (Bill Case's) old territory. Cliff – Yes, Ray Payne was promoted and Boiler could not find a geographical location to justify hiring an inspector. So, the inspector position is on hold for now. Don – Dean Strickland is employed though a temporary service for the State and does inspections 3 to 4 times a month. Cliff – If Boiler was to lose the position and Boiler has a need in the future for the position, Boiler could ask for the position back. Art – You would have to re-draw new geographical lines for the inspectors. Cliff – Yes.

Compensatory Time

Art – Does Boiler have anyone with compensatory time on the books? Cliff – Yes. Don Kinney has 2 big trainings with the National Board which will add some compensatory time. Don Kidd has a few hours and Cliff has a few (not many).

Inspector Statistics Through the First Quarter 16/17

One inspector has a high number for the % of objects expired. The supervisor is working with the inspector to reduce the number of objects expired in the inspector's territory.

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Loss of Objects for the Year

Art – is it too early to know if we have lost any boilers. Cliff – Yes, it is still early. However, there probably will be some loss of boiler objects in Greenville and Kinston areas.

Insurance Inspection Statistics Through the First Quarter

HSB is at 2.12% - The lowest they have ever been. Their target is 2.5%. Cliff spoke to HSB a couple of weeks ago and they stated that they had hired a couple of new inspectors.

HSB and Praeses are working together; however, Heartford will not buy into Praeses.

Total Objects Registered in North Carolina Through The First Quarter 16/17

The total number of registered objects have been trending up since 2006 and 2007. As insurance objects trend up BSB's objects trend down and as BSB's objects trend up the insurance companies trend down. BSB's objects have been trending up the last 3 months.

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

Cliff – New objects being registered and causing objects to trend up may be a sign that the economy is getting better. If that is the case, then BSB may need to hire a new inspector in a couple of years. (Note: New Objects will total 6,424 in 16/17 if this pace continues!)

Staff Statistics Hard Copy Reports – First Quarter 16/17

100% of hard copy reports were processed by staff within 5 days of receipt

The invoice system has been revised and the system is only doing 3 invoices now. It has taken months to remove the 4th invoice, but now it is done.

Interest and Penalties

Art – Does Boiler have a Statute that allows Boiler to assess interest and penalties. Cliff – No. Some other statutes do.

“R” Stamp

Don Kinney is going to attend the National Board Team Leader school on November 29 and 30. When he passes the exam on December 1 he will be qualified as a Team Leader and able to review R stamp programs for the National Board.

Shop Activity and Income Through The First Quarter 2016/2017

1st Quarter – 109 visits = \$52,639

Audits and Review

R Stamp Reviews - 0 = \$0.0

Audits – 7 = \$6,286

Boiler Safety Bureau Income and Expenses

BD 701 Net for September is in the Red (\$35,993.62). Cliff doesn't understand why the income is in the red. Phil – Ask Jack why BD 701 – Line Item is in the red. Art – Please e-mail this slide to Art so he can ask Budget about it.

Big Upcoming Expenditures

Cliff – Boiler has split the expenditures for computers into thirds. One third of new computers will be purchased this fall. The renewal of the ASME AIA accreditation will require a \$11,000 deposit this fall.

Art – Has Boiler put together an annual budget for expenditures for this FY2016-2017? Cliff – Yes

Phil – How much was carried over from last year? What was the reversion given back to the State?

Boiler should have plenty of money to pay for equipment, training and expenses.

Cliff – The OSHA Technical Institute gave a full day of Incident Investigation training tailored to the Boiler Safety staff in September during All Employee week at the McKimmon Center.

Incidents

There were no reported incidents during the 1st Quarter and no inspectors injured on the job during the 1st Quarter.

Ray Payne is getting a new endorsement. He is currently doing work at GE now.

The Carthage Famous Antique Boilers Show

It is (3) weeks before Carthage has their Famous Antique Boiler show. Boiler started inspecting antique boilers (3) years ago. The antique boilers are on 5-6 years' inspection cycle. It takes 2 men 2 days to inspect one antique boiler. Boiler receives \$45.00 a day and loses thousands of dollars in potential income due to the time it takes to inspect one antique boiler they require (2) inspectors to inspect.

We plan to attend the show this year to determine if the boilers in operation have been inspected and if they are following the guidelines in the Historical Boiler Safety program.

The testing starts on Monday. Boiler has asked that water be provided for testing.

Cliff is working with Jane Gilchrist to make some changes in the current statute. Cliff may recommend changes that require more time for inspection and that violations be corrected before exhibition.

Phil – If the violations are not corrected, could it cause eminent danger? Don – Yes. Art – Does the changes have to be made to the Statutes or Rules? Rules – Antique Boiler can't run in N.C. if repairs are needed. Cliff – The current Statute states that the repair needs to be made within 60 days. Phil – Does the violation remain open from the previous year? Cliff – Yes.

There is a Public Hearing scheduled for November 16, 2016 to expunge the Board from the Rules.

We have been asked to issue Commissions to 3rd party inspection organizations. The statute currently prohibits it. The ASME and National Board accredit third party inspection organizations and 21 states accept them. The issue may have to be addressed in the future.

Next Boiler Quarterly Performance Review meeting will be held on January 24, 2017 at 10:00 A.M. in the 6th floor CR, ORB.

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